NASPERS

Annual financial statements

for the year ended 31 March 2021

Improving everyday life
for millions of people...

Statement of responsibility by the board of directors

for the year ended 31 March 2021

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 separate annual financial statements presented on pages 29 to 189.

We have prepared the consolidated annual financial statements of Naspers for the year ended 31 March 2021, 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 separate 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 on 21 June 2021.

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 21.

The consolidated and company annual financial statements were approved by the board of directors on 19 June 2021 and are signed on its behalf by:

Koos Bekker
Chair
19 June 2021

Bob van Dijk
Chief executive

Certificate by the company secretary

for the year ended 31 March 2021

In terms of section 88(2)(e) of the Companies Act No 71 of 2008 I, Lynelle Bagwandeen, in my capacity as company secretary of Naspers Limited, confirm that for the year ended 31 March 2021, 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 Bagwandeen
Company secretary
19 June 2021

Directors' report to shareholders

for the year ended 31 March 2021

GENERAL INFROMATION

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, travel, education, health, etail and social and internet platforms.

OPERATING REVIEW

The year ended 31 March 2021 (FY2021) was an extraordinary period. Despite the challenges, the group has delivered strong results across its portfolio and made good progress against its strategy. Group revenue, measured on an economic-interest basis, grew 34% (32%) to US$29.6bn, a meaningful acceleration of 17pp (9pp) on the same period last year. Group trading profit grew 49% (45%) to US$5.6bn.

Seven years ago, we set out a strategy to build valuable, global consumer internet businesses. We focus on high-growth markets, where our platforms can provide useful products and services for millions of people in their everyday lives. In recent years, we have deliberately repositioned the group for an increasingly online world and invested effectively to accelerate growth and deliver good returns across our portfolio.

Over the past 12 months this strategy and the momentum we have built has paid off. The group has benefitted from its online focus, its global reach, diversified operations and strong financial footing. Our teams have also adapted well to the changing operating environment.

This has meant we have been well placed to effectively respond to the world's increased demand for online products and services which has been triggered by Covid 19. Our businesses across online classifieds, food delivery, payments and finance technology, education technology and online retail have continued to serve and support their customers and communities. We have also identified promising adjacencies for our existing businesses as well as new business models through our global Ventures team.

In FY2021 our businesses grew stronger, building on the momentum they had at the end of the previous year. . For some businesses, there was initial adverse impact in the face of early lockdowns and restrictions. We adapted quickly, and as restrictions eased and the pandemic drove more people online, we were ready to meet heightened consumer demand with products and services that helped people and their communities through difficult times. At a local level, we also provided additional support to our people, partners, customers, communities and in some cases, governments, to help our stakeholders respond to Covid 19. Separately, we enhanced our commitment to environmental and social issues, and we are carbon neutral as a group, having offset our emissions for the past financial year.

During the period, we accelerated revenue growth, improved profitability and cash generation, and grew customer numbers. All core ecommerce segments made progress against their financial and strategic objectives. Classifieds performed well under tough circumstances and recovered in the second half, regaining financial and operational momentum by focusing on continued innovation with products that support users along their transaction journey. Food delivery and etail performed exceptionally well as customers shifted from offline to online. After an initial drop in volumes in India as the country entered lockdown, our payments and fintech business rebounded, reflected in accelerating volumes. Finally, our investments in edtech began to bear fruit, driven by increased adoption by students working from home.

Tencent recorded another strong financial performance. We believe it remains very well positioned for growth. We remain committed long-term investors in Tencent.

We are focused on building further value across our businesses and see significant upside in some new opportunities in which we have invested. Notably, in adding the autos transaction businesses to our classifieds operations, a broader on-demand delivery ecosystem in our food-delivery segment, expanding into digital banking in payments and fintech, and in the promising new segment of edtech, which will be reported on from 1 April 2021.

Over the years, we have increased our financial flexibility, allowing the group to pursue its growth objectives. This has enabled us to invest in expansion and in ourselves. To illustrate this, we announced a US$5bn share-purchase programme of Naspers and Prosus stock. This was implemented through on-market acquisitions of US$1.4bn Prosus N ordinary shares, completed in February 2021. In addition, US$3.6bn Naspers N ordinary shares which will be completed by the end of June 2021.

OPERATING REVIEW (continued)

Prosus voluntary share exchange offer to Naspers shareholders

On 12 May 2021, Prosus announced a voluntary share-exchange offer to acquire 45.4% of Naspers shares. We believe this is a useful step in unlocking value for both Naspers and Prosus shareholders by reducing Naspers's outsized weighting on the Johannesburg stock exchange (JSE). It will help Prosus in more than doubling its free float on the stock market to 59.7%. Naspers shareholders will derive immediate value accretion from exchanging their shares into the lesser-discounted Prosus shares. This value should compound at a lower discount over time as Prosus's value grows. Naspers shareholders should also benefit from net asset value (NAV) accretion at the Prosus level. Importantly, while we are resizing Naspers on the JSE for the long term, it remains the largest company in South Africa by market capitalisation. For Prosus shareholders, buying Naspers shares at a higher discount will be NAV accretive, as Prosus will buy high-discount shares with lower-discount shares. The transaction should unlock billions of dollars of value and assist future value creation. Further, it addresses a driver of Naspers's discount by almost halving its index weighting, while remaining South Africa's most valuable company on the JSE. In addition, it improves Prosus's investment profile, increasing its free float's economic exposure to NAV by over 100%. It is backed by a US$5bn buyback to support the transaction and stimulate orderly trading. The transaction is expected to close in the third quarter of 2021. For further details, please go to https://www.share-exchange-offer.com/.

Given the wide geographical span of our operations as well as significant mergers and acquisitions (M&A) in ecommerce, reported earnings are materially impacted by foreign exchange movements and the effects of acquisitions and disposals. Where relevant in this report, we have adjusted for these effects. These adjustments (pro-forma financial information) are quoted in brackets after the equivalent metrics reported under International Financial Reporting Standards (IFRS). A reconciliation of pro-forma financial information to the equivalent IFRS metrics is provided in "Other information – Non-IFRS financial measures and alternative performance indicators" of these summarised consolidated financial statements.

FINANCIAL REVIEW

The group delivered strong results for the year ended 31 March 2021. Group revenue, measured on an economic-interest basis of US$29.6bn was driven by ecommerce revenues, which grew 46% (55%) year on year, and Tencent which grew 32% (28%) year on year. Group trading profit grew 49% (45%) to US$5.6bn. Aggregated trading losses in our Ecommerce segments reduced by 47% (49%) or US$384m to US$439m. Trading profit of our profitable ecommerce businesses grew by 44% (49%) to US$450m. Tencent's contribution to the group's trading profit improved 33% (29%).

Core headline earnings were US$3.5bn – up 21% (15%), driven by improved profitability from our ecommerce units and the growing contribution from Tencent.

On a consolidated basis, total revenue increased by US$1.9bn, or 48%, from US$4.0bn in the year ended 31 March 2020 to US$5.9bn in the year ended 31 March 2021, primarily due to Food Delivery and Etail. Operating loss increased from US$469m to US$1.2bn despite the significant, improved performance in revenue and profitability across most of our segments. This was primarily due to an increase in the cash settled share-based payment expense as a result of marked improvement in ecommerce and tech valuations. The strong performance of our businesses over the past year drove an increase in valuations of these businesses and therefore an increase in the cash settled payment liability.

Our equity-accounted results in equity-accounted companies increased by US$3.2bn, or 81%, from US$3.9bn in the year ended 31 March 2020 to US$7.1bn in the year ended 31 March 2021. The increase is driven primarily by Tencent and Swiggy which reported improved profitability during the year. The equity accounted results include investment disposal gains of US$1.1bn, impairment losses of US$968m and net fair value gains on financial instruments of US$2.5bn

In August and December 2020, Prosus raised US$4.4bn in debt, comprising its longest-dated US dollar offering to date and its debut euro notes offering. Strong investor demand resulted in attractive pricing that reduced our average funding cost. The group has no debt maturities due until 2025.

We ended the period with a strong and liquid balance sheet. We had net debt of US$2.7bn, comprising US$5.2bn in cash and cash equivalents (including short-term cash investments), net of US$7.9bn in interest-bearing debt (excluding capitalised lease liabilities). In addition, In April 2021, we received US$14.6bn from the sale of a 2% interest in Tencent Holdings Limited. Proceeds from this sale further strengthened financial flexibility for further investment. We also hold an undrawn US$2.5bn revolving credit facility. Overall, we recorded a net interest expense of US$167m for the period.

Consolidated free cash outflow was US$4m, an improvement on the prior year's free cash outflow of US383m. This was driven by growth in our ecommerce profitability, dividends received from Tencent of US$458m (2020: US$377m) and improved working capital management.

FINANCIAL REVIEW (continued)

We continue to explore growth opportunities to expand our ecosystem and position the business for sustainable growth. Across the group, we invested US$3.6bn.

In Classifieds, we merged letgo and OfferUp into a business with national reach across the United States, well positioned in a highly competitive market. As part of the transaction, we contributed US$100m to support its continued growth and monetisation. We injected our Middle Eastern classifieds assets into Emerging Markets Property Group (EMPG) and contributed US$75m in a financing round that valued the business at over US$1bn. Our joint venture, OLX Brazil completed the US$520m (BRL2.9bn) acquisition of leading real estate vertical, Grupo ZAP, strengthening its positioning in the real estate market.

In food delivery, we acquired an additional 8% interest in Delivery Hero on 31 March 2021 for US$2.6bn, to offset current and future dilution. We remain the largest shareholder.

In payments and fintech, we invested an additional US$67m in Remitly to expand its suite of products.

Finally, we focused on increasing our exposure to edtech by investing US$60m in Eruditus, a global professional higher-education online platform. In November, we announced a total investment of over US$500m in Skillsoft via Churchill Capital Corp II's special-purpose acquisition company. The transaction will create a leading digital learning company with a comprehensive suite of on-demand and live virtual content.

There were no new or amended accounting pronouncements effective 1 April 2020 with a significant impact on the group's consolidated financial statements.

Effective 1 April 2020, the group made a voluntary change to its accounting policy on the subsequent measurement of written put option arrangements with non-controlling shareholders. Subsequent changes in the carrying value of put option liabilities previously recognised in the income statement in 'Other finance income/(costs) – net' are now recognised through equity. We adopted this change in accounting policy retrospectively, but the impact is insignificant to the summarised consolidated statement of financial position as all previous remeasurements recognised through the income statement are already accumulated in equity as at the effective date of the change. Refer to note 2 for details.

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

The following segmental reviews are prepared on an economic-interest basis (which includes consolidated subsidiaries and a proportionate consolidation of associates and joint ventures), unless otherwise stated.

SEGMENTAL REVIEW

Ecommerce

Ecommerce revenue grew 46% (55%) to US$6.8bn, led by 98% (127%) growth in food delivery and 63% (57%) growth in etail. In addition, our classifieds and payments and fintech segments reported solid results on the back of a sharp recovery to pre-Covid-19 levels in the second quarter as governments eased lockdown regulations.

Aggregated trading losses in our ecommerce segments reduced by 47% (49%) or US$384m to US$439m, driven by a US$393m improvement in profitability from our food delivery and etail businesses. For FY2021, etail reported a trading profit of US$61m compared to a US$63m loss in the prior period. Classifieds as well as core payments and fintech remain profitable.

Revenues from our profitable ecommerce businesses totalled US$4.2bn, with trading profits of US$458m, reflecting growth in local currency of 41% and 49% respectively.

Classifieds

Of all our segments, classifieds was most affected by the global pandemic. Trade volumes initially declined after sudden and strict lockdowns in many markets, which reduced demand for large purchases and impeded physical transactions. We responded quickly by providing digital alternatives and investing in our customer relationships by offering discounts. Towards the end of the first quarter, as lockdowns eased and our customers discovered ways to cope with restrictions, traffic metrics quickly recovered and we regained momentum, supported by our innovations. Despite continued business disruptions from pandemic-related restrictions in many of our markets in the second half, classifieds maintained strong growth. Average monthly active users (MAUs) reached 322m at year end, compared to 300m in the previous year. Buyers and paying listers also trended ahead of the prior financial year.

Classifieds ended a challenging year with a solid second-half performance, demonstrating the resilience of the business model, with high revenue growth and user adoption across the portfolio.

SEGMENTAL REVIEW (continued)

Ecommerce (continued)

Classifieds (continued)

During the year, we also witnessed consumers becoming more comfortable with online transactions. We expect this trend will continue to drive our strategic agenda – to develop an ecosystem of products and services to support our customers throughout their transaction journey.

Classifieds revenue grew 24% (18%) to US$1.6bn from US$1.3bn in FY2020. This reflects the strong recovery in the second half, where revenues in local currency (excluding M&A) grew 36% compared to -4% in the first half of FY2021.

Trading profit of US$15m decreased from the prior year as the segment continued to develop and invest in products and solutions that provide a more efficient marketplace for its customers and drive long-term growth. Marketing investment also increased year on year, particularly in the second half when it steadily ramped up to aid the strong recovery and capitalise on market opportunities in some of our businesses. This resulted in a 2% drop in trading margin from the prior year.

Despite the challenges, our traditional online classifieds business grew 10% (13%) for the year. This represents growth in local currency (excluding M&A) of 23% in the second half of the year compared to just 4% in the first half. Trading profit improved -2% (-3%) to US$106m for the year. Founded on our product-centric mindset and strengthened by marketing investment, Russia and Europe remain the drivers of our classifieds business.

During the year, we strengthened our full horizontal classifieds ecosystem by launching pay-and-ship in Poland and Brazil. We also enhanced our pay-and-ship proposition in Russia and Eastern Europe. We will continue to move deeper into our stronghold markets and categories, and expand our offering to enhance the journeys of those customers.

In Russia, Avito continued to invest in enhancing trust and safety across the platform and in building a customer-centric ecosystem. Offerings such as pay-and-ship have resonated with customers in a contactless environment. These initiatives improved the customer experience, driving a 21% increase in monthly unique buyers for the year and 6% (20%) increase in revenue to RUB31bn (US$415m). Trading profit remained strong but decreased 16% (-3%) year on year. Trading margins were also strong, but declined to 40% from 51% in the prior year, reflecting the noted investments and increased marketing to reactivate growth after initial lockdowns.

In Europe, we continued to develop a dynamic customer-friendly ecosystem. We expanded our transactional adjacent footprint by acquiring KIWI Finance, a mortgage broker in Romania; Carsmile, a car-leasing provider in Poland; and Obido, a real-estate platform for the primary market in Poland. In a very difficult operating environment, revenue grew 13% (11%) to US$351m, driven by key markets in Poland, Ukraine and Romania. The business recovered strongly in the second half and revenues accelerated to US$194m, growth of 21% in local currency excluding M&A. The region delivered a healthy trading profit margin of 32% after investment, compared to 43% in the prior year. Poland, our largest market in Europe, generated revenue of PLN772m (US$200m) for the year, up 8% (5%) despite a severe second Covid-19 wave and unfavourable macroeconomic conditions in the autos segment. The European business will continue to expand transactional models, accelerate pay-and-ship services across the region and rapidly develop the car-trading business in Poland.

In Brazil, operational metrics recovered to pre-pandemic levels in the second quarter of FY2021. The business completed the acquisition of Grupo ZAP and VivaReal in November 2020, which contributed an additional BRL58m (US$11m) revenues for the second half. The integration of these organisations is progressing in line with plans, with a special focus on aligning commercial efforts. In total, the business generated revenues of BRL242m (US$44m) for FY2021, up 2% (2%) on the prior year. Revenues for the second half were BRL159m (US$29m), 38% (10%) higher than the first half when OLX Brazil revenue declined 32% (5%). Trading losses reduced to US$1m, resulting in a margin of -2% compared to -5% last year.

The transactions business, formed after the merger of Frontier Car Group, continued its strong momentum despite major disruptions at inspections centres across its markets. Transactions grew strongly in the second half as lockdown restrictions were relaxed. In the second half, 63 000 cars were sold, despite only 85% of inspections centres being operational on average, compared to 37 000 cars sold in the first half in our key markets in Latin America, India and Indonesia. In total, transactions revenue grew 59% (27%) to US$625m for FY2021. This reflects second-half growth of 61% in local currency excluding M&A, compared to a decline of 23% in the first half when inspection centres were largely closed. Trading losses increased 39% (6%) to US$97m for the review period as the business continued to invest to facilitate end-to-end transactions with an ecosystem of online and offline solutions that enhance convenience and address trust and safety issues.

For our newly merged associates, OfferUp generated strong revenue growth in the US. This was led by the successful merger of the letgo US business, accelerating advertisement revenue and an increase in car transactions. In the Middle East, we merged operations in four markets (United Arab Emirates (UAE), Pakistan, Lebanon and Egypt) with EMPG, a leading classifieds portal with a geographic footprint across the Middle East and south-east Asia. We retained a minority stake in the much larger entity.

SEGMENTAL REVIEW (continued)

Ecommerce (continued)

Food Delivery

While tragic at a human level, the pandemic validated the group's investment thesis in food delivery and accelerated the customer shift to online food delivery. Despite operational challenges presented by the pandemic, the segment recorded rapid growth in most portfolio companies, except India. In India, government-imposed lockdowns had a large impact on the business initially, although it steadily recovered to the end of the year. Importantly, our portfolio companies gained scale during the year and we believe post-pandemic prospects for on-demand food delivery remain positive worldwide.

The segment recorded 64% (70%) growth in gross merchandise value (GMV) and order growth of 52%, resulting in revenue growing 98% (127%). Similarly, trading losses improved 43% (42%) year on year from a loss of US$624m in the prior year to US$355m in FY2021, benefiting significantly from scale efficiencies.

The segment's first-party (1p) logistics-enabled delivery continued to grow strongly and significantly faster than the third-party (3p) offering, justifying our investment to build the 1p service. iFood's 1p orders in Brazil accounted for 35% of total orders and exceeded the combined volumes of its competitors. Similarly, Delivery Hero shifted its business models to 1p and increased 1p share in total deliveries to 61% (+24pp year on year).

iFood maintained its strong position in food delivery in Brazil, with a growing presence in Colombia. Revenues grew 134% (205%) year on year, driven by increased customer engagement, higher order frequencies and expansion into loyalty programmes. For the year, iFood's restaurant base expanded by 73%, with 284 000 enabled restaurants now on the platform. Strong order and revenue growth meaningfully improved trading losses, which dropped US$204m (US$192m) or 83% (81%) to US$43m for the year.

Delivery Hero maintained its strong presence in 50 markets globally. For the year to 31 December 2020, it reported order growth of 96% and GMV growth of 66% to €12.4bn. Total segment revenue growth was strong at 95% to €2.8bn. Our share of Delivery Hero's revenues and trading losses were US$615m and US$195m respectively. By the end of 2020, Delivery Hero achieved its goal to operate over 400 Dmarts (small Delivery Hero-owned warehouses in strategically relevant locations for delivery). It now operates 603 Dmarts across the world, catering to evolving customer needs with an increased focus on convenience and speed of delivery. In March 2021, Delivery Hero closed the transaction on Woowa Brothers Corp. Woowa operates the largest online food-delivery platform in South Korea and, in 2020, processed 729m orders (+75%) and generated GMV of €11.6bn.

Following the Woowa transaction, the group acquired 8.18% additional ownership in Delivery Hero for US$2.6bn. This will offset existing and future dilution from convertible issuances, employee exercises and stock issuances. After being diluted down to 16.81%, this purchase increased our shareholding in Delivery Hero to 24.99%. Prosus has a long-standing relationship with Delivery Hero – we want to remain a significant shareholder, but do not intend to buy more shares at this time. More information on Delivery Hero's results is available at https://ir.deliveryhero.com

While the pandemic accelerated the shift to online across the board, government-imposed lockdowns and restrictions in India led to different dynamics, with some setbacks for Swiggy. At the onset of the pandemic, restrictions diminished restaurant supply, restaurant workers and delivery partners and led to supply-chain disruptions. To navigate the new operating environment, Swiggy reduced overhead costs and reactivated users through various promotions. After restrictions eased during the year, the market gradually recovered. GMV was at 100% of pre-Covid-19 levels by December 2020. Swiggy's revenue contribution grew a modest 2% (3%), but due to proactive initiatives, our share of its trading losses for the period improved by a meaningful 59% (58%). Since year end, the situation in India has deteriorated. While the impact on Swiggy has not been as extensive as at the onset of the pandemic, many people and their communities are facing significant challenges. We continue to monitor the situation carefully and at a group level we are making further contributions to the country's response to the pandemic through a partnership with Phillips to donate much needed ventilators.

Even before the pandemic, the food-delivery market was on the cusp of a tech-enabled shift in dining habits, with increasing numbers of meals being ordered for delivery as people switched from home-cooking and on-premises dining in restaurants. However, online food delivery still accounts for under 10% of global food-service spending. Given the high-frequency use patterns, promising engagement metrics and growing importance of convenience in people's daily lives, we believe the opportunity is now broader than we initially envisioned.

We expect an evolution towards a broader on-demand delivery ecosystem. The restaurant category is massive in its own right and remains our core focus. However, we have identified the opportunity to serve as a one-stop destination for a variety of products and services where we can offer express, on-demand delivery characterised by more frequent touchpoints with customers. The focus is on verticals such as convenience groceries and logistics. These fit well with the core food-delivery business, and are logical and synergistic extensions.

SEGMENTAL REVIEW (continued)

Ecommerce (continued)

Payments and Fintech

Our payments and fintech segment reported strong financial results, despite the setback in India in the early months of the pandemic. Revenue grew 35% (36%) to US$577m and trading losses remained flat for the year at US$68m compared to US$67m in the prior year. Increased profitability from the payments service provider (PSP) business partially offset continued investment in the credit business. Trading profit in the core PSP business grew 150% (150%) to US$15m.

PayU continues to benefit across its markets from the shift in consumer behaviour to transacting online, and small and medium-sized enterprises digitising their business models. Total payment value (TPV) was US$55bn, up 45% (51%), supported by a 38% increase in number of transactions.

Our Global Payments Operations (GPO), mainly in Europe and Latin America, maintained the accelerated growth rates of the first half, as consumer preferences remained online and local regulations supported digital purchases. GPO processed volumes grew 54% (61%) to US$28bn, driven by a 51% increase in transactions processed. The acquisition of Iyzico has strengthened our position in Turkey, with volumes in the region doubling over the year

India, our largest market, was affected in the first quarter by the country's severe lockdown restrictions. These led to a halt in the travel and hospitality sector and major supply-chain disruptions. India's TPV increased 24% in the first half. As regulations eased and digital payments adoption increased, the business recovered strongly and TPV grew 59% in the second half. This was supported by higher online transactions in ecommerce and a decline in cash-on-delivery, both positive trends for the business long term. Additionally, diversifying into resilient segments like financial services, education and bill payments offset the decline in the travel and hospitality segment. After a strong second half, total payment value grew 37% (42%) to US$27bn. This saw the business more than double transaction volumes from US$12bn in FY2018, despite challenging circumstances, through innovation and revenue diversification.

In December 2019, we increased our investment and acquired PaySense, expanding our Indian credit product offering and book size. In response to the pandemic's impact on the economy, the regulator imposed a loan moratorium to end-August 2020. We minimised our loan disbursements in the first half to manage portfolio risk. In the second half, loan disbursements were gradually reinstated, with issuances of US$134m in FY2021 and a year-end loan book of US$64m. We are optimistic about the credit opportunity but, given the current situation in India, we will remain prudent and manage our risk.

In August 2020 and October 2020, PayU invested an additional US$53m and US$14m respectively in Remitly, our investment in the cross-border remittances sector. The future of remittances has always been digital, but that shift accelerated rapidly during the year on demand for safe and convenient solutions to send money. Remitly doubled new customer numbers. Customers who once relied on traditional bricks-and-mortar remittance providers shifted to digital solutions to continue sending money to friends and family across the world. The latest funding enables Remitly to continue innovating to accelerate growth and expand into digital banking, providing inclusive financial services for unserved populations globally.

Etail

eMAG in Romania, Hungary and Bulgaria adapted well to the pandemic. They continued to give consumers best-in-class convenience, selection and value, while prioritising the safety of our customers and people. Revenue grew 65% (54%) to US$2.2bn and trading profit grew to US$80m, representing a trading profit margin of 4% from -1% last year. This was driven by record GMV of US$2.7bn, or 61% (52%) year-on-year growth. The business continues to benefit from pandemic tailwinds, albeit not at the same pace as the first half when shops had to close under governments' lockdown measures, and revenue grew 84% (69%) in this period. eMAG reported 53% (45%) revenue growth in the second half, which is still impressive.

During the year, both 1p and 3p sales accelerated, and continued expansion of the 3p business broadened the product offering for customers. Thousands of new customers were drawn to the eMAG platform and are expected to keep purchasing from eMAG in years ahead. To enhance its value proposition to new and existing customers alike, eMAG introduced its Genius loyalty programme, which offers faster delivery, access to exclusive discounts and other benefits. To support its continued growth, eMAG has started developing its new distribution centre in Romania.

The Takealot Group in South Africa also had an exceptionally strong year, growing revenue to US$606m, up 55% (65%) on last year, while trading losses decreased to near breakeven. Takealot GMV growth accelerated, yielding a full-year GMV of ZAR16.7bn, 69% (84%) higher. Its 3p marketplace sales are growing faster than 1p offerings, after adding new sellers and product categories. Superbalist, one of South Africa's leading online fashion destinations, grew GMV 45% in local currency and continued to contribute healthy gross margins.

SEGMENTAL REVIEW (continued)

Ecommerce (continued)

Etail (continued)

Takealot's food-delivery business, Mr D, also had an excellent year as lockdown conditions shifted consumer demand from restaurant dining to online delivery. As a result, Mr D grew orders 117%, representing 93% (103%) growth in revenue year on year.

Tencent

Tencent performed well throughout the pandemic. This reflected the strength of its diversified portfolio of products, businesses and investments, and the leadership team's prompt and focused management in response to the fast-changing environment.

For the year ended 31 December 2020, Tencent's revenue of RMB482bn was up 28% year on year. Non-IFRS profit attributable to shareholders (Tencent's measure of normalised performance) grew 30% to RMB123bn.

Revenues from value-added services increased 32% to RMB264bn, with online games revenues growing 36% to RMB156bn and social networks revenues rising 27% to RMB108bn. Revenues from fintech and business services increased 26% to RMB128bn, and revenues from the online advertising business rose 20% to RMB82bn.

Tencent continued to lead in China, with ten of the top 20 mobile apps. Combined MAU of Weixin and WeChat increased 5% to 1.23bn. The Weixin mini programme ecosystem became increasingly vibrant, with daily active users (DAU) passing the 400m mark and annual transaction volume more than doubling. QQ increased stickiness among young users by enriching interactive experience, and catering to their entertainment and online learning needs.

Tencent extended its domestic game-industry leadership, with six of the top 10 mobile games by DAU. It also strengthened its global leadership in online games via self-developed franchises and IP (intellectual property) collaboration with partners and investee companies. International games revenues rose to 25% of total online games revenues in the fourth quarter of 2020.

Tencent's mobile payment platform maintained its leadership in China. It continued to grow with more daily active consumers and increasing adoption in verticals, including retail, public services and groceries. Tencent has been working closely with regulators and industry partners to continue delivering compliant fintech products. Aggregated customer assets under wealth management services grew strongly year on year.

Despite the challenging economic environment, Tencent achieved robust advertising revenue growth by progressively integrating its advertising platforms and expanding its mobile ad network. Registered subscriptions for value-added services grew 22% year on year to 220m. Tencent remained its leadership in long-form video, with 123m subscriptions.

Tencent has been working relentlessly to facilitate the structural shift to remote working via product innovation. Tencent Meeting has become the largest standalone app for cloud conferencing in China, and its new enterprise version adopted by the energy, healthcare and education industries. WeCom, the enterprise version of Weixin, has become an integral communications tool for remote workplaces, serving over 5.5m enterprise customers to connect them internally and to over 400m Weixin users.

Tencent will continue to focus on user value, harnessing the power of technology to develop innovative products and services and create value for all stakeholders.

More information on Tencent's results is available at www.tencent.com/en-us/ir.

Mail.ru

For the year ended 31 December 2020, Mail.ru's segmental revenues grew 21% to RUB107bn. Non-IFRS earnings before interest, taxation, depreciation and amortisation (EBITDA) (Mail.ru's measure of normalised performance) declined 7% to RUB27bn, due to increased investments in VKontakte (VK) and Odnoklassniki (OK) ecosystems to accelerate growth.

Mail.ru reached 95% of Russia's internet users across its platforms. It continued to innovate and expand into new areas including ecommerce, mobility, food delivery, fintech, cloud and artificial intelligence (AI). VK maintained its leadership in the domestic social media, with MAU increasing 5% to 73.4m, driven by continuous product innovation such as VK Mini Apps and VK Connect.

Mail.ru extended its domestic game-industry leadership, with solid performances in established and newly acquired titles. It also strengthened its global expansion, with international revenues accounting for 75% of online games revenue.

SEGMENTAL REVIEW (continued)

Ecommerce (continued)

Mail.ru (continued)

The O2O (online-to-offline) joint venture with Sberbank recorded strong growth in ready-to-eat food delivery, egrocery and ride-sharing verticals. Driven by continuous improvement in logistics and customer service, AliExpress Russia continued to scale, with MAU reaching 29m.

Mail.ru raised US$600m through a capital increase of US$200m and US$400m in convertible bonds due in 2025. The proceeds will mainly be used to finance organic growth in existing verticals, strategic M&A opportunities in high-growth verticals, and investments in online-to-offline (e.g. AliExpress Russia) joint ventures. Prosus participated in the capital raise. Following this investment, the group holds a 27% effective interest in Mail.ru.

Looking ahead, Mail.ru will continue to transition its strong and well-diversified product portfolio and partnerships into a broader internet ecosystem via cross-selling and deeper integration.

More information on Mail.ru's results is available at https://corp.mail.ru/en/investors/.

PROSPECTS

A new Covid-19 wave is affecting some of our markets, but we remain confident that our plans and firm financial position will ensure we manage potential impacts. Generally the fundamentals of our businesses are strong and each is well positioned to benefit from accelerating growth trends in the consumer internet market.

To improve our financial flexibility and reinforce our balance sheet, in April 2021 we sold 2% of our stake in Tencent. This generated proceeds of US$14.6bn and reduced our stake from 30.9% to 28.9%. We will use these proceeds to increase our financial flexibility to fund continued growth, particularly in our core segments and emerging sectors.

We have two decades of experience investing in high-growth, complex and volatile internet markets. We are patient long-term investors with an excellent track record of returns. We will continue to deploy capital in our core segments as opportunities arise. We are strong believers in Tencent and intend to remain investors for the long term. As such, post the sale in April, we committed to not selling any Tencent shares for at least the next three years.

With increased consumer consumption online, our focus will remain on building bigger businesses. We will invest in expanding ecosystems and improve platform competitiveness by investing in technology and product; also reinforcing our AI capabilities.

Finally, we remain committed to taking the right actions to unlock value for all our shareholders, as well as addressing the discount to NAV of the company.

SHARE CAPITAL

The authorised share capital at 31 March 2021 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 2021 was:

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

Refer to note 19 to the consolidated annual financial statements for information regarding changes in the group's share capital during the year.

DIVIDENDS

A dividend will be paid in relation to the Naspers N ordinary shares and A ordinary shares of the amount that Naspers receives from Prosus as a dividend as referred to in the Prosus results announcement dated 19 June 2021, either (i) as a terminal economics distribution under the cross-holding agreement between Naspers and Prosus if the exchange offer transaction announced by Prosus on 12 May 2021 is implemented and settlement thereof occurs, or (ii) if this is not the case, as a dividend payment in the ordinary course. The Board intends to declare the dividend as soon as practicable after the exchange offer transaction has been implemented, or it is known that the exchange offer transaction will no longer proceed.

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

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 4 to the consolidated annual financial statements.

DIRECTORS

From 24 April 2020, Ben van der Ross, independent non-executive director, stepped down from the audit and risk committees and was appointed to the social, ethics and sustainability committee. The board thanks him for his thoughtful and valued contribution.

From 26 June 2020, Xu Ying was appointed as an independent non-executive director.

From 21 August 2020, Steve Pacak was appointed as an independent non-executive director on the audit committee.

On 1 April 2021, Don Eriksson, independent non-executive director, retired from the board and the audit, risk and social, ethics and sustainability committees. The directors thank him for his immensely valuable contribution to the board and excellent chairmanship of these committees.

Steve Pacak will be appointed chair of the audit and risk committees. From 15 April 2021, Angelien Kemna was appointed as independent non-executive director and member of the audit committee to fill the vacancy arising on the retirement of Mr Eriksson.

DIRECTORS (continued)

Directors and attendance at meetings:

	Date first appointed in current position	Date last appointed	Nine board meetings were held during the year. Attendance:	Category
J P Bekker[(1)]	17 April 2015	23 August 2019	9	Non-executive
E Choi	21 April 2017	21 August 2020	7	Independent non-executive
H J du Toit[(2)]	1 April 2016	24 August 2018	9	Independent non-executive
C L Enenstein	16 October 2013	24 August 2018	9	Independent non-executive
D G Eriksson[(3)]	16 October 2013	21 August 2020	9	Independent non-executive
M Girotra	01 October 2019	21 August 2020	9	Independent non-executive
R C C Jafta[(1)(4)]	23 October 2003	21 August 2020	9	Independent non-executive
F L N Letele	22 November 2013	23 August 2019	8	Non-executive
D Meyer	25 November 2009	23 August 2019	9	Independent non-executive
R Oliveira de Lima	16 October 2013	24 August 2018	9	Independent non-executive
S J Z Pacak[(1)]	15 January 2015	23 August 2019	9	Non-executive
M R Sorour[(1)(5)]	15 January 2015	21 August 2020	9	Non-executive
V Sgourdos[(1)]	1 July 2014	29 August 2014	9	Executive
J D T Stofberg	16 October 2013	23 August 2019	8	Non-executive
B van Dijk[(1)]	1 April 2014	29 August 2014	9	Executive
B J van der Ross	12 February 1999	23 August 2019	9	Independent non-executive
Y Xu[(6)]	26 June 2020	21 August 2020	7	Independent non-executive

Notes

(1) *Members of the projects committee.*

(2) *Appointed as lead independent director on 1 April 2020.*

(3) *Retired as a director and member of all the committees on 01 April 2021.*

(4) *Appointed as a member of the projects committee as at 1 April 2020.*

(5) *Appointed as a member of the Projects Committee 24 April 2020.*

(6) *Appointed as a director on 1 April 2021.*

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		
	One meeting held during the year.		**Five meetings held during the year. Attendance:**		**Four meetings held during the year. Attendance:**		**Five meetings held during the year. Attendance:**		**Four meetings held during the year. Attendance:**		**Three meetings held during the year. Attendance:**		**Category**
J P Bekker	√	1					√	5	√	4			Non-executive
E M Choi					√	3	√	5					Independent non-executive
H J du Toit									√	4			Independent non-executive
C L Enenstein							√	5	√	4			Independent non-executive
D G Eriksson(2)			√	5	√	4					√	3	Independent non-executive
M Girotra			√	5									Independent non-executive
R C C Jafta(3)	√	1	√	5	√	4			√	4	√	3	Independent non-executive
F L N Letele											√	3	Non-executive
D Meyer											√	3	Independent non-executive
R Oliveira de Lima							√	5	√	4			Independent non-executive
S J Z Pacak(4)	√	1	√	4	√	4							Non-executive
M R Sorour(5)	√	1											Non-executive
V Sgourdos	√	1			√	4					Alt	3	Executive
J D T Stofberg											√	3	Non-executive
B J van der Ross(6)			√	-	√	-					√	3	Independent non-executive
B van Dijk	√	1			√	4					√	3	Executive
M Davidson											√	3	Executive
Y Xu													Independent non-executive

Notes

(1) Executive directors attend meetings by invitation.

(2) Retired as a director and member of all the committees on 01 April 2021.

(3) Appointed as a member of the projects committee on 01 April 2020.

(4) Appointed as a member of the audit committee on 21 August 2020.

(5) Appointed as a member of the Projects Committee on 24 April 2020.

(6) Resigned from the audit and risk committees and appointed as a member of the social, ethics and sustainability committee on 24 April 2020.

√ *Member of committee.*

Alt Alternate director

Report of the audit committee

for the year ended 31 March 2021

I am pleased to present the report of the audit committee (the committee) for the year ended 31 March 2021. 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, previously chaired by Don Eriksson, comprises a majority independent non-executive directors. Don Eriksson retired as a board member with effect from 1 April 2021 and Steve Pacak has been appointed to take over the role of chair of this committee. All members are financially literate and have business and financial acumen. The committee held five 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 13.

The committee has unrestricted access to company information falling within the committee's 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 through the chair. 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;
  - 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;

RESPONSIBILITIES (continued)

    - 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 or 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.
- Review internal audit's and the risk committee's reports to the committee.

RESPONSIBILITIES (continued)

- Review procedures to ensure that the requirements of the relevant stock exchanges are complied with.
- Review Naspers practices in light of the King IV^{tm} code on Corporate Governance for South Africa, as amended from time to time, and make specific disclosures recommended by the King IV^{tm} 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.
  - Disclosing in the annual report the arrangements in place for combined assurance and the committee's views on its effectiveness.

RESPONSIBILITIES (continued)

- 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 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; and
- implementing 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 2021 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 23 to 26 of the annual financial statements.

Report of the audit committee

for the year ended 31 March 2021

Significant reporting matter	Conclusions reached/actions taken
Applicable to the consolidated financial statements	
Impairment testing of goodwill and other intangible assets The group's net asset value includes significant amounts of goodwill and intangible assets (refer to notes 6 and 7). 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. The outbreak of the Covid-19 pandemic is a triggering event for potential impairment. The impairment assessments took into account the impact of the pandemic on business plans and forecasts used in determining the recoverable amounts.	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. 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 Covid-19. Consequently, the committee was satisfied with the appropriateness of the analysis performed by management and the impairment-related disclosures in the consolidated annual financial statements.
Share-based payments The group has a number of share-based compensation schemes (refer to note 44). 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.	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. 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. The committee also reviewed the accounting and disclosure of share-based payments in the annual financial statements. As a result, the committee concluded that that accounting and disclosure of share-based payments in the consolidated annual financial statements is appropriate.
Equity-accounted investments – Tencent Holdings Limited (Tencent) 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. These adjustments require the exercise of critical management judgement and are significant in terms of magnitude. Accounting for the group's investment in Tencent was a	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 lag-period adjustments and/or adjustments made to the underlying results of investees to align the investees' accounting policies to those of the group.

Significant reporting matter	Conclusions reached/actions taken
Applicable to the consolidated financial statements	
significant matter due to the significant contribution of the entity to the consolidated results of the group and the fact that Tencent has a year-end that is not coterminous with that of the group. For further information refer to note 2 and note 10.	The committee was satisfied with the adjustments made and the critical judgements applied by management.

INTERNAL AUDIT

The committee has oversight of the group's consolidated annual financial statements and reporting process, including the system of internal financial control. It is responsible for ensuring that the group's internal 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 internal audit reports functionally to the chair of the committee and administratively to the financial director. An assessment of the effectiveness of the internal audit function, as well as the head of internal audit, is performed annually by the committee. Based on the assessment, the committee is of the opinion that the internal audit function, as well as the head of internal 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 106 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 29 to the annual financial statements on page 113.

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.

MANDATORY AUDITOR ROTATION

In June 2017, the Independent Regulatory Board for Auditors (IRBA) issued a rule prescribing that auditors of public interest entities in South Africa must comply with mandatory audit firm rotation with effect from 1 April 2023.

Therefore, following a lengthy and considered tendering process, it was decided that Naspers would appoint Deloitte as the external auditor to take over from 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 2021

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 skillset 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 considers the company's risk strategy and policy, along with the effectiveness and efficiency thereof. 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 2022 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.
- Implementing King IV™ recommendations.
- 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
19 June 2021

Report on the audit of the consolidated and separate financial statements

TO THE SHAREHOLDERS OF NASPERS LIMITED

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 2021, 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 29 to 189 comprise:

- the consolidated and company statements of financial position as at 31 March 2021;
- 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.

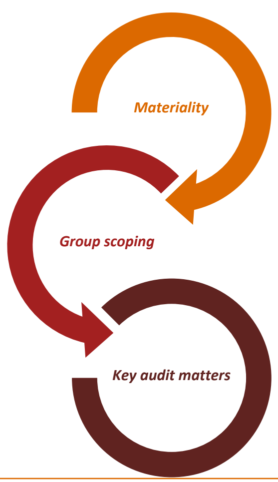
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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).*

OUR AUDIT APPROACH

Overview



Overall group materiality

US$408,000,000 which represents 1% of consolidated net assets (2020: 5% of Profit before tax).

Group audit scope

- We identified significant components based on the following indicators: consolidated revenue, consolidated profit before tax, consolidated total assets and consolidated total liabilities.
- We conducted full scope audits at 5 significant components, and other audit procedures on 8 other components due to their risk or contribution to the consolidated financial statements.
- Virtual site reviews were performed by the group team for the work performed by PwC teams in China (Tencent Holdings Limited (Tencent)), Romania (Etail segment), Poland (Classifieds segment), Brazil (Movile including iFood) and the Prosus N.V. Group (Netherlands).

Report on the audit of the consolidated and separate financial statements

	Key audit matters 1. Impairment assessment of goodwill and intangible assets arising from business combinations (applicable to the consolidated financial statements); 2. Valuation of share-based compensation schemes and share-based payments (applicable to the consolidated financial statements); and 3. Accounting for equity accounted investments – Tencent Holdings Limited (applicable to the consolidated financial statements).

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

Overall group materiality	US$408,000,000
How we determined it	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. In prior years we used profit before tax as a benchmark. The Group's increasing capital allocation towards associates (investor role) compared to subsidiaries (operator role) made a benchmark based on profit before tax less appropriate. We believe that, given the current facts and circumstances, 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.

Our group audit strategy included consideration of the significant components as well as the sufficiency of work performed over material line items in the consolidated financial statements.

In scoping our group audit we first determined the components that are individually financially significant to the Group, namely: Tencent, the Classifieds and Etail segments, Movile (including iFood) as well the listed entity Prosus N.V. which includes the majority of the Group's cash, short-term investments and external debt. These components were subjected to audits of their complete financial information (full scope audits). To achieve appropriate audit coverage over the consolidated financial statements, we selected 8 additional components (being Mail.ru, the Payments and Fintech segment, Takealot, the Media24 Group and certain corporate entities) for audits of their complete financial information.

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.

How we tailored our group audit scope (continued)

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 issue our audit opinion on the consolidated financial statements of the Group. The Group engagement team performed the audit work on the corporate entities. For all other components we used component auditors who are familiar with the local laws and regulations to perform the audit work.

We issued Group audit instructions to the component teams. These instructions included, amongst others, our risk analysis, evaluation of local materiality levels applied and our global approach. We had individual calls with each of the in-scope component teams prior to them commencing their respective audits, throughout the audit and upon conclusion of their work. During these calls, we discussed our instructions, the significant accounting and audit issues identified by the component auditors, their reports, the findings of their procedures and other matters which could be of relevance for the consolidated financial statements.

We, as a group engagement team conducted meetings with several of the component teams and local management. During these meetings, we discussed the strategy and financial performance of the local businesses, as well as the audit plan and execution, significant risks and other relevant audit topics. The COVID-19 outbreak limited our ability to physically visit all the significant components during the year, hence we conducted a series of video calls and performed a remote review of selected working papers of the work performed by component teams in China (Tencent) and the Prosus N.V. Group team conducted a review of the work performed by the component teams in Poland (OLX), Romania (eMag) and Brazil (Movile and iFood).

We considered the impact of the travel and other restrictions on the execution of our audit and on the review and supervision of our teams. Globally, our teams largely worked remotely and digitally, supported by video meetings and PwC's digital tooling. We increased the frequency of communication between the Group and component teams, including additional joint meetings with Group and component management. While maintaining compliance with local health regulations, we performed sufficient physical checks of inventory and documents.

By performing the procedures above at components, combined with additional procedures at Group level, we have been able to obtain sufficient and appropriate audit evidence on the Group's financial information, as a whole, to provide a basis for our opinion on the financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, 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.

Key audit matter	**How our audit addressed the key audit matter**
1. Impairment assessment of goodwill and intangible assets arising from business combinations (applicable to the consolidated financial statements) (refer to note 2(h) (accounting policies) and notes 6 and 7 (financial disclosures) to the consolidated financial statements) As at 31 March 2021 the Group's goodwill and intangible assets amount to over US$3 billion. Goodwill is tested for impairment annually, at the level of relevant Cash Generating Units (CGU's), and whenever there is an impairment indicator identified by management. Intangible assets are tested for impairment when an impairment indicator is identified. The recoverable amounts for unlisted CGU's are based on the fair value estimates by management by reference to recent funding rounds or market transactions (where applicable) or value in use estimates using discounted cash flow models. In estimating the recoverable amount, management uses	We have performed procedures, with the support of our valuation specialists, which varied in depth per CGU or investment based on our risk assessment with respect to the size and maturity of the individual businesses compared to their carrying amounts. Our audit procedures included, amongst others: • Tested the composition of future cash flow forecasts and underlying management assumptions by evaluating (i) the current and past performance of the business or CGU, (ii) the consistency with external market and industry data, (iii) the corroboration of strategic initiatives with evidence obtained in other areas of the audit, and (iv) the expectations of certain analysts for a specific business or CGU; • Assessed the reasonableness of the terminal growth rates used by management per CGU or investment by comparing to the long term growth rates most

Report on the audit of the consolidated and separate financial statements

Key audit matter	How our audit addressed the key audit matter
assumptions relating to discount rates, long term growth rates and projected revenue growth rates, projected Earnings Before Interest Depreciation and Amortisation (EBITDA) margins and EBITDA growth rates, which they model using forecast periods of up to 10 years. These forecast periods reflect the early stage in the life cycle of many of these businesses. Impairments amounting to US$ 72 million were raised as a result of this assessment. The impairment assessment of goodwill and intangible assets was a matter of most significance to our audit due to the significant judgement applied by management in determining the recoverable amounts as well as the magnitude of the balances involved.	reflective of the underlying operations, obtained from independent external sources; • Compared the inputs to the discount rates to externally obtained data such as the risk free rates in the market, equity market risk premiums, country risk premiums, debt/equity ratios as well as the betas of comparable companies; • Assessed the reasonableness of the additional risk adjustment factors included in the discount rates for certain CGU's in relation to the risk profile of the future cash flow forecasts; • Recalculated the carrying amount of the CGU's goodwill with reference to underlying documentation; • For those investments valued on a recent transaction or funding round, assessed the overall economics thereof to ensure that one or more third parties were directly impacted by the underlying valuation used; • Evaluated external analyst report valuations and compared these to management's valuation; and • Tested the related financial statement disclosures against the disclosure requirements of IFRS. In addition to our overall response described above, we further challenged management's sensitivity analyses by performing our own sensitivity analyses based on independent inputs for key valuation assumptions. In respect of the audit procedures specified above no material findings were identified.
2. Valuation of share-based compensation schemes and share-based payments (applicable to the consolidated financial statements) (refer to note 2(q) (accounting policy) and note 44 (financial disclosures) to the consolidated financial statements) A number of share-based compensation plans are used where share options, restricted stock units (RSUs), performance share units (PSUs) or share appreciation rights (SARs) are granted to employees in the Group. The share-based compensation expense amounted to $782 million for the year ended 31 March 2021. When these schemes are expected to be settled in cash they are accounted for as cash-settled schemes by the Group, and where settlement is expected to occur in Naspers shares they are accounted for as equity-settled schemes by the Group. The grant date fair value and the remeasured fair value of the options at each reporting period is calculated by management using an option valuation model. In estimating the fair value of options, management uses assumptions relating to risk free rates, volatility rates, dividend yields, forfeiture rates, listed share prices, and for schemes with	Using our valuation expertise, we assessed if the approach adopted by management in the option valuation models is in line with the requirements of International Financial Reporting Standard (IFRS) 2 "Share Based Payment", including consideration of the terms of the share-based compensation schemes and changes to the existing plans. With the assistance 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 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 the grant date for equity settled awards; • 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; and

Report on the audit of the consolidated and separate financial statements

<table>
<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>unlisted shares, the share prices of the underlying businesses. All awards are granted subject to the completion of a requisite service (vesting) period by employees.

The share schemes as disclosed within note 44 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.

The valuation is a ‘sum-of-the-parts’ of the individual schemes which are valued annually by an external management valuation expert. In determining the company value and the scheme share value, the management expert uses a number of valuation methods, including, the use of comparable peer multiples, precedent transactions and discounted cash flow valuations.

The valuation of share based compensation schemes and share based payments was a matter of most significance due to the complexity surrounding the valuations, specifically the assumptions, judgements and estimates used in the option valuation models relating to each scheme, as well as the volume of share based transactions.</td><td>• 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.

We assessed the experience and competence of management’s expert utilised in performing the business valuations and assessed the reasonability of these valuations.

With the assistance of our internal valuation experts, we assessed the key inputs in the valuation of schemes with unlisted shares by performing the following procedures:
• Assessed the enterprise value as determined by the discounted cash flow model through performing procedures that were consistent with those detailed under the impairment of goodwill key audit matter above. This included assessing the future cash flow forecasts, terminal growth rates, discount rates and the mathematical accuracy of the discounted cash flow model;
• Obtained an understanding and assessed the reasonableness of the valuation methods applied by the management expert; and
• Assessed the reasonableness of other market related inputs such as trading multiples and transaction multiples to independent external sources.

We evaluated whether the disclosures were in compliance with the disclosure requirements of IFRS 2, ‘Share based payment.’

In respect of the audit procedures specified above no material findings were identified.</td></tr>
</table>

Report on the audit of the consolidated and separate financial statements

Key audit matter	How our audit addressed the key audit matter
3. Accounting for equity accounted investments – Tencent Holdings Limited (applicable to the consolidated financial statements) (refer to note 2(a) (accounting policy) and note 10 (financial disclosures) to the consolidated financial statements) The Group holds an investment in Tencent, which is accounted for in terms of International Accounting Standard 28, 'Investments in Associates and Joint Ventures' ("IAS 28"), and carried at US$ 34.6 billion. The Tencent investment has a year-end (31 December) that is not coterminous with that of the Group. The Group's accounting policy is to account for an appropriate lag period adjustment in reporting on their results. Any significant transactions that occur between Tencent's year-end and 31 March (the Group's year-end) are taken into account in the equity-accounted results of the investment. The accounting for the equity accounted investment in Tencent was a matter of most significance to our audit due to the fact that the investment has a year-end that is not coterminous with that of the Group and therefore management applies judgement in adjusting for significant transactions that occur in the lag period, as well as the significant contribution of the associate investment to the consolidated results of the Group.	We performed the following procedures: • We obtained the equity accounted results recorded by the Group and reconciled them to the audited 31 December 2020 financial results of Tencent; • Since Tencent's year end is not coterminous with the Company, lag period adjustments and top level adjustments prepared by management were recalculated based on the publicly available Tencent 31 March 2021 first quarter financial information, and input from the corresponding component team to gain comfort that all material lag period adjustments were appropriately accounted for; and • We independently assessed the accounting policies of the associate to that of the Group to identify any material differences with IFRS. In respect of the audit procedures specified above no material findings were identified.

Separate financial statements:

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

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 2021"and in the document titled "Naspers Limited Integrated Annual Report 2021", which include 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.

Report on the audit of the consolidated and separate financial statements

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 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.

Report on the audit of the consolidated and separate financial statements

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)

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 (106 years).

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: Vicki Myburgh
Registered Auditor
Johannesburg, South Africa
19 June 2021

Consolidated statement of financial position

as at 31 March 2021

	Notes	31 March 2021 US$'m	Restated* 2020 US$'m
ASSETS			
Non-current assets		**46 130**	26 807
Property, plant and equipment	5	**545**	457
Goodwill	6	**2 186**	2 237
Other intangible assets	7	**825**	898
Investments in associates	10	**40 566**	22 235
Investments in joint ventures	11	**160**	74
Investments and loans	12	**1 621**	818
Other receivables	16	**17**	5
Related party receivables	18	**174**	8
Derivative financial instruments	42	**9**	55
Deferred taxation	13	**27**	20
Current assets		**7 687**	9 512
Inventory	14	**397**	260
Trade receivables	15	**185**	139
Other receivables	16	**614**	443
Related party receivables	18	**10**	99
Derivative financial instruments	42	**18**	-
Investments and loans	12	**1 258**	-
Short-term investments	39	**1 439**	4 060
Cash and cash equivalents	40	**3 758**	4 303
		7 679	9 304
Assets classified as held for sale	17	**8**	208
TOTAL ASSETS		**53 817**	36 319
EQUITY AND LIABILITIES			
Capital and reserves attributable to the group's equity holders		**29 194**	21 750
Share capital and premium	19	**932**	3 362
Other reserves	20	**(3 753)**	(8 846)
Retained earnings	21	**32 015**	27 234
Non-controlling interests		**11 667**	8 178
TOTAL EQUITY		**40 861**	29 928
Non-current liabilities		**8 647**	4 184
Post-employment medical liability	22	**22**	17
Long-term liabilities	23	**8 148**	3 759
Other non-current liabilities	24	**60**	160
Cash-settled share-based payment liability	44	**150**	40
Provisions	25	**6**	5
Derivative financial instruments	42	**32**	2
Deferred taxation	13	**229**	201
Current liabilities		**4 309**	2 207
Current portion of long-term liabilities	23	**110**	67
Provisions	25	**17**	10
Trade payables		**395**	322
Accrued expenses and other current liabilities	26	**3 749**	1 701
Related party payables		**4**	3
Taxation payable		**21**	7
Dividends payable		**2**	1
Derivative financial instruments	42	**2**	38
Bank overdrafts	40	**9**	32
		4 309	2 181
Liabilities classified as held for sale	17	**-**	26
TOTAL EQUITY AND LIABILITIES		**53 817**	36 319

** Refer to note 2(w) for details of the group's voluntary change in accounting policy for the subsequent measurement of written put option liabilities during the current year.*

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

Consolidated income statement

for the year ended 31 March 2021

	Notes	31 March 2021 US$'m	Restated* 2020 US$'m
Revenue from contracts with customers	28	**5 934**	4 001
Cost of providing services and sale of goods	29	**(4 088)**	(2 692)
Selling, general and administration expenses	29	**(2 932)**	(1 960)
Other (losses)/gains - net	30	**(103)**	(69)
Operating loss		**(1 189)**	(720)
Interest income	31	**101**	245
Interest expense	31	**(268)**	(229)
Other finance income/(cost) - net	31	**207**	76
Share of equity-accounted results	10, 11	**7 095**	3 932
Impairment of equity-accounted investments	10, 11	**(32)**	(21)
Dilution gains/(losses) on equity-accounted investments	10, 11	**1 000**	(52)
Net gains on acquisitions and disposals	32	**308**	351
Profit before taxation		**7 222**	3 582
Taxation[(1)]	33	**46**	(231)
Profit for the year		**7 268**	3 351
Attributable to:			
Equity holders of the group		**5 304**	3 097
Non-controlling interests		**1 964**	254
		7 268	3 351
Earnings per ordinary share (US cents) for the year			
Basic	34	**1 243**	709
Diluted	34	**1 204**	690

[(1)]Refer to note 27 for details on the tax credit in the current year.

** Refer to note 2(w) for details of the group's voluntary change in accounting policy for the subsequent measurement of written put option liabilities during the current year.*
The accompanying notes are an integral part of these consolidated annual financial statements.

Consolidated statement of comprehensive income

for the year ended 31 March 2021

	Notes	31 March 2021 US$'m	Restated* 2020 US$'m
Profit for the year		**7 268**	3 351
Other comprehensive income (OCI)			
Items that may be subsequently reclassified to profit or loss			
Foreign exchange losses arising on translation of foreign operations		**2 023**	(1 321)
Share of equity-accounted investments' movement in OCI		**(424)**	122
Foreign currency translation reserve		**(424)**	122
Items that may not be subsequently reclassified to profit or loss			
Fair-value gains/(losses) on financial assets through OCI	12	**555**	(292)
Share of equity-accounted investments' movement in OCI and net asset value	10	**6 819**	119
Share-based compensation reserve		**548**	429
Valuation reserve	20	**6 271**	(310)
Total other comprehensive income/(loss), net of tax, for the year		**8 973**	(1 372)
Total comprehensive income for the year		**16 241**	1 979
Attributable to:			
Equity holders of the group		**11 989**	1 973
Non-controlling interests		**4 252**	6
		16 241	1 979

** Refer to note 2(w) for details of the group's voluntary change in accounting policy for the subsequent measurement of written put option liabilities during the current year.*

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 2021

	Share capital and premium US$'m	Foreign currency trans-lation reserve US$'m	Valuation reserve US$'m	Existing control business combi-nation reserve US$'m	Share-based compen-sation reserve US$'m	Retained earnings US$'m	Share-holders' funds US$'m	Non-control-ling interest US$'m	Total US$'m
Balance at 1 April 2019	4 945	(2 070)	760	(1 127)	1 698	23 793	27 999	132	28 131
Change in accounting policy*	-	-	-	(391)	-	391	-	-	-
Restated balance at 1 April 2019	4 945	(2 070)	760	(1 518)	1 698	24 184	27 999	132	28 131
Total comprehensive income for the year	-	(1 116)	(437)	-	429	3 097	1 973	6	1 979
Profit for the year (restated)*	-	-	-	-	-	3 097	3 097	254	3 351
Total other comprehensive loss for the year	-	(1 116)	(437)	-	429	-	(1 124)	(248)	(1 372)
Shares repurchased by group companies[1]	(1 547)	208	-	-	-	-	(1 339)	-	(1 339)
Treasury share movements	(36)	-	-	-	-	-	(36)	-	(36)
Share-based compensation movement	-	-	-	-	(99)	36	(63)	(2)	(65)
Share-based compensation expense	-	-	-	-	119	-	119	(2)	117
Transfer to retained earnings	-	-	-	-	(99)	99	-	-	-
Other share-based compensation movements[2]	-	-	-	-	(119)	(63)	(182)	-	(182)
Transactions with non-controlling shareholders	-	-	-	(166)	1	(9)	(174)	233	59
Recognition of Prosus non-controlling interest	-	-	-	(6 399)	(53)	37	(6 415)	7 798	1 383
Direct equity movements	-	4	(42)	5	(112)	145	-	-	-
Direct movements from associates	-	-	(31)		(68)	99	-	-	-
Transfer of reserves as a result of disposals	-	-	(11)	-	(33)	44	-	-	-
Other direct equity movements	-	4	-	5	(11)	2	-	-	-
Remeasurement of written put option liabilities*	-	-	-	40	-	-	40	13	53
Dividends paid	-	-	-	-	-	(218)	(218)	(2)	(220)
Other movements[3]	-	-	-	9	12	(38)	(17)	-	(17)
Balance at 31 March 2020	3 362	(2 974)	281	(8 029)	1 876	27 234	21 750	8 178	29 928
Balance at 1 April 2020	**3 362**	**(2 974)**	**281**	**(8 029)**	**1 876**	**27 234**	**21 750**	**8 178**	**29 928**
Total comprehensive income for the year	**-**	**1 141**	**4 996**	**-**	**548**	**5 304**	**11 989**	**4 252**	**16 241**
Profit for the year	**-**	**-**	**-**	**-**	**-**	**5 304**	**5 304**	**1 964**	**7 268**
Total other comprehensive profit for the year	**-**	**1 141**	**4 996**	**-**	**548**	**-**	**6 685**	**2 288**	**8 973**
Shares repurchased by group companies[1]	**(2 430)**	**-**	**-**	**-**	**-**	**-**	**(2 430)**	**-**	**(2 430)**
Share-based compensation movement	**-**	**-**	**-**	**-**	**42**	**(432)**	**(390)**	**109**	**(281)**
Share-based compensation expense	**-**	**-**	**-**	**-**	**64**	**-**	**64**	**109**	**173**
Transfer to retained earnings	**-**	**-**	**-**	**-**	**(48)**	**48**	**-**	**-**	**-**
Other share-based compensation movements[2]	**-**	**-**	**-**	**-**	**26**	**(480)**	**(454)**	**-**	**(454)**
Transactions with non-controlling shareholders	**-**	**-**	**-**	**(1 104)**	**(70)**	**(15)**	**(1 189)**	**(677)**	**(1 866)**
Direct equity movements	**-**	**(8)**	**(233)**	**134**	**(6)**	**113**	**-**		**-**
Direct movements from associates	**-**	**-**	**(235)**	**-**	**-**	**235**	**-**	**-**	**-**
Transfer of reserves as a result of disposals	**-**	**(1)**	**2**	**111**	**(4)**	**(108)**	**-**	**-**	**-**
Other direct equity movements	**-**	**(7)**	**-**	**23**	**(2)**	**(14)**	**-**	**-**	**-**
Remeasurement of written put option liabilities*	**-**	**-**	**-**	**(398)**	**-**	**-**	**(398)**	**(136)**	**(534)**
Dividends paid[3]	**-**	**-**	**-**	**-**	**-**	**(149)**	**(149)**	**(59)**	**(208)**
Other movements[4]	**-**	**-**	**-**	**51**	**-**	**(40)**	**11**	**-**	**11**
Balance at 31 March 2021	**932**	**(1 841)**	**5 044**	**(9 346)**	**2 390**	**32 015**	**29 194**	**11 667**	**40 861**

** Refer to note 2(w) for details of the group's voluntary change in accounting policy for the subsequent measurement of written put option liabilities during the current year.*

[1]Relates to the share repurchase program. Refer to note 19.

[2]Retained earnings includes a decrease of US$479.5m related to the modification of equity-settled schemes (2020: US$62.6m related to the settlement of share-based compensation benefits).

[3]Dividend paid consists of US$149.0m paid to Naspers shareholders and US$59.2m paid to the non-controlling shareholders of the Naspers group. The dividend was approved on 18 August 2020 and was paid on 17 November 2020.

[4]The movement in business combination reserve relates mainly to the cancellation of written put option liabilities in the current year of US$57.4m. The movement in retained earnings relates to the transfer of reserves, as a result of various disposals and liquidations US$40.4m. The prior year relates to the transfer of reserves as a result of various disposals and liquidations, to retained earnings of US$37.4m and existing control business combination reserve of US$8.6m.

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

Consolidated statement of cash flows

for the year ended 31 March 2021

	Notes	31 March 2021 US$'m	2020 US$'m
Cash flows from operating activities			
Cash from operations	35	**(144)**	(394)
Dividends received from investments and equity-accounted companies		**459**	387
Cash generated/(utilised in) from operating activities		**315**	(7)
Interest income received		**123**	261
Interest costs paid		**(253)**	(235)
Taxation paid		**(112)**	(215)
Net cash generated from/(utilised in) operating activities		**73**	(196)
Cash flows from investing activities			
Property, plant and equipment acquired		**(124)**	(92)
Proceeds from sale of property, plant and equipment		**5**	4
Intangible assets acquired		**(17)**	(22)
Proceeds from sale of intangible assets		**1**	1
Acquisitions of subsidiaries and businesses, net of cash acquired	36	**(15)**	(468)
Disposals of subsidiaries and businesses	37	**27**	22
Acquisition of associates	38	**(286)**	(158)
Disposal of associates	4	**194**	87
Partial disposals of associates		**20**	-
Additional investment in existing associates	38	**(1 484)**	(218)
Acquisition of joint ventures	38	**(5)**	-
Additional investments in existing joint ventures	38	**(127)**	(23)
Loans advanced to related parties	18	**(210)**	-
Acquisition of short-term investments[1]		**(3 088)**	(3 868)
Maturity of short-term investments[1]		**5 705**	7 022
Cash paid for other investments[2]	12	**(1 322)**	(33)
Cash movement in other investments and loans		**(5)**	62
Net cash (utilised in)/generated from investing activities		**(731)**	2 316
Cash flows from financing activities			
Proceeds from sale of subsidiary shares[3]	9	**-**	1 568
Payments for repurchase of group shares	19	**(2 340)**	(1 426)
Proceeds from long- and short-term loans raised	23	**4 593**	1 300
Repayments of long- and short-term loans	23	**(155)**	(1 047)
Additional investments in existing subsidiaries[4]		**(1 704)**	(68)
Repayments of capitalised lease liabilities	23	**(56)**	(34)
Outflow from equity-settled share-based compensation transactions		**(117)**	(195)
Additional investment from non-controlling shareholders		**53**	127
Dividends paid by the holding company		**(218)**	(209)
Other movements in financing activities		**(3)**	(10)
Net cash generated from financing activities		**53**	6
Net movement in cash and cash equivalents		**(605)**	2 126
Foreign exchange translation adjustments on cash and cash equivalents		**83**	(112)
Cash and cash equivalents at the beginning of the year		**4 271**	2 276
Cash and cash equivalents classified as held for sale		**-**	(19)
Cash and cash equivalents at the end of the year	40	**3 749**	4 271

[1] Relates to short-term cash investments with maturities of more than three months from the date of acquisition. Refer to note 39.
[2] Relates to payments for the group's fair value through other comprehensive income investments.
[3] Proceeds from sale of subsidiary shares net of transaction costs in the prior year.
[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. Refer to note 19.

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

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. 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 a listing on Euronext Amsterdam and secondary listings on the Johannesburg Stock Exchange (JSE) and A2X Exchange. Naspers is the majority shareholder of Prosus.

The consolidated financial statements for the year ended 31 March 2021 have been authorised for issue by the board of directors on 19 June 2021.

2. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated and separate annual financial statements are set out below. These accounting policies have been consistently applied to all years presented, unless otherwise stated.

The consolidated and separate 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 Listings 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.

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 41 "Segment Information." The group proportionately consolidates its share of the results of its associates and joint ventures in its operating segments.

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 2021, the group recorded US$5.19bn in net cash, comprising US$3.76bn of cash and cash equivalents and US$ 1.44bn in short-term cash investments. The group had US$7.89bn of interest-bearing debt (excluding capitalised lease liabilities) and an undrawn US$2.5bn revolving credit facility. Refer to note 19 "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.

In assessing going concern, the impact of the Covid-19 pandemic 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 performed well during the current year and has sufficient financial flexibility to negate the effects on the group and company's going concern that could result from the potential negative impact of Covid-19 on the group's businesses in the year subsequent to the date of these financial statements. Refer to note 3 for further information on the impact of the pandemic on the group's financial results.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

Accounting judgements and sources of estimation uncertainty

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; impairment of property, plant and equipment (refer to note 5), impairment of goodwill (refer to note 6); recognition and impairment of other intangible assets (refer to note 7); impairment of financial assets carried at amortised cost and other assets (refer to note 15); the remeasurements required in business combinations and disposals of associates, joint ventures and subsidiaries (refer to note 32); the valuation and remeasurement of written put option liabilities (refer to note 24); and equity-compensation benefits (refer to note 44). Where relevant, the group has provided sensitivity analyses demonstrating the impact of changes in key estimates and assumptions on reported results.

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 is 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. Refer to note 2(w) for the group's voluntary change in accounting policy for the subsequent measurement of written put option liabilities during the current year.

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 44.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(a) Basis of consolidation

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 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 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 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 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 section (c) 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. 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 equity.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(a) Basis of consolidation (continued)

Common control transactions (continued)

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 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 income statement. The group's proportionate share of gains or losses previously recognised in other comprehensive income by associates and joint ventures are reclassified to the income statement when a dilution occurs if the gains or losses are required to be reclassified to the income statement in terms of the applicable accounting standard.

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 and 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 income statement.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(a) Basis of consolidation (continued)

***Associates and joint ventures** (continued)*

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 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 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 income statement.

(b) Financial assets

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 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.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(b) Financial assets (continue)

Classification, initial recognition and measurement (continue)

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

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 income statement.

Changes in the fair value of equity investments classified as financial assets at fair value through other comprehensive income are recognised in other comprehensive income and are accumulated in the valuation reserve in the statement of changes in equity. Dividends received on equity investments at fair value through other comprehensive income are recognised in the 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 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 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 related party 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.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(b) Financial assets (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.

(c) Financial liabilities

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 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 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 reclassified to 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 liabilities" in the 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 below).

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 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.

(d) Financial instruments used for hedge accounting

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 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.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(d) Financial instruments used for hedge accounting (continued)

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 (cash flow 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 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 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 income statement in the same period during which the hedged expected future cash flow affects in the 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 income statement in the same period as the expected cash flows affect the 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.

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 income statement. The amount accumulated in the foreign currency translation reserve is reclassified to the 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 income statement.

(e) 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.

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.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(e) Leased assets(continued)

Lessee accounting (continued)

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 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 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.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(f) Property, plant and equipment

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:

Class of asset	Owned	Leased
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	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 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 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.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(f) Property, plant and equipment (continued)

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.

(g) Intangible assets

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:

Class of asset	Useful life
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 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 programmes 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.

(h) Impairment of non-financial assets

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.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(h) Impairment of non-financial assets (continued)

Goodwill and intangible assets with indefinite useful lives (continued)

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

Other intangible assets and property, plant and equipment

Other intangible assets (with finite useful lives) and items of property, plant and equipment 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.

Intangible assets and Property plant and equipment 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 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 in "Other (losses)/gains– net" in the income statement.

(i) Inventory

Inventory is stated at the lower of cost and net realisable value. The cost of inventory is determined by means of 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.

(j) Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at amortised cost (other than money market funds) which equals the cost or face value of the asset. Cash and cash equivalents 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 statement of cash flows, cash and cash equivalents are presented net of bank overdrafts.

Cash and 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 cashflows which are not solely payments of principal and interest as well as subject to insignificant changes in value.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(k) Short-term investments

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.

(l) Provisions

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.

Provisions are reviewed at each 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 income statement.

(m) Taxation

Tax expense

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

Current income tax

The normal South African company tax rate applied for the year ending 31 March 2021 is 28% (2020: 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 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.

Deferred taxation

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.

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%.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(n) 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 (R). 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.

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 income statement, except when deferred in 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 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 (none of which operates 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 other comprehensive income and accumulated in the "Foreign currency translation reserve" in the statement of changes in equity.

The group recognises foreign exchange differences relating to monetary items that form part of its net investment in its foreign operations in 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 income statement, as part of the gain or loss on sale.

(o) Revenue recognition

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 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.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(o) Revenue recognition(continued)

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.

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 etail and other internet platforms and from services rendered. Services rendered include advertising, travel package revenue and commissions, classifieds listings revenue, payment transaction commissions and fees, food delivery revenue, mobile and other content revenue and comparison-shopping commissions and fees.

Revenue from goods sold is recognised when the goods are delivered and accepted by customer. The group recognises classifieds listings and related fees on listing of an item for sale and success fees and other relevant commissions when a transaction is completed on the group's websites. Payments and fintech, food delivery, mobile content and comparison-shopping revenues are recognised once a transaction is completed and is based on the applicable fee for each transaction performed.

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.

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2. PRINCIPAL ACCOUNTING POLICIES (continued)

(p) Employee benefits

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 income statement.

(q) Equity compensation benefits

The group grants share options, share appreciation rights (SARs), PSUs and RSUs to its employees under a number of equity compensation plans. The group recognises an employee benefit expense in the income statement, representing the fair value of share options, PSUs and RSUs granted. A corresponding credit 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 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 credit 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 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 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.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(r) 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 1/2019, 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 1/2019, 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 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.

(s) 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 N ordinary shares, the consideration paid to acquire those shares, including attributable incremental costs, is deducted from shareholders' equity 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.

(t) Segment reporting

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.

(u) Assets and liabilities classified as held for sale

Non-current assets and liabilities (disposal groups) are classified as held for sale and presented as current assets and liabilities in the 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.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(v) 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 2020 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 2021. 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/IAS 8	*Presentation of Financial Statements (current and non-current liabilities)*	March 2023
IFRS 3	*Business Combinations (assets and liabilities in a business combination)*	March 2023
IFRS 9/IAS 39/IFRS 7	*Financial Instruments Interest rate benchmark reform)- Phase 2*	March 2022
IFRS 16	*Leases (Covid 19 related rent concessions)*	March 2022
IFRS 10/IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	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 2020 are expected to have a significant impact on the group.

(w) Voluntary change in accounting policy for the subsequent measurement of written put option liabilities

Effective 1 April 2020, the group made a voluntary change to its accounting policy regarding the subsequent measurement of written put option arrangements with non-controlling shareholders. Subsequent changes in the carrying value of put option liabilities previously recognised in the income statement in “Other finance income – net” are now being recognised through equity.

The group considers that the change in the accounting policy will provide more relevant information about the effects of underlying transactions with non-controlling shareholders. Written put option arrangements are considered equity transactions because the settlement with non-controlling shareholders does not result in the loss of control over a subsidiary. Furthermore, as part of the business combination accounting, the group simultaneously recognises the non-controlling interest on initial recognition of the written put option liability, because the risks and rewards of ownership are not deemed to have transferred to the group until the written put option liability is settled.

The group has adopted this change in accounting policy retrospectively, however the impact is insignificant to the consolidated statement of financial position as all previous remeasurements recognised through the income statement are already accumulated in equity as at the effective date of the change. The previous remeasurements accumulated in retained earnings have been reclassified to the “Existing control business combination reserve”. Consequently, comparative figures on the consolidated statement of financial position have been restated for the reclassification between retained earnings and other reserves. The carrying value of the written put option liabilities and the total equity of the group in the comparative periods remain unchanged. The consolidated income statement and finance income/costs note have been restated for the remeasurement of written put option liabilities as these are now recognised directly in equity.

Below is a summary of the impact of the change in accounting policy on the consolidated annual financial statements including the impact on the group’s basic, diluted and headline earnings per share.

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(w) Voluntary change in accounting policy for the subsequent measurement of written put option liabilities (continued)

Consolidated income statement

	Year ended 31 March 2020		
	Previously reported US$'m	Change in accounting policy[1] US$'m	Restated US$'m
Profit for the year	3 404	(53)	3 351
Attributable to:			
Equity holders of the group	3 137	(40)	3 097
Non-controlling interests	267	(13)	254
	3 404	(53)	3 351
Earnings per share (US cents)			
Basic	718	(9)	709
Diluted	699	(9)	690
Headline earnings (US$'m)	2 206	(40)	2 166
Headline earnings per share (US cents)			
Basic	505	(9)	496
Diluted	487	(9)	478

[1] Represents the impact of the change in accounting policy for the remeasurement of written put option liabilities with non-controlling shareholders previously recognised in "Other finance income -net".

Consolidated statement of changes in equity

	Year ended 31 March 2020		
	Previously reported US$'m	Change in accounting policy[1] US$'m	Restated US$'m
Share capital and premium	3 362	-	3 362
Other reserves	(8 508)	(338)	(8 846)
Retained earnings	26 896	338	27 234
Non-controlling interests	8 178	-	8 178
Total equity	29 928	-	29 928

[1] Represents the impact of the change in accounting policy for the remeasurement of written put option liabilities with non-controlling shareholders previously accumulated in Retained earnings that has been reclassified to "Existing control business combination reserve".

3. SIGNIFICANT CHANGES IN FINANCIAL POSITION AND PERFORMANCE DURING THE REPORTING YEAR

Covid-19 impact on the consolidated financial statements

The global Covid-19 pandemic began to affect the operations of the group towards the end of March 2020. The pandemic has impacted the group's financial position, financial performance and cash flows presented in these consolidated annual financial statements for the year ended 31 March 2021. The impact of the pandemic on significant accounting matters is discussed below.

Use of significant judgements and estimates

The group has monitored the significant judgements and estimates used to support the reported assets, liabilities, income and expenses for the year ended 31 March 2021. Areas of judgement and estimates primarily impacted by the pandemic include the fair value of financial instruments, impairment testing and the measurement of written put option liabilities.

Fair value of financial instruments

The fair value measurement of the group's financial instruments recognised through other comprehensive income or profit or loss took into account the respective listed prices for listed investments, the performance of the investments and any recent transactions that occurred during the year. No significant fair value losses have been recognised for these investments during the year.

Impairment testing

The group assessed whether there was an indication of impairment for the assets recognised in the statement of financial position. Impairment testing was primarily focused on the carrying value of goodwill, and equity-accounted associates and joint ventures, expected credit losses of related party receivables, trade and other receivables and any inventory writedowns.

Goodwill is tested annually as at 31 December or more frequently if a change in circumstance 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 the Covid-19 pandemic. The group's 10-year budgets and forecasts consisted of cash flow projections and included the anticipated impact of the pandemic. These budgets and forecasts were used to calculate discounted cash flow valuations and also to identify whether there were any indicators that goodwill allocated to various cash generating units (CGUs) was impaired. For the year ended 31 March 2021, the discounted cash flow valuations of the various CGUs were used as the recoverable amounts. The group recognised goodwill impairment for the CGUs whose recoverable amount was lower than its respective carrying amount. Goodwill impairments relate to those subsidiaries in the respective CGUs whose actual performance during the current year, budgets and forecasts, taking into account current market indicators showed declined revenue growth and profitability than what was previously anticipated. The group recognised goodwill impairment of US$67.6m (31 March 2020: US$11.8m) during the current year primarily related to Silver Indonesia JVCo B.V. and Aasaanjobs Private Limited in the classifieds segment and US$2.9m (2020:US$2.2m) in the media segment. The financial results of these subsidiaries showed a decline in performance from the prior year. Refer to note 6.

3. SIGNIFICANT CHANGES IN FINANCIAL POSITION AND PERFORMANCE DURING THE REPORTING YEAR (continued)

Covid-19 impact on the consolidated financial statements(continued)

Impairment assessments of equity-accounted associates and joint ventures considered the financial performance of the investments during the year and determined whether there were any significant indicators, such as material losses, that would result in an impairment. Impairment losses of US$32.4m (31 March 2020: US$21.0m) were recognised for the group's equity-accounted associates and joint venture mainly due to the associates' performance during the current year falling below expectations and the joint venture closing operations in certain regions. Refer to note 10 and note 11.

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 due to Covid-19 were taken into account. Due to the shift of consumers to online ecommerce platforms to purchase goods, the adverse effects of the pandemic on inventory writedowns were not significant. The inventory writedown during the year did not have a significant impact on the group's financial results.

The group recognises an allowance for expected credit losses for its trade and other receivables. The expected credit loss assessment took 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. Total impairment losses (net of reversals) recognised for trade and other receivables amounted to US$9.1m as at 31 March 2021 (31 March 2020: US$9.6m). The adverse effects of the pandemic on expected credit losses for trade and other receivables in relation to increased revenue were not significant.

Measurement of written put option liabilities

Written put option liabilities are measured at the present value of the expected redemption amount payable. The settlement amount takes into account the equity values of the group's subsidiaries who have these written put option arrangements. The measurement of the written put option liabilities considers the performance of the group's subsidiaries in comparison to their budgets and forecasts. For the 31 March 2021 financial year the group recognised an aggregated decrease in equity for the remeasurement of written put option liabilities of US$534.2m (31 March 2020: increase of US$53.0m) resulting in an increase (31 March 2020: decrease) in the written put option liabilities. The movement in the put option liability in the current year is predominantly due to growth in in the group's ecommerce subsidiaries that resulted in the increase in the equity values used to determine the expected redemption amount payable. The group has voluntarily changed its accounting policy on the subsequent measurement of written put option liabilities previously recognised in the income statement to be recognised in equity. Refer to note 2(w).

Changes in the settlement and classification of share appreciation rights (SARs)

On 24 April 2020 the Naspers board approved a prospective change in the settlement mechanism for the group's SAR schemes from equity settled to cash settled. Gains earned by participants upon exercise of their SAR awards are now settled in cash, rather than in Naspers N ordinary shares. All other features of the awards, including strike price, vesting and expiry periods remain unchanged. The fair value of the SAR awards on the effective date of the change was US$322m and is recognised as a share-based payment liability. The share-based payment reserve related to these SAR awards was US$80m. The change in the settlement has been accounted for as a modification, with the difference between the existing share-based payment reserve and the share-based payment liability being recognised through retained earnings in equity. The SAR schemes are accounted for in terms of the group's accounting policy in respect of cash-settled share-based payments.

4. BUSINESS COMBINATIONS, OTHER ACQUISITIONS AND DISPOSALS

Financial year ended 31 March 2021

The following relates to the group's significant transactions related to business combinations and equity-accounted investments for the year ended 31 March 2021:

In April 2020, OLX Global B.V. (OLX) contributed its subsidiary, Dubizzle Limited (BVI) (Dubizzle), the leading classifieds platform for users in the UAE, for an interest in Emerging Markets Property Group (EMPG). EMPG owns and operates bespoke classifieds portals in different emerging markets across the world, including Bayut in Dubai, Zameen in Pakistan, and Mubawab in Morocco, North Africa. The total consideration was US$390.5m, including cash of US$75.0m. On disposal of Dubizzle, the group recognised a gain of US$113.5m in "Net gains on acquisitions and disposals" in the income statement, including the recycling of the foreign exchange translation reserve. This gain on disposal recognised from contribution of Dubizzle is to the extent of the external parties' interest in EMPG.

Following the transaction, the group holds a 39% effective and fully diluted interest in EMPG. The group accounts for its interest in EMPG as an investment in associate.

In July 2020, OLX merged its US letgo business with OfferUp, two of America's most popular apps to buy and sell in the US. OLX contributed its US letgo business. The total consideration was US$360.0m, including cash of US$100.0m. On disposal of the US letgo business, the group recognised a gain of US$114.8m in "Net gains on acquisitions and disposals". This gain on disposal recognised from the contribution of the US letgo business is to the extent of the external parties' interest in OfferUp.

Following the transaction, the group holds a 38% effective (35% fully diluted) interest in OfferUp. The group accounts for its interest in OfferUp as an investment in associate.

In August and October 2020, the group made an additional investment in Remitly Global, Inc. (Remitly) amounting to US$52.5m and US$14.3m respectively. Remitly is an international remittances company focused on the consumer segment, primarily in the US, the UK and Canada. Following this investment, the group holds a 24% effective (20% fully diluted) interest in Remitly. The group continues to account for its interest in Remitly as an investment in an associate.

In September 2020, Eruditus Learning Solutions Private Limited (Eruditus), a learning platform that partners with top-tier universities across the US, Europe, LatAm, India and China, announced the successful completion of its Series D funding round totalling US$113.0m (including secondary sales). The group, through Naspers Ventures B.V. (Prosus Ventures) participated in the funding round with a US$59.9m cash contribution. Following the transaction, the group holds a 9% effective (8% fully diluted) interest in Eruditus. The group accounts for its interest in Eruditus as an investment in associate as a result of the group's board representation.

In September 2020, the group made an additional investment amounting to US$25.0m, in Mail.ru, a leading Russian social networks and instant messaging service. Following this investment, the group holds a 27% effective interest in Mail.ru. The group continues to account for its interest in Mail.ru as an investment in an associate.

In October 2020, the group made an additional investment in its joint venture Silver Brazil JVCo B.V. (OLX Brazil) amounting to US$89.0m. Furthermore, the group provided loan financing to OLX Brazil amounting to US$171.0m. The capital and loan provided was to finance the joint ventures investment acquisitions. The funding was provided jointly by the group and its partner in the joint venture Adevinta ASA (Adevinta). Accordingly, the group's effective shareholding in this investment subsequent to the additional investment remained unchanged. The additional contribution to OLX Brazil is included in the carrying value of the investment.

In March 2020, MIH Movile Holding B.V. (Movile) signed an agreement to sell its subsidiary Wavy Global Holdings B.V. (Wavy) to Stockholm listed customer engagement platform, Sinch AB, in exchange for cash and the issue of 1 534 582 new shares in Sinch AB (which represents at the reporting date a 2% equity investment). The transaction obtained regulatory approval and was closed in February 2021. The total proceeds on disposal on Wavy was US$310.2m, including cash of US$63.4m. On disposal of Wavy, the group recognised a total gain of US$275.8m, comprising of US$101.3m recognised in "Net gains on acquisitions and disposals" and a gain of US$174.5m recognised in "Other finance income - net" as a result of the exposure to the fair value gains of 1 534 582 Sinch AB listed shares from the signing date of the agreement until the closing date. The gain on disposal recognised in "Net gains on acquisitions and disposals" includes the recycling of the foreign exchange translation reserve. The group recognised its interest in Sinch AB as an investment at fair value through other comprehensive income.

4. BUSINESS COMBINATIONS, OTHER ACQUISITIONS AND DISPOSALS

Financial year ended 31 March 2021

The following transactions were entered into in March 2021:

IF-JE participaçoes S.A. (iFood) contributed its 100% subsidiary Come Ya S.A.S. (Come Ya) for a 51% effective interest in Inversiones CMR S.A.S. (Domicilios.com) for a total consideration of US$44.0m, including cash of US$7.0m. Domicilios.com is an online food delivery platform in Colombia. On disposal of Come Ya, the group recognised a gain of US$18.6m in "Net gains on acquisitions and disposals". This gain on disposal recognised from the contribution of the Come Ya is to the extent of the external parties' interest in Domicilios.com.

Following the transaction, the group holds a 51% effective (51% fully diluted) interest in Domicilios.com. The group accounts for its interest in Domicilios.com as a joint venture as contractually, the decisions over its operations require unanimous consent of both shareholders.

Prosus acquired approximately 20.37 million shares in Delivery Hero for US$2.6bn by 31 March 2021 to offset current and potential future dilutions in the investment. The acquisition increased the group's shareholding by 8% to approximately 24.99% which continues to position the group as the largest shareholder of Delivery Hero. At 31 March 2021, while legal ownership had transferred for the 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 which is included in "Other investments" on the statement of financial position. At 31 March 2021 the 4% was recognised as a financial instrument at fair value through profit or loss. The fair value recognised represents the consideration paid for this interest which was subsequently included in the effective interest of the investment when access to the returns associated with the ownership had transferred. Refer to note 45.

4. BUSINESS COMBINATIONS, OTHER ACQUISITIONS AND DISPOSALS (continued)

Financial year ended 31 March 2020

In July 2019 the group acquired the majority stake in Red Dot Payment Private Limited (Red Dot) in Southeast Asia for US$45m. The company is an online payment company providing payment solutions and expertise to merchants across Asia Pacific. Following this investment, the group has a 72% effective interest (66% fully diluted) in Red Dot. The transaction was accounted for as a business combination with an effective date of July 2019. The purchase price allocation: fixed assets US$1m; intangible assets US$11m; cash and deposits US$14m; trade and other receivables US$2m; trade and other liabilities US$7m; and the balance of US$36m to goodwill. The group has a put option arrangement with the non-controlling interest exercisable in future over a specified period and also exercisable upon termination of employment of the non-controlling interest. The main intangible assets recognised in the business combination were customer relationships and technology.

The main factor contributing to the goodwill recognised in the acquisition is Red Dot's market presence and engineering capabilities. The goodwill that arose is not expected to be deductible for income tax purposes.

In July 2019 the group invested US$66m for a 100% effective and fully diluted interest in Wibmo, Inc. (Wibmo), a digital payment company providing payment security, mobile payment solutions and processing services in India. The transaction was accounted for as a business combination with an effective date of July 2019. The purchase price allocation: intangible assets US$28m; property, plant and equipment US$3m; cash and deposits US$4m; trade and other receivables US$9m; liabilities US$14m; and the balance of US$36m to goodwill. The main intangible assets recognised in the business combination were technology and customer relationships.

The main factor contributing to the goodwill recognised in the acquisition is Wibmo's market presence and engineering capabilities. The goodwill that arose is not expected to be deductible for income tax purposes.

In October 2019 the group concluded the merger of Dante International Korlátolt Felelősségű Társaság (eMAG Hungary), its Hungarian operations with operations of Ed Group Vagyonkezelő Korlátolt Felelősségű Társaság (Extreme Digital), one of the leading marketers in Hungary. The group contributed the operations of its subsidiary eMAG Hungary as well as US$1m cash with an aggregate value of US$13m. Following the merger, eMAG is the majority shareholder, with an effective interest of 52% in the newly merged entity. The group accounted for the acquisition of its interest in Extreme Digital as a business combination and recognised an investment in subsidiary. The purchase price allocation: intangible assets US$21m; property, plant and equipment US$8m; other assets US$1m; liabilities US$9m; and the balance of US$4m to goodwill. The main intangible assets recognised in the business combination were customer relationships and brand names. The transaction gave rise to the recognition of non-controlling interest of US$11m, which has been measured at the non-controlling interest's proportionate share of the identifiable net assets of Extreme Digital as at the acquisition date.

The group has a put option arrangement with the non-controlling interest exercisable at specified future dates or upon termination of employment of the non-controlling interest. The settlement of the put option arrangement is in cash or shares at the group's discretion. The portion of the put option linked to employment is accounted for as a cash-settled share-based compensation arrangement over the employment period. At acquisition, the cash-settled liability for this arrangement amounted to US$9m.

The main factor contributing to the goodwill recognised in the acquisition is Extreme Digital's market presence and engineering capabilities. The goodwill that arose is not expected to be deductible for income tax purposes.

4. BUSINESS COMBINATIONS, OTHER ACQUISITIONS AND DISPOSALS (continued)

Financial year ended 31 March 2020 (continued)

In December 2019 the group invested US$134m in cash and contributed its subsidiary PayU Turkey to acquire a 90% effective and fully diluted interest in İyzi Ödeme ve Elektronik Para Hizmetleri Anonim Şirketi (Iyzico), a leading payment service provider in Turkey. The acquisition of Iyzico was accounted for as a business combination with an effective date of December 2019. The shares held by non-controlling interest in Iyzico are linked to an employment service period and will be accounted for as a cash-settled share-based compensation arrangement over the employment service period. Accordingly, no non-controlling interest has been recognised at the acquisition date. The purchase price allocation: intangible assets US$40m; cash and deposits US$28m; fixed assets US$2m; trade and other liabilities US$25m; deferred tax liabilities US$9m, and the balance of US$98m to goodwill. The main intangible assets recognised in the business combination were customer relationships, brand names and technology.

The main factor contributing to the goodwill recognised in the acquisition is Iyzico's market presence and engineering capabilities. The goodwill that arose is not expected to be deductible for income tax purposes.

In December 2019 the group invested an additional US$163m in PaySense Private Limited (PaySense), a technology platform providing Indian consumers with access to credit lines based on an alternative-data decisioning model. Prior to this transaction the group held 21% in PaySense and was accounted for as an investment in an associate. Following this additional investment, the group now holds a 79% effective and fully diluted interest in PaySense. The fair value of the group's previously held interest in PaySense was US$31m at the date of obtaining control. A gain of US$14m has been recognised in "Gains/(losses) on acquisitions and disposals" in the income statement on the remeasurement of the group's previously held equity interest in PaySense to its fair value. The transaction was accounted for as a business combination with an effective date of December 2019. The purchase price allocation: intangible assets US$41m; cash and deposits US$ 98m, fixed assets US$1m; trade and other receivables US$3m; liabilities US$22m; deferred tax liabilities US$10m, and the balance of US$90m to goodwill. The main intangible assets recognised in the business combination were technology and brand names. The transaction gave rise to the recognition of non-controlling interest of US$8m, which has been measured at the non-controlling interest's proportionate share of the identifiable net assets of PaySense as at the acquisition date. A portion of the shares held by non-controlling interest in PaySense is linked to an employment service period and will be accounted for as a cash-settled share-based compensation arrangement over the employment service period. Accordingly, the non-controlling interest recognised at the acquisition date relates to 50% of their legal shareholding not linked to an employment service period.

The group has a put option arrangement with the non-controlling interest exercisable at specified future dates or upon termination of employment of the non-controlling interest. The settlement of the put option arrangement is in cash or shares at the group's discretion. The portion of the put option linked to employment is accounted for as a cash-settled share-based compensation arrangement over the employment period. At acquisition, the cash-settled liability for this arrangement amounted to US$5m.

The main factor contributing to the goodwill recognised in the acquisition is Paysense's market presence and technological capabilities. The goodwill that arose is not expected to be deductible for income tax purposes.

4. BUSINESS COMBINATIONS, OTHER ACQUISITIONS AND DISPOSALS (continued)

Financial year ended 31 March 2020 (continued)

In December 2019 the group invested US$320m in cash and contributed a portion of its investment in subsidiaries India Used Car Group B.V. (IUCG) and Poland Used Car Group B.V. (PUCG) for an additional interest in Frontier Car Group (FCG). FCG is a used car marketplace in emerging markets providing consumers with access to buy used cars. Prior to this transaction the group held 33% effective interest (32% fully diluted) in FCG and was accounted for as an investment in an associate. Following this additional investment, the group holds an 84% effective interest (83% fully diluted) in FCG. A gain of US$59m has been recognised in "Gains/(losses) on acquisitions and disposals" in the income statement on the remeasurement of the group's previously held equity interest in FCG to its fair value. The aggregate value of the investment in FCG was US$455m consisting of the cash consideration, the fair value of the previously held interest in the company of US$118m, and the fair value of PUCG and IUCG contributed amounting to US$4m and US$11m respectively. The transaction was accounted for as a business combination with an effective date of December 2019.

The purchase price allocation: intangible assets US$113m; cash and deposits US$123m; trade and other receivables US$31m; inventory US$22m; property, plant and equipment US$15m; liabilities US$78m; deferred tax liabilities US$22m; and the balance of US$287m to goodwill. The main intangible assets recognised in the business combination were software, dealer relationships, tradenames and domain names. The transaction gave rise to the recognition of non-controlling interest of US$31m, which has been measured at the non-controlling interest's proportionate share of the identifiable net assets of FCG as at the acquisition date.

The group has a put option arrangement with the non-controlling interest exercisable at specified future dates or upon termination of employment of the non-controlling interest. The settlement of the put option arrangement is in cash or shares at the group's discretion. The portion of the put option linked to employment is accounted for as a cash-settled share-based compensation arrangement over the employment period. At acquisition, the cash-settled liability for this arrangement amounted to US$20m.

The main factor contributing to the goodwill recognised in the acquisition is FCG's market presence. The goodwill that arose is not expected to be deductible for income tax purposes.

Since the acquisition dates of the above business combinations, revenue of US$193m and net losses of US$41m 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 2019, were US$833m and US$125m respectively.

During the reporting period the group disposed of its 100% effective interest in its subsidiary BuscaPé Company Informaçao e Technologia Limitada (BuscaPé) for US$15m. The transaction received regulatory approval in October 2019. At 30 September 2019, BuscaPé was classified as a disposal group available for sale in the amount of US$9m. The group recognised a loss of US$178m, primarily related to the recycling of the foreign exchange translation loss reserve of US$182m.

The following relates to the group's significant transactions related to investments in its equity-accounted investees:

In April 2019 the group contributed 100% of the issued share capital of its subsidiary Netrepreneur Connections Enterprises Inc. (Sulit) as well as cash with an aggregate value of US$56m to Carousell Private Limited (Carousell) in exchange for a 12% (10% fully diluted) interest in Carousell, one of Asia's largest and fastest-growing classifieds marketplaces. The group recognised a gain on loss of control of US$26m in "Gains on acquisitions and disposals" in the income statement. The companies will merge their operations in the Philippines. The group classified its interest in Carousell as an investment in an associate on account of its representation on the board of Carousell. In November 2019 the groups interest was further diluted to 7% effective interest (6% fully diluted) as a result of a subsequent funding round which resulted in the group losing its board representation. The group has classified its interest in Carousell as an investment at fair value through other comprehensive income.

4. BUSINESS COMBINATIONS, OTHER ACQUISITIONS AND DISPOSALS (continued)

Financial year ended 31 March 2020 (continued)

In July 2019 the group invested an additional US$25m in Brainly Inc. (Brainly). Following this investment, the group holds a 44% effective interest (38% fully diluted) in Brainly. The group continues to account for its interest as an investment in an associate.

In August 2019 the group invested US$80m in Meesho Inc. (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 their platform. As at 31 March 2020, the group holds a 12% effective and fully diluted interest in Meesho. The group has accounted for its interest as an investment in an associate on account of its representation on the board of Meesho.

In August 2019 the group exchanged its 43% interest in its online travel associate MakeMyTrip Limited for a 6% effective interest in Trip.com Group Limited (formerly Ctrip.com International Limited) (Trip.com), a well-known provider of online travel and related services headquartered in China. The group made a gain of US$599m which was recognised in “Gains on acquisitions and disposals” in the income statement. The group has classified its interest in Trip.com as an investment at fair value through other comprehensive income presented in “Other investments and loans” in the statement of financial position.

In October 2019 the group acquired a 21% effective interest (19% fully diluted) for US$30m in NTex Transportation Services Private Limited (ElasticRun), a software and technology platform for providing transportation and logistics services in India. The group accounts for the acquisition of its interest as an investment in an associate.

In February 2020 the group made an additional investment amounting to US$100m, in Bundl Technologies Private Limited (Swiggy), the operator of a first-party food-delivery marketplace in India. Following this investment, the group holds a 40% effective interest (36% fully diluted) in Swiggy. The group continues to account for its interest in Swiggy as an investment in an associate.

The group made an additional investment amounting to US$10m in April 2019 and US$34m in March 2020, in Udemy Inc. (Udemy), an online education marketplace. Following this investment, the group holds a 15% effective interest (13% fully diluted) in Udemy. The group continues to account for its interest in Udemy as an investment in an associate.

5. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings US$'m	Computer and office equip-ment US$'m	Furniture and fittings US$'m	Other US$'m	Total US$'m
1 April 2020					
Cost	**425**	**86**	**68**	**20**	**599**
Accumulated depreciation and impairment	**(73)**	**(39)**	**(27)**	**(8)**	**(147)**
Carrying value at 1 April 2020	**352**	**47**	**41**	**12**	**452**
Foreign currency translation effects	**20**	**4**	**7**	**-**	**31**
Transfer to other assets	**3**	**2**	**4**	**-**	**9**
Acquisitions of subsidiaries and businesses	**1**	**1**	**-**	**7**	**9**
Disposals of subsidiaries and businesses	**(2)**	**(1)**	**-**	**-**	**(3)**
Acquisitions of assets	**13**	**31**	**10**	**2**	**56**
Acquisitions of right-of-use assets	**55**	**6**	**1**	**6**	**68**
Disposals/scrappings	**(9)**	**(1)**	**-**	**(1)**	**(11)**
Impairment	**(11)**	**-**	**-**	**-**	**(11)**
Depreciation	**(69)**	**(23)**	**(13)**	**(5)**	**(110)**
31 March 2021					
Cost	**497**	**124**	**87**	**34**	**742**
Accumulated depreciation and impairment	**(144)**	**(58)**	**(37)**	**(13)**	**(252)**
Carrying value at 31 March 2021	**353**	**66**	**50**	**21**	**490**
Work in progress at 31 March 2021					**55**
Total carrying value at 31 March 2021					**545**

5. PROPERTY, PLANT AND EQUIPMENT (continued)

	Land and buildings US$'m	Computer and office equip-ment US$'m	Furniture and fittings US$'m	Other US$'m	Total US$'m
1 April 2019					
Cost	141	70	63	15	289
Accumulated depreciation and impairment	(33)	(39)	(26)	(8)	(106)
Carrying value at 1 April 2019	108	31	37	7	183
Change in accounting policy[1]	228	7	-	7	242
Restated carrying value at 1 April 2019	336	38	37	14	425
Foreign currency translation effects	(51)	(3)	(4)	(3)	(61)
Transferred to assets classified as held for sale	(9)	(1)	-	-	(10)
Reclassifications	-	2	(2)	-	-
Acquisitions of subsidiaries and businesses	23	2	2	1	28
Disposals of subsidiaries and businesses	(2)	(2)	-	-	(4)
Acquisitions of assets	32	24	20	1	77
Acquisitions of right-of-use assets	96	7	-	2	105
Disposals/scrappings	(11)	(1)	-	-	(12)
Depreciation	(62)	(19)	(12)	(3)	(96)
31 March 2020					
Cost	425	86	68	20	599
Accumulated depreciation and impairment	(73)	(39)	(27)	(8)	(147)
Carrying value at 31 March 2020	352	47	41	12	452
Work in progress at 31 March 2020					5
Total carrying value at 31 March 2020					457

[1] *The group adopted IFRS 16 Leases from 1 April 2019 and accordingly the capitalised lease assets as at 31 March 2020 relate to all leases including those previously classified as operating leases in terms of IAS 17 which were not recognised on the statement of financial position.*

5. PROPERTY, PLANT AND EQUIPMENT (continued)

The carrying value of work in progress mainly comprises buildings and equipment.

The group recognised impairment losses of US$10.9m (2020:US$nil) on property, plant and equipment related to the media segment. No impairment losses (2020:US$nil) are presented within work in progress. US$10.9m (2020:US$nil) of the impairment losses have been included in "Other (losses)/gains – net" in the income statement.

The carrying values and depreciation of right-of-use assets are as follows:

	31 March 2021		31 March 2020	
	Carrying value US$'m	**Depreciation charge for the year US$'m**	Carrying value US$'m	Depreciation charge for the year US$'m
Vehicles	**16**	**(4)**	8	(3)
Buildings	**239**	**(58)**	240	(52)
Computers, furniture and office equipment	**21**	**(6)**	19	(4)
	276	**(68)**	267	(59)

Included in the acquisition of property, plant and equipment is an amount of US$63.9m (2020: US$89.9m) relating to leased assets, which are non-cash in nature. Refer to note 27 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.

6. GOODWILL

	31 March	
	2021 US$'m	2020 US$'m
Cost		
Opening balance	**2 324**	2 360
Foreign currency translation effects	**61**	(306)
Acquisitions of subsidiaries and businesses	**43**	566
Disposals of subsidiaries and businesses	**(78)**	(144)
Transferred to assets classified as held for sale	**-**	(152)
Closing balance	**2 350**	2 324
Accumulated impairment		
Opening balance	**87**	240
Foreign currency translation effects	**12**	(28)
Impairment	**71**	12
Disposals of subsidiaries and businesses	**(6)**	(137)
Closing balance	**164**	87
Carrying value	**2 186**	2 237

The group recognised impairment losses on goodwill of US$67.6m (2020:US$11.8m) primarily related to Silver Indonesia JVCo B.V. and Aasaanjobs Private Limited in the classifieds segment and US$2.9m (2020:US$2.2m) in the media segment.

Management used up to 10-year projected cash flow models, terminal growth rates ranging between 2% and 8% and post-tax discount rates ranging between 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.

6. GOODWILL (continued)

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 financial year, the recoverable amounts for CGUs was 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. For certain CGUs 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.

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 the Covid-19 pandemic. The group’s 10-year budgets and forecasts consisted of cash flow projections and included the anticipated impact of the pandemic. These budgets and forecasts were used to calculate discounted cash flow valuations to identify whether there were any indicators that goodwill allocated to various CGUs was impaired. The value in use amounts used were considered appropriate based on these budgets and forecasts.

Covid-19 has had a broad impact on the group, with the restrictions impacting some businesses negatively particularly in the first half of the financial year where they were unable to operate and on the other hand, having a positive impact on some of the group's other major business operations. The positive impact on some of the group’s major business operations was predominantly from regions where online services and sale of goods was the primary solution for social distancing measures imposed. The impairment loss recognised as at 31 March 2021 therefore, takes into account the impact of the pandemic on the group and its cash-generating units which is the group’s best estimate amidst this current uncertain economic environment. The goodwill impairment relates to the group’s media and classifieds business.

Estimating the future performance of the group’s CGUs is challenging during this pandemic. As circumstances change and/or information becomes available, the group may be required to recognise impairments 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 revenue generative or 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 CGUs 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.

6. GOODWILL (continued)

Impairment testing of goodwill (continued)

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 classifieds segment accounts for 74% of the overall balance of goodwill and, accordingly, assumptions made in determining the cash flows of the classifieds CGUs have a significant impact on the annual impairment assessment. Key assumptions underlying revenue forecasts for CGUs in the classifieds 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 3% and 59%, 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.

If either the pre- or post-tax discount rate applied to cash flows were to increased 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.

6. GOODWILL (continued)

Impairment testing of goodwill (continued)

The carrying value of goodwill presented per segment as at 31 March 2021, is as follows:

	Carrying value of goodwill US$'m	Basis of determi-nation 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	**1 617**					16.1-63.7
Avito AB	1 097	VIU	13.7	12.0	4.0	
Frontier Car Group Inc. (FCG)	287	VIU	12.4-26.3	10.5-22.0	4.0	
OLX B.V.	77	VIU	12.3-14.8	11.0-13.0	4.0	
Letgo Global B.V.	55	VIU	24.7	23.0	8.0	
Other classifieds	101	VIU/FVLCoD	Various	Various	Various	
Payments and Fintech	**372**					12.8-47.9
PayU India	133	VIU	15.8	13.5	4.0	
PayU Global Payments Operations (GPO)	151	VIU	15.3	13.0	4.0	
Credit India	88	VIU	15.5	13.5	4.0	
Food Delivery	**28**	VIU	15.5	12.5	4.5	22.3-37.6
Etail	**116**	VIU	13.7-23.4	12.5-15.5	4.0-5.0	13.3-20.8
Other	**53**	VIU/FVLCoD	Various	Various	Various	
	2 186					

[(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 to sell (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.

6. GOODWILL (continued)

Impairment testing of goodwill (continued)

The carrying value of goodwill presented per segment as at 31 March 2020, is as follows:

	Carrying value of goodwill US$'m	Basis of determi-nation of recoverable amount[1]	Pre-tax discount rates at[2] 2020 %	Post-tax discount rate applied to cash flows[2] 2020 %	Growth rate used to extrapolate cash flows[2] 2020 %	Average revenue growth rate[2][4] %
CGUs by segment						
Classifieds	**1 682**					12.1-41.6
Avito AB	1 057	VIU	19.2	16.5	3.5	
Frontier Car Group Inc. (FCG)	287	FVLCoD				
OLX B.V.	77	VIU	15.6	13.4	4.0	
Dubizzle Limited (BVI)	75	FVLCoD[3]				
Letgo Global B.V.	55	FVLCoD[3]				
Silver Indonesia JVCo B.V. (OLX Indonesia)	48	VIU	17.7	17.5	4.0	
Other classifieds	83	VIU/FVLCoD	Various	Various	Various	
Payments and Fintech	**384**					20.5-29.8
PayU India	130	VIU	17.0	14.5	4.0	
PayU Global Payments Operations (GPO)	169	FVLCoD, VIU	17.0	14.5	4.0	
Credit India	85	FVLCoD				
Food Delivery	**19**	VIU/FVLCoD	17.6	14.5	4.0	17.8-33.3
Etail	**105**	VIU	17.5-23.4	16.0-19.5	4.5-5.0	13.4-19.6
Other	**47**	VIU/FVLCoD	Various	Various	Various	
	2 237					

[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 to sell (FVLCoD). FVLCoD is based on the most recent transaction value from an acquisition during the prior 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 a change in circumstance indicates that it might be impaired.

[3] The FVLCoD for Letgo Global B.V. and Dubizzle Limited (BVI) in this segment was based on the transaction value for the disposal of these subsidiaries (Refer to note 4).

[4] 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.

7. OTHER INTANGIBLE ASSETS

	Intellectual property rights and patents US$'m	Customer related assets US$'m	Brand names and title rights US$'m	Software US$'m	Total US$'m
1 April 2020					
Cost	-	583	705	156	1 444
Accumulated amortisation and impairment	-	(189)	(288)	(79)	(556)
Carrying value at 1 April 2020	-	394	417	77	888
Foreign currency translation effects	-	11	24	(3)	32
Acquisitions of subsidiaries and businesses	-	3	4	38	45
Disposals of subsidiaries and businesses	-	(9)	(4)	-	(13)
Acquisitions	-	4	-	8	12
Transfer from work in progress	-	-	-	12	12
Impairment	-	-	-	(1)	(1)
Amortisation	-	(41)	(77)	(36)	(154)
Cost	-	577	735	218	1 530
Accumulated amortisation and impairment	-	(215)	(371)	(123)	(709)
Carrying value at 31 March 2021	-	362	364	95	821
Work in progress at 31 March 2021					4
Total carrying value at 31 March 2021					825

7. OTHER INTANGIBLE ASSETS (continued)

	Intellectual property rights and patents US$'m	Customer related assets US$'m	Brand names and title rights US$'m	Software US$'m	Total US$'m
1 April 2019					
Cost	6	543	760	122	1 431
Accumulated amortisation and impairment	(2)	(176)	(303)	(74)	(555)
Carrying value at 1 April 2019	4	367	457	48	876
Foreign currency translation effects	(1)	(40)	(82)	(5)	(128)
Acquisitions of subsidiaries and businesses	-	105	91	59	255
Disposals of subsidiaries and businesses	(1)	(3)	-	(2)	(6)
Acquisitions	-	8	-	7	15
Disposals	(1)	-	-	-	(1)
Impairment	-	-	-	(1)	(1)
Amortisation	(1)	(43)	(49)	(29)	(122)
31 March 2020					
Cost	-	583	705	156	1 444
Accumulated amortisation and impairment	-	(189)	(288)	(79)	(556)
Carrying value at 31 March 2020	-	394	417	77	888
Work in progress at 31 March 2020					10
Total carrying value at 31 March 2020					898

The group recognised impairment losses on other intangible assets of US$1.0m (2020: US$1.1m). The recoverable amounts of the intangible assets impaired was US$nil in 2020. The intangible assets impaired were written off in full as no future cash inflows are associated with them.

The impairment losses have been included in “Other (losses)/gains – net” in the income statement. US$1.0m (2020: US$1.1m) related to the media segment.

8. INVESTMENTS IN SUBSIDIARIES

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

Name of subsidiary	Effective percentage interest[(1)] 2021 %	2020 %	Nature of business	Country of incorporation	Functional currency
Listed companies					
Corporate companies					
Prosus N.V.	**73.19**	72.63	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.	**73.19**	72.63	Investment holding	The Netherlands	US$
Prosus Services B.V.	**73.19**	72.63	Corporate entity	The Netherlands	US$
MIH B2C Holdings B.V.	**73.19**	72.63	Investment holding	The Netherlands	US$
Classifieds					
Aasaanjobs Private Limited	**50.17**	49.79	Classifieds	India	INR
Avito AB	**73.19**	72.63	Classifieds	Sweden	SEK
Brocante Lab SAS (Selency)	**40.10**	39.79	Classifieds	France	EUR
Dubizzle Limited (BVI)[(2)]	**-**	72.63	Classifieds	UAE	AED
	-				
Frontier Car Group Inc (FCG)[(3)]	**66.38**	61.28	Classifieds	United States of America	US$
Letgo Global B.V.[(2)]	**-**	58.06	Classifieds	The Netherlands	US$
OLX B.V.	**73.19**	72.63	Classifieds	The Netherlands	US$
OLX Portugal S.A.	**73.19**	72.63	Classifieds	Portugal	EUR
Silver Indonesia JVCo B.V. (OLX Indonesia)[(4)]	**73.19**	47.77	Classifieds	The Netherlands	US$
The Car Trader Proprietary Limited (AutoTrader)	**73.19**	72.63	Classifieds	South Africa	ZAR
321sprzedane.pl Sp. z.o.o. (Poland Used Car)[(3)]	**66.38**	61.28	Classifieds	Poland	PLN

[(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.

[(2)] Refer to note 4 for the disposal of the group's interest in to the current year.
[(3)] The group acquired an additional interest in the current year and continues to account for its interest as a subsidiary.
[(4)] The group acquired an additional interest in the current year and now holds 100% interest in subsidiary.

8. INVESTMENTS IN 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] 2021 %	2020 %	Nature of business	Country of incorporation	Functional currency
Etail					
Dante International S.A. (eMAG)	**58.61**	58.16	Retail and ecommerce	Romania	RON
Takealot Online (RF) Proprietary Limited[2]	**96.99**	96.39	Retail and ecommerce	South Africa	ZAR
Extreme Digital Zrt	**30.48**	30.24	Retail and ecommerce	Hungary	HUF
Payments and Fintech					
iyzi Ödeme ve Elektronik Para Hizmetleri Anonim Şirketi (Iyzico)[2]	**66.70**	64.39	Payments platform	Turkey	TRY
PayU Global B.V.[2]	**73.19**	71.74	Payments platform	The Netherlands	US$
PayU Payments Private Limited[2]	**73.19**	71.74	Payments platform	India	INR
PaySense Private Limited	**57.97**	57.52	Credit platform	India	INR
Red Dot Payment Private Ltd	**52.50**	52.60	Payments platform	Singapore	SGD
Wibmo Inc[2]	**73.19**	71.74	Payments platform	United States of America	US$
Zooz Mobile Limited[2]	**73.19**	71.74	Payments platform	Israel	US$
Food Delivery					
iFood.com Agência de Restaurantes Online S.A. (iFood)[2]	**45.55**	39.71	Food delivery	Brazil	BRL
Other Ecommerce					
Movile Internet Movel S.A.[3]	**-**	59.57	Mobile value added services	Brazil	BRL
Movile Mobile Commerce Holdings, S.L.[3]	**68.32**	59.57	Mobile value added services	Brazil	BRL
Sympla Internet Soluções SA[2]	**56.54**	47.53	Mobile value added services	Brazil	BRL
Media					
Media24 Holdings Proprietary Limited[4]	**100.00**	85.00	Investment holding	South Africa	ZAR
Media24 Proprietary Limited[4]	**100.00**	85.00	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.

[2] The group acquired an additional interest in the current year and continues to account for its interest as a subsidiary.

[3] Due to an internal restructuring the entity now forms part of Movile Mobile Commerce Holdings S.L.

[4] The group acquired an additional interest in the current year and now holds 100% interest in subsidiary.

8. INVESTMENTS IN 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.		Media24 Holdings Proprietary Limited[1]	
	31 March 2021 US$'m	31 March 2020 US$'m	**31 March 2021 US$'m**	31 March 2020 US$'m
Summarised statement of financial position				
Non-current assets	**48 583**	26 655		42
Current assets	**7 145**	9 109		121
Total assets	**55 728**	35 764		163
Non-current liabilities	**8 535**	4 303		21
Current liabilities	**4 007**	2 147		66
Total liabilities	**12 542**	6 450		87
Accumulated non-controlling interests	**11 667**	8 178		(9)
Summarised income statement				
Revenue	**5 116**	3 330		321
Net profit/(loss) for the year	**7 449**	3 771		(9)
Other comprehensive income/(loss)	**9 011**	(1 440)		(13)
Total comprehensive income/(loss) attributable to equity holders	**16 460**	2 331		(22)
Total comprehensive income/(loss) attributable to non-controlling interests	**(12)**	268		(1)
Dividends paid to non-controlling interests	**(57)**	-		3
Summarised statement of cash flows				
Cash flows utilised in operating activities	**159**	(209)		8
Cash flows generated from/(utilised in) investing activities	**(3 218)**	2 270		(4)
Cash flows generated from/(utilised in) financing activities	**2 450**	17		(5)

[1] The group acquired an additional interest in the current year and now holds 100% in Media24.

9. CHANGES IN NON-CONTROLLING INTEREST

The Prosus group represents a significant portion of Naspers's net asset value as it comprises the international ecommerce and internet assets, including the investment in Tencent. On 30 October 2020 the group announced its intention for Prosus to acquire up to US$5bn of Prosus and Naspers shares. This was implemented by the acquisition of up to US$1.4bn Prosus N ordinary shares and US$3.6bn Naspers N ordinary shares on the market. Subsequent to the acquisition of Prosus N ordinary shares the group's interest in Prosus N.V. is 73.19% (2020: 72.63%). Accordingly, the 26.81% (2020 27.37%) interest in Prosus represents a significant non-controlling interest of the group. This non-controlling interest will be entitled to its share of future earnings of the Prosus group.

The Prosus group prepares its own consolidated financial results which are reported to its shareholders in accordance with its listing obligations on Euronext Amsterdam. In its results, Prosus discloses various related party balances and transactions with fellow subsidiaries in the Naspers group. More information on Prosus's results is available at https://www.prosus.com.

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] 2021 %	2020 %	Nature of business	Country of incorporation	Functional currency	Year-end
Listed companies						
Delivery Hero SE[2][3]	**15.44**	**15.37**	Food delivery	Germany	EUR	December
Mail.ru Group Limited[2][3]	**19.97**	**20.26**	Internet-related services	British Virgin Islands	RUB	December
Tencent Holdings Limited	**22.59**	**22.52**	Internet-related services	Cayman Islands	RMB	December
Unlisted companies						
Classifieds						
EMPG Holdings Limited[4]	**28.60**	**-**	Classifieds	United Arab Emirates	US$	December
OfferUp Incorporated[4]	**28.94**	**-**	Classifieds	United States of America	US$	December
Payments and fintech						
Primrose Hill Ventures Private Limited (ZestMoney)[3]	**14.23**	**14.12**	Consumer lending	India	INR	December
Remitly, Inc.[2]	**17.65**	**15.22**	Digital money transfer	United States of America	US$	December
Food delivery						
Bundl Technologies Private Limited (Swiggy)	**30.15**	**29.07**	Food delivery	India	INR	March
Other ecommerce						
Brainly, Inc.	**29.32**	**31.82**	Educational technology	United States of America	US$	December
emTransit B.V.(Dott)[3]	**14.42**	**14.31**	Travel	The Netherlands	EUR	March

[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.*

[2] *Refer to note 4 for the group's additional investment during the current year.*

[3] *The group accounts for its interest as an investment in an associate on account of its significant influence on the board of directors.*

[4] The group acquired its interest in this entity during the current year (refer to note 4).

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] 2021 %	2020 %	Nature of business	Country of incorporation	Functional currency	Year-end
Unlisted companies (continued)						
Other ecommerce (continued)						
Eruditus Learning Solutions Private Limited[2][3]	**6.46**	-	Educational technology	Singapore	SGD	June
Honor Technology Inc. (Honor)[2]	**11.58**	11.96	Home care	United States of America	US$	December
Meesho, Inc.[2]	**9.05**	8.83	Online marketplace	United States of America	US$	December
NTEx Transportation Services Private Limited (ElasticRun)[2]	**15.06**	14.94	Logistics	India	INR	March
Ryzac, Inc. (Codecademy)[2]	**15.33**	15.27	Educational technology	United States of America	US$	December
SimilarWeb Limited[2]	**12.34**	17.38	Internet metrics	Israel	NIS	December
Sololearn, Inc.[2]	**14.52**	11.07	Educational technology	United States of America	US$	March
Think & Learn Private Limited (BYJU'S)[2]	**7.74**	8.21	Educational technology	India	INR	March
Udemy, Inc.[2]	**10.24**	10.76	Educational technology	United States of America	US$	March
Corporate						
Naspers Beleggings (RF) Limited[4]	**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.*

(2) *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 acquired its interest in these entities during the current period. Refer to note 4 for further information.*

(4) *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.*

10. INVESTMENTS IN ASSOCIATES (continued)

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

	31 March 2021 US$'m	31 March 2020 US$'m
Listed investments		
Tencent Holdings Limited	**232 354**	145 249
Mail.ru Group Limited	**1 409**	985
Delivery Hero SE	**6 810**	3 134

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

	31 March 2021 US$'m	31 March 2020 US$'m
Opening balance	**22 235**	19 746
Associates acquired - gross consideration[1]	**2 352**	437
net assets acquired	**441**	132
goodwill and other intangibles recognised	**2 028**	328
deferred taxation recognised	**(117)**	(23)
Associates disposed of[2]	**(20)**	(575)
Share of current year changes in OCI and net asset value	**6 819**	129
Share of equity-accounted results	**7 147**	3 974
Equity-accounted results due to purchase accounting	**(33)**	(21)
amortisation of other intangible assets	**(46)**	(31)
realisation of deferred taxation	**13**	10
Impairment	**(11)**	(21)
Dividends received	**(458)**	(377)
Foreign currency translation effects	**1 546**	(999)
Dilution gains/(losses)	**989**	(58)
Closing balance	**40 566**	22 235
Investments in associates		
Listed	**38 136**	20 728
Unlisted	**2 430**	1 507
Total investments in associates	**40 566**	22 235

[1] Includes an investment in OfferUp and EMPG as well as additional investments in Delivery Hero and MailRu. Refer to note 4.

[2] The prior year relates to deemed disposal of Frontier Car Group (FCG), PaySense and MakeMyTrip.

10. INVESTMENTS IN ASSOCIATES (continued)

The group recognised US$7.1bn (2020: US$3.9bn) from associates as its share of equity-accounted results in the income statement. There are no cumulative unrecognised losses relating to associates that have been fully impaired, recognised (2020: US$nil) as at 31 March 2021.

The group recognised total dilution gain of US$1.0bn (2020: a dilution loss of US$52.2m) as part of "Dilution gains/(losses) on equity-accounted investments" in the income statement. The dilution gain includes US$989.4m (2020: a net dilution loss US$57.8m) which relates primarily to a 4% dilution in the group's interest in Delivery Hero of US$834.7m as a result of a share issue as well as dilutions in the group's shareholding in Tencent, Mail.ru and other unlisted investments.

The total dilution gain/ (loss) presented in the income statement also includes a loss of US$8.4m (2020: US$5.4m) relating to the reclassification of a portion of the group's foreign currency translation reserves from other comprehensive income to the income statement following shareholding dilutions, as well as a gain on the partial disposal of Similarweb Limited of US$18.5m.

Impairment losses related to equity-accounted investments focused on the provision of logistical services in the other ecommerce business (March 2020: equity-accounted investment focused on the provision of consumer lending and financial services in the payments business). The group impaired this investment as performance and the opportunity to leverage the investment in some of the group's core markets fell below expectations.

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 routinely 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 2021, the group does not recognise deferred tax on its investments in associates as distributions from associates do not have tax consequences.

10. INVESTMENTS IN ASSOCIATES (continued)

Material associates' summarised financial information

	31 March[1] Tencent Holdings Limited		31 March[1] Mail.ru Group Limited	
	2021 US$'m	2020 US$'m	**2021 US$'m**	2020 US$'m
Dividends received	**458**	377	**-**	-
Non-current assets	**160 556**	98 321	**3 058**	2 853
Current assets	**48 476**	35 491	**806**	326
Total assets	**209 032**	133 812	**3 864**	3 179
Non-current liabilities	**43 169**	31 805	**792**	320
Current liabilities	**41 064**	33 908	**655**	562
Total liabilities	**84 233**	65 713	**1 447**	882
Revenue	**71 597**	54 045	**1 345**	1 464
Net profit/(loss) from continuing operations	**26 365**	13 454	**(197)**	172
Other comprehensive income	**21 571**	310	**13**	6
Total comprehensive income/(loss)	**47 936**	13 764	**(184)**	178

Reconciliation of summarised financial information to carrying value of investment

	31 March[1] Tencent Holdings Limited		31 March[1] Mail.ru Group Limited	
	2021 US$'m	2020 US$'m	**2021 US$'m**	2020 US$'m
Opening net assets	**68 099**	55 254	**2 297**	2 535
Profit/(loss) for the year	**26 365**	13 454	**(197)**	172
Other comprehensive income	**21 571**	310	**13**	6
Transactions with equity holders	**3 364**	3 514	**217**	10
Dividends	**(1 479)**	(1 217)	**-**	-
Foreign currency translation effects	**6 879**	(3 216)	**79**	(440)
Other	**-**	-	**8**	14
Closing net assets	**124 799**	68 099	**2 417**	2 297
Non-controlling interests	**(12 857)**	(7 924)	**(22)**	(10)
	111 942	60 175	**2 395**	2 287
Group's direct interest in associate at year-end	**34 545**	18 654	**654**	638
Goodwill	**11**	11	**103**	101
Carrying value of investment	**34 556**	18 665	**757**	739

[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.

10. INVESTMENTS IN ASSOCIATES (continued)

Material associates' summarised financial information

	31 March[1] Delivery Hero SE	
	2021 US$'m	2020 US$'m
Non-current assets	**8 236**	1 456
Current assets	**3 809**	1 678
Total assets	**12 045**	3 134
Non-current liabilities	**4 959**	319
Current liabilities	**1 739**	682
Total liabilities	**6 698**	1 001
Revenue	**2 919**	1 372
(Loss)/ profit from continuing operations for the year	**(4 133)**	78
Profit from discontinued operations for the year	**-**	249
Other comprehensive loss	**(64)**	(31)
Total comprehensive (loss)/ income	**(4 197)**	296

Reconciliation of summarised financial information to carrying value of investment

	31 March[1] Delivery Hero SE	
	2021 US$'m	2020 US$'m
Opening net assets	**2 133**	1 193
(Loss)/profit from for the year	**(4 133)**	327
Other comprehensive loss	**(64)**	(31)
Fair value step up as a result of additional interest acquired	**888**	-
Transactions with equity holders	**6 368**	685
Foreign currency translation effects	**155**	(41)
Closing net assets	**5 347**	2 133
Non-controlling interests	**5**	2
	5 352	2 135
Group's direct interest in associate (at year-end)	**1 129**	452
Goodwill	**1 694**	872
Carrying value of investment	**2 823**	1 324

[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.

10. INVESTMENTS IN ASSOCIATES (continued)

Other associates' summarised financial information

	31 March 2021 US$'m	31 March 2020 US$'m
Net loss from continuing operations	**(223)**	(327)
Other comprehensive income	**26**	42
Total comprehensive loss	**(197)**	(285)
Carrying value of investments	**2 430**	1 507
Total carrying value of investments in associates	**40 566**	22 235

The group had no capital commitments or contingent liabilities at 31 March 2021 or 2020 in respect of its investments in associates.

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)] 2021 %	Effective percentage interest[(1)] 2020 %	Nature of business	Country of incorporation	Functional currency	Year-end
Unlisted companies						
Silver Brazil JVCo B.V. (OLX Brazil)	**36.60**	36.32	Classifieds	The Netherlands	US$	December
Inversiones CMR S.A.S. (Domicilios.com)[(2)]	**37.33**	-	Food delivery	Colombia	COP	December
El Cocinero a Cuerda S.L. (SinDelantal)	**22.32**	19.46	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 current year.

(2) The group acquired its interest in the current year. Refer to note 4.

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

11. INVESTMENTS IN JOINT VENTURES (continued)

	31 March 2021 US$'m	31 March 2020 US$'m
Opening balance	**74**	96
Joint ventures acquired - gross consideration[1]	**134**	23
net assets acquired	**20**	-
goodwill and other intangibles recognised	**114**	23
Share of equity-accounted results	**(18)**	(20)
Equity-accounted results due to acquisition accounting	**(1)**	(1)
Impairment	**(21)**	-
Dividends received	**(2)**	(1)
Foreign currency translation effects	**(6)**	(23)
Closing balance	**160**	74

[1] Refer to note 4 for investments in joint ventures during the current year.

The group recognised losses of US$17.5m (2020 profits of: US$20.3m) from joint ventures as its share of equity-accounted profits in the income statement. There are no cumulative unrecognised losses relating to joint ventures that have been fully impaired, recognised (2020: US$nil) as at 31 March 2021.

Impairment losses of US$20.9m (2020: US$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 2021 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 2021 and 2020, except for OLX Brazil mentioned above.

12. INVESTMENTS AND LOANS

	31 March 2021 US$'m	31 March 2020 US$'m
Investments at fair value through other comprehensive income	**1 608**	804
Investments at fair value through profit or loss	**1 258**	13
Investments at amortised cost	**11**	-
Other investments and loans	**2**	1
Total investments and loans	**2 879**	818
Current portion of other investments	**(1 258)**	-
Investments at fair value through other comprehensive income	**(5)**	-
Investments at fair value through profit or loss[1]	**(1 242)**	-
Investments at amortised cost	**(11)**	-
Non-current portion of other investments	**1 621**	818

[1] *Represents the contractual right to receive the Delivery Hero shares or cash. Refer to note 4.*

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

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

	31 March			
	Fair value		Dividend income	
	2021 US$'m	2020 US$'m	2021 US$'m	2020 US$'m
Listed investments				
Trip.com Group Limited	**1 189**	704	**-**	-
Novus Holdings Limited	**5**	6	**-**	1
MultiChoice Group Limited	**1**	1	**-**	-
Sinch AB[1]	**270**	-	**-**	-
	1 465	711	**-**	1
Unlisted investments				
Wolt Enterprises Oy[2]	**70**	-	**-**	-
Creditas Financial Solutions Limited	**30**	24	**-**	-
Carousell Private Limited (Carousell)[3]	**-**	23	**-**	-
Grishin Robotics Fund, L.P.	**1**	7	**-**	-
Pantera Venture Funds	**10**	3	**-**	-
SV Angel Funds	**7**	6	**-**	1
Bakkt Holdings LLC	**8**	8	**-**	-
Kreditech Holding SSL Gmbh	**-**	7	**-**	-
Other	**17**	15	**-**	4
	143	93	**-**	5
Total	**1 608**	804	**-**	6

[1] *The group acquired its interest in Sinch AB as part of the proceeds on disposal of Wavy during the current year. Refer to note 4.*

[2] *The group acquired Wolt Enterprises Oy, a food delivery business and provider of mobile payment solutions, during the current year.*

[3] *Investment in Carousell was disposed as part of the consideration for the additional interest acquired in Silver Indonesia during the current year. Refer to note 8. Prior to this disposal the group recognised fair value gains of US$26.6m for this investment.*

13. DEFERRED TAXATION

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

	1 April 2020 US$'m	Charged to income US$'m	Charged to other compre-hensive income US$'m	Acquisition of subsi-diaries and businesses US$'m	Foreign exchange effects US$'m	31 March 2021 US$'m
Deferred tax assets						
Provisions and other current liabilities	15	3	-	-	1	19
Capitalised lease liabilities	3	1	-	-	-	4
Tax losses carried forward	-	(17)	-	-	4	(13)
Other	2	1	(2)	-	3	4
Total deferred tax assets	20	(12)	(2)	-	8	14
Offsetting of deferred tax liabilities	-					13
Net deferred tax assets	20					27
Deferred tax liabilities						
Property, plant and equipment	1	-	-	-	-	1
Intangible assets	193	(14)	-	10	10	199
Receivables and other current assets	3	-	-	-	-	3
Translation reserve						
Other	4	3	(7)	-	13	13
Total deferred tax liabilities	201	(11)	(7)	10	23	216
Offsetting of deferred tax liabilities	-					13
Net deferred tax liabilities	201					229
Net deferred taxation	(181)	(1)	5	(10)	(15)	(202)

13. DEFERRED TAXATION (continued)

	1 April 2019 US$'m	Charged to income[(1)] US$'m	Charged to other compre-hensive income US$'m	Acquisition of subsi-diaries and businesses US$'m	Disposals of sub-sidiaries and businesses US$'m	Foreign exchange effects US$'m	31 March 2020 US$'m
Deferred taxation assets							
Provisions and other current liabilities	15	1	-	1	-	(2)	15
Capitalised finance leases	1	2	-	-	-	-	3
Income received in							
Tax losses carried forward	11	(11)	-	-	-	-	-
Other	78	(56)	-	1	1	(22)	2
Total deferred tax assets	105	(64)	-	2	1	(24)	20
Offsetting of deferred tax liabilities	(84)						-
Net deferred tax assets	21						20
Deferred taxation liabilities							
Property, plant and equipment	1	-	-	-	-	-	1
Intangible assets	195	(34)	-	61	(1)	(28)	193
Receivables and other current assets	3	-	-	-	-	-	3
Capitalised finance							
Programme and film							
Other	15	(4)	-	-	-	(7)	4
Total deferred tax liabilities	214	(38)	-	61	(1)	(35)	201
Offsetting of deferred tax liabilities	(84)						-
Net deferred tax liabilities	130						201
Net deferred taxation	(109)	(26)	-	(59)	2	11	(181)

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 income statement and statement of financial position.

13. DEFERRED TAXATION (continued)

The group has tax losses carried forward of approximately US$2.9bn (2020: US$2.9bn) and unrecognised deferred tax assets on interest carried forward of US$89.0m. A summary of the tax losses carried forward at 31 March 2021 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	-	14	114	-	-	128
Expires in year two	-	11	149	3	-	163
Expires in year three	-	24	340	3	-	367
Expires in year four	-	47	239	-	-	286
Expires in year five	-	66	11	-	-	77
Non-expiring/expires after year five	389	170	935	320	36	1 850
	389	332	1 788	326	36	2 871

The group recognised a deferred income tax expense of US$nil (2020: US$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.

Total deferred taxation assets amount to US$27.1m (2020: US$19.6m), of which US$14.4m (2020: US$10.6m) are expected to be utilised within the next 12 months and US$12.7m (2020: US$9.0m) after 12 months. Total deferred taxation liabilities amount to US$229.3m (2020: US$201.4m), of which US$74.7m (2020: US$74.5m) are expected to be settled within the next 12 months and US$154.6m (2020: US$126.9m) 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.

14. INVENTORY

	31 March	
	2021 US$'m	2020 US$'m
Carrying value		
Finished products, trading inventory and consumables	**416**	277
Work in progress	**1**	1
Gross inventory	**417**	278
Allowance for slow-moving and obsolete inventories	**(20)**	(18)
Net inventory	**397**	260

The total allowance charged to the income statement to write inventory down to net realisable value amounted to US$10.1m (2020: US$6.7m), and reversals of these allowances amounted to US$2.9m (2020: US$1.3m). Net realisable value write-downs relate primarily to general inventory write-downs in the etail and media 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 due to the impact of the Covid-19 pandemic were taken into account. Overall, the inventory write down during the year ended 31 March 2021 did not have a significant impact on the group's financial results.

15. TRADE RECEIVABLES

	31 March	
	2021 US$'m	2020 US$'m
Carrying value		
Trade accounts receivable, gross	**218**	166
Less: Allowance for impairment of trade receivables	**(33)**	(27)
	185	139
The movement in the allowance for impairment of trade receivables during the year was as follows:		
Opening balance	**(27)**	(24)
Additional allowances charged to income statement	**(16)**	(19)
Allowances reversed through the income statement	**5**	10
Allowances utilised	**4**	-
Acquisition of subsidiaries	**(2)**	(1)
Disposal of subsidiaries	**3**	2
Transferred to assets classified as held for sale	**-**	2
Foreign currency translation effects	**-**	3
Closing balance	**(33)**	(27)

The group's maximum exposure to credit risk at the reporting date is the carrying value of the trade 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.

15. TRADE RECEIVABLES (continued)

At 31 March 2021 and 2020, the total allowance for impairment of trade 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 group recognises an allowance for expected credit losses for its trade receivables. The expected credit loss assessment took 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. Overall, the expected credit loss allowance did not have a material impact on the group's trade receivables for the year ended 31 March 2021.

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

	31 March 2021			31 March 2020		
	Carrying value US$'m	**Impair-ment US$'m**	**Expected loss rate**	Carrying value US$'m	Impair-ment US$'m	Expected loss rate
Current	**152**	**(2)**	**1%**	104	(1)	1%
Past due 30 to 59 days	**21**	**(3)**	**14%**	22	(4)	18%
Past due 60 to 89 days	**9**	**(2)**	**22%**	8	(2)	25%
Past due 90 to 119 days	**5**	**(2)**	**40%**	7	(2)	29%
Past due 120 days and older	**31**	**(24)**	**77%**	25	(18)	72%
	218	**(33)**		166	(27)	

16. OTHER RECEIVABLES

	31 March	
	2021 US$'m	2020 US$'m
Prepayments	**121**	93
Accrued income*(1)	**18**	22
Staff debtors*	**3**	5
VAT and related taxes receivable	**105**	77
Merchant and bank receivables*(2)	**268**	188
Sundry deposits	**8**	8
Interest receivable on cross-currency interest rate swap*	**8**	8
Service provider receivables*	**9**	4
Disposal proceeds receivable*	**34**	14
Loan receivables*(3)	**31**	17
Other receivables**	**26**	12
Total other receivables	**631**	448
Less: non-current portion of other receivables(4)	**(17)**	(5)
Current portion of other receivables	**614**	443

(1) Relates to revenue from contracts with customers. Refer to note 28 for movements in accrued income balances.

(2) Merchant and bank receivables are presented net of an allowance for expected impairment (credit) losses of US$2.7m (2020:US$6.6m). Refer to note 42 for details of the group's credit risk management policy.

(3) Loan receivables are presented net of an allowance for expected impairment (credit) losses of US$2.1m (2020:US$nil).

(4) Relates to non-current prepaid rental deposits, loan receivables and employment linked prepayments.

** Financial assets*

*** Includes financial assets of US$14.8m (2020: US$nil).*

17. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE

In July 2020, the group contributed the assets and liabilities of the US letgo business in exchange for an equity interest in OfferUp Inc., a US online marketplace. The assets and liabilities of the US letgo business were classified as held for sale as at 31 March 2020. The transaction was concluded in July 2020 (refer to 4).

In March 2020, the assets and liabilities of the group's subsidiary Wavy Global Holdings B.V. (Wavy) were classified as held for sale as the group signed an agreement to sell its investment to Stockholm-based customer engagement platform, Sinch AB. The transaction closed in February 2021 (refer to note 4).

The assets and liabilities classified as held for sale as at 31 March 2021 and 2020 are detailed in the table below:

	31 March	
	2021 US$'m	2020 US$'m
Assets classified as held for sale		
Property, plant and equipment	**8**	10
Goodwill and other intangible assets	**-**	152
Trade and other receivables	**-**	27
Cash and cash equivalents	**-**	19
	8	208
Liabilities classified as held for sale		
Long-term liabilities	**-**	3
Provisions	**-**	1
Trade payables	**-**	4
Accrued expenses and other current liabilities	**-**	18
	-	26

18. RELATED PARTY TRANSACTIONS AND BALANCES

The group entered into transactions and has balances with a number of related parties, including associates, joint ventures, 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	
	2021 US$'m	2020 US$'m
Sale of goods and services to related parties[1]		
EMPG Holdings Limited	**18**	-
Bom Negocio Atividades de Internet Ltda (OLX Brazil)	**3**	-
MakeMyTrip Limited[2]	**-**	5
Various other related parties	**-**	1
	21	6

(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 associates and joint ventures.

(2) Revenue earned from MakeMyTrip Limited, relates to payment services provided by PayU, when MakeMyTrip was an associate of the group.

The balances of advances, deposits, receivables and payables between the group and related parties are as follows:

	31 March	
	2021 US$'m	2020 US$'m
Loans and receivables[1]		
Bom Negocio Atividades de Internet Ltda (OLX Brazil)[2]	**171**	-
Tencent Technology (Shenzhen) Co Ltd	**-**	90
Honor Technology, Inc	**-**	8
Zoop Tecnologia e Meios de Pagamento Ltda (Zoop)	**-**	6
Various other related parties	**13**	3
Less: allowance for impairment losses[3]	**-**	-
Total related party receivables	**184**	107
Less: non-current portion of related party receivables	**(174)**	(8)
Current portion of related party receivables	**10**	99

(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) OLX Brazil acquired an interest in Grupo Zap in the current year. The acquisition was partially funded via a contribution and loan funding from the group. Refer to note 4. 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.

There were no purchases of goods and services from related parties (2020: US$nil), amounts payable to related parties amounted to US$4.1m (2020: US$2.8m). These amounts are not considered significant and relate to various related parties, most of which are equity-accounted investments of the group.

18. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Directors' remuneration

	31 March	
	2021 US$'000	2020 US$'000
Non-executive directors		
fees for services as directors	4 349	4 777
fees for services as directors of subsidiary companies	487	475
	4 836	5 252

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 long-term incentive payments[(1)(2)(3)] US$'000	Pension contributions and other benefits paid on behalf of director US$'000	Total US$'000
Executive directors					
2021					
V Sgourdos	**1 143**	**1 143**	**8 087**	**109**	**10 482**
Paid by other companies in the group					
B van Dijk	**1 448**	**1 424**	**13 647**	**142**	**16 661**
Paid by other companies in the group					
	2 591	**2 567**	**21 734**	**251**	**27 143**
2020					
V Sgourdos	950	1 207	6 888	120	9 165
Paid by other companies in the group					
B van Dijk	1 362	1 180	13 284	151	15 977
Paid by other companies in the group					
	2312	2387	20 172	271	25 142

(1) Long term incentive payments include PSUs, SARs and share options.

(2) The IFRS 2 expense recognised for unvested and vested but unexercised LTI awards as at 31 March 2021 is US$155.4m (2020: US$11.4m) for the CEO and US$18.9m (2020:US$4.4m) for the CFO.

(3) Represents the grant date fair value in accordance with IFRS 2 of awards made during FY21, assuming on-target vesting for PSUs. The actual value accruing to the executive will depend on the real value created over the time of the award. The figure disclosed in the 2020 remuneration report was estimated and therefore differs slightly from the figure reported in this table.

18. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Directors' remuneration (continued)

Annual performance-related short-term incentive (STI) payments made in respect of the 2020/2021 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:

	2021[1]						
	Directors' fees		Committee and trustee fees		Other fees[2]		
Non-executive directors	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	Total US$'000
J P Bekker[3]	533	22	-	7	-	-	562
E M Choi	224	-	64	-	-	-	288
H J du Toit[4]	-	-	-	-	-	-	-
C L Enenstein	234	-	105	-	-	50	389
D G Eriksson	234	-	260	-	-	-	494
M Girotra[5]	234	-	49	-	-	-	283
R C C Jafta	234	65	150	23	-	-	472
F L N Letele	231	-	26	-	-	-	257
D Meyer	234	-	26	-	-	-	260
R Oliveira de Lima	234	-	53	-	-	50	337
S J Z Pacak	234	-	59	-	-	-	293
T M F Phaswana[6]	-	-	-	-	-	-	-
M R Sorour[7]	234	150	-	-	-	120	504
J D T Stofberg	231	-	26	-	-	-	257
B J van der Ross	234	-	29	-	-	-	263
Y Xu	177	-	-	-	-	-	177
	3 502	237	847	30	-	220	4 836

[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 R3.6m (pre-tax), to education. This year the recipient was the primary Volkskool in Heidelberg, South Africa.
[4] Hendrik Du Toit elected not to receive directors' fees.
[5] Retired with effect from 1 April 2021.
[6] Retired with effect from 1 April 2020.
[7] Mark Sorour received US$13 078,95 from MIH Holdings Proprietary Limited for the period 1 April 2020 to 31 March 2021. 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 only. This is not disclosed in the above table.
[8] Appointed on 26 June 2020 as a director of Naspers and on 18 August 2020 as a director of Prosus.

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.

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.

18. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Directors' remuneration (continued)

	2020[1]						
	Directors' fees		Committee and trustee fees		Other fees[2]		
Non-executive directors	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	Total US$'000
J P Bekker[3]	**590**	**21**	**-**	**8**	**-**	**-**	619
E M Choi	**283**	**-**	**64**	**-**	**-**	**-**	347
H J du Toit[4]	**-**	**-**	**-**	**-**	**-**	**-**	-
C L Enenstein	**287**	**-**	**104**	**-**	**-**	**50**	441
D G Eriksson	**252**	**-**	**259**	**-**	**-**	**-**	511
M Girotra[5]	**120**	**-**	**24**	**-**	**-**	**-**	144
R C C Jafta	**259**	**67**	**165**	**9**	**-**	**-**	500
F L N Letele	**242**	**-**	**26**	**-**	**-**	**-**	268
D Meyer	**256**	**-**	**26**	**-**	**-**	**-**	282
R Oliveira de Lima	**286**	**-**	**54**	**-**	**-**	**50**	390
S J Z Pacak	**249**	**-**	**29**	**-**	**-**	**-**	278
T M F Phaswana[6]	**270**	**-**	**54**	**-**	**-**	**-**	324
M R Sorour[7]	**259**	**150**	**-**	**-**	**-**	**120**	529
J D T Stofberg	**263**	**-**	**26**	**-**	**-**	**-**	289
B J van der Ross	**252**	**-**	**78**	**-**	**-**	**-**	330
	3 868	238	909	17	-	220	5 252

[1] In September 2019 Prosus listed on the Euronext Amsterdam. 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, prorated from the date of listing of Prosus.

[2] Compensation for assignments.

[3] Koos Bekker elected to donate the Rand equivalent of his Naspers director's fees, being R2.1m, to education. This year the recipient was the high school Volkskool in Heidelberg, Mpumalanga, South Africa.

[4] Hendrik Du Toit elected not to receive directors' fees.

[5] Appointed 1 October 2019 as a director and member of the audit committee.

[6] Retired with effect from 1 April 2020.

[7] Mark Sorour received US$11.88 from MIH Holdings Proprietary Limited for the period 1 January 2020 to 31 March 2020. This payment relates to the increased cost of medical aid for retired members of the MMED medical aid scheme as a result of the distribution to shareholders of the MultiChoice Group. The company will provide an annual allowance to cover the difference in cost for retired scheme members during FY20 and FY21 only. This is not disclosed in the above table.

18. 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 2021 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]
V Sgourdos	MIH Services FZ LLC	29/08/2016	3 231	R2 323.52	29/08/2021	R1 134.33
	MIH Services FZ LLC	08/09/2017	1 444	R2 755.72	08/09/2021	R1 083.79
	MIH Services FZ LLC	25/06/2018	16 554	R3 100.99	25/06/2021 to 25/06/2022	R1 199.94 to R1 351.31
	MIH Services FZ LLC	16/07/2019	6 159	R3 494.00	16/07/2021 to 16/07/2023	R1 106.11 to R1 456.05
	MIH Services FZ LLC	21/09/2020	8 420	R2 827.88	21/09/2021 to 21/09/2024	R1 076.37 to R1 329.25
	Naspers Global Ecommerce SAR	29/08/2016	32 603	US$20.45	29/08/2021	US$44.14
	Naspers Global Ecommerce SAR	15/08/2017	50 707	US$27.25	15/08/2021 to 15/08/2022	US$31.41 to US$33.78
	Naspers Global Ecommerce SAR	08/09/2017	42 037	US$27.60	08/09/2021 to 08/09/2022	US$37.76 to US$39.91
	Naspers Global Ecommerce SAR	25/06/2018	107 381	US$33.57	25/06/2021 to 25/06/2022	US$32.60 to US$35.84
	Naspers Global Ecommerce SAR	16/07/2019	169 879	US$36.70	16/07/2021 to 16/07/2023	US$30.78 to US$36.84
	Naspers Global Ecommerce SAR	21/09/2020	148 317	US$41.98	21/09/2021 to 21/09/2024	US$29.27 to US$37.14
	Naspers PSU	09/09/2019	12 718	-	30/06/2022	R3 528.34
	Naspers PSU	21/09/2020	28 623	-	21/09/2023	R2 827.88

[1] The value of the option represents the fair value on grant date in accordance with IFRS in the respective scheme currency.

18. 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 Services FZ LLC	05/07/2016	49 302	R2 056.88	05/07/2021	R1 040.60
	MIH Services FZ LLC	08/09/2017	12 932	R2 755.72	08/09/2021	R1 083.79
	MIH Services FZ LLC	25/06/2018	30 572	R3 100.99	26/06/2021 to 26/06/2022	R1 199.94 to R1 351.31
	MIH Services FZ LLC	16/07/2019	11 877	R3 494.00	16/07/2021 to 16/07/2023	R1 106.11 to R1 456.05
	MIH Services FZ LLC	21/09/2020	14 208	R2 827.88	21/09/2021 to 21/09/2024	R1076.37 to R1329.25
	Naspers Global Ecommerce SAR	15/08/2017	293 578	US$27.25	15/08/2021 to 15/08/2022	US$37.75 to US$39.86
	Naspers Global Ecommerce SAR	08/09/2017	70 106	US$27.60	08/09/2021 to 08/09/2022	US$37.76 to US$39.91
	Naspers Global Ecommerce SAR	25/06/2018	209 218	US$33.57	25/06/2021 to 25/06/2022	US$32.60 to US$35.84
	Naspers Global Ecommerce SAR	16/07/2019	327 624	US$36.70	16/07/2021 to 16/07/2023	US$30.78 to US$36.84
	Naspers Global Ecommerce SAR	21/09/2020	250 285	US$41.98	21/09/2021 to 21/09/2024	US$29.27 to US$37.14
	Naspers PSU	09/09/2019	24 527	-	30/06/2022	R3 528.34
	Naspers PSU	21/09/2020	48 302	-	21/09/2023	R2 827.88

[1] *The value of the option represents the fair value on grant date in accordance with IFRS in the respective scheme currency.*

Directors' interests in Naspers shares

The directors of Naspers have the following interests in Naspers A ordinary shares at 31 March:

	2021			2020		
	Naspers A ordinary shares			Naspers A ordinary shares		
	Beneficial			Beneficial		
Name	**Direct**	**Indirect**	**Total**	Direct	Indirect	Total
J D T Stofberg[1]	**-**	**175**	**175**	-	175	175
S J Z Pacak[1]	**-**	**105**	**105**	-	105	105
	-	**280**	**280**	-	280	280

[1] *Additional Naspers A shares received as part of the Naspers A share capitalisation award approved by shareholders at the extraordinary general meeting on 23 August 2019.*

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 133 350 Naspers A shares.

No other director of Naspers had any direct interest in Naspers A ordinary shares at 31 March 2021 or 31 March 2020.

18. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Directors' interests in Naspers shares (continued)

The directors of Naspers (and their associates) had the following interests in Naspers N ordinary shares as at 31 March:

	2021			2020		
	Naspers N ordinary shares			Naspers N ordinary shares		
	Beneficial			Beneficial		
Name	Direct	Indirect	Total	Direct	Indirect	Total
J P Bekker	-	4 688 691	4 688 691	-	4 688 691	4 688 691
H J Du Toit[(2)]	3 512	-	3 512	-	-	-
C L Enenstein	-	415	415	-	415	415
F L N Letele	1 474	-	1 474	1 474	-	1 474
S J Z Pacak[(1)]	316 635	134 000	450 635	376 635	111 548	488 183
T M F Phaswana	-	-	-	-	830	830
V Sgourdos[(3)]	32 483	98 410	130 893	32 483	87 367	119 850
M R Sorour[(4)]	2 145	159 295	161 440	2 145	165 024	167 169
J D T Stofberg	183 317	291 888	475 205	183 317	291 888	475 205
B J van der Ross	2 550	820	3 370	2 550	820	3 370
B van Dijk	51 809	1 003 928	1 055 737	51 809	922 451	974 260
Y Xu	-	-	-	-	-	-
	593 925	6 377 447	6 971 372	650 413	6 269 034	6 919 447

(1) *On 23 July 2020, Steve Pacak sold 37 548 Naspers N ordinary shares on market at an average price of R3 221.13 per share. On 23 December 2020, Steve Pacak transferred 60 000 Naspers N ordinary shares held in his own name to his family trust. This transaction was concluded off market.*

(2) *On 4 December 2020, in two separate transactions, Hendrik du Toit acquired in total 2630 shares on market. The first transaction for 600 Naspers N ordinary shares was at an average price of R3 188.83 per share and the second transaction for 2030 Naspers N ordinary shares was at an average price of R3 209.70 per share. On 9 December 2020, Hendrik du Toit acquired 882 Naspers N ordinary shares in his own name at an average price of R3 150 per share.*

(3) *On 6 July 2020, Basil Sgourdos exercised 6 667 Naspers N ordinary share options originally offered to him in September 2010. Basil disposed of the Naspers N ordinary shares he received. The full net gain after tax on disposal of these shares was reinvested into the group in the form of Prosus N.V. bonds, which he bought on the open market.*

(4) *On 6 August 2020, Mark Sorour exercised 18 629 Naspers N ordinary share options originally offered to him in July 2012. Mark disposed of the Naspers N ordinary shares he received at an average price of 3230.49122 per share.*

There have been no further changes to the directors' interests in the table above between the end of the financial year and 21 June 2021.

18. 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.

	2021 US$'000	2020 US$'000
Short-term employee benefits[1]	**17 183**	16 000
Post-employment benefits	**634**	1 000
Share-based payment expense	**294 490**	37 000
	312 307	54 000

[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.

19. SHARE CAPITAL AND PREMIUM

	31 March	
	2021 US$'m	2020 US$'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 of R20 each (2020: 961 193)	**2**	2
435 511 058 N ordinary shares of 2 SA cents each (2020: 435 511 058)	**2**	2
	4	4
Share premium	**4 607**	4 607
	4 611	4 611
Cumulative effect of treasury shares used in equity compensation plans[1]	**(3 679)**	(1 249)
	932	3 362

[1] Refers to the cumulative net effect on share premium of treasury shares held at cost and the gains and losses arising on vesting of equity compensation awards.

19. SHARE CAPITAL AND PREMIUM (continued)

Share repurchase programme

In October 2020 the group announced its intention to acquire up to US$5bn of Prosus and Naspers shares. This was implemented through acquiring of up to US$1.4bn Prosus N ordinary shares and US$3.6bn Naspers N ordinary shares on the open market by Prosus. The Prosus N ordinary share repurchase was completed in February 2021 and Prosus had acquired 11 874 493 Naspers N ordinary shares for US$2.4bn. The group accounts for the Naspers N ordinary shares held by Prosus as treasury shares. Refer to note 45 for additional Naspers N ordinary shares acquired by Prosus subsequent to year end.

In the prior year Naspers repurchased N ordinary shares. These N ordinary shares repurchased were cancelled in the financial year ended 31 March 2020.

Treasury shares

The group holds a total of 18 137 423 N ordinary shares (2020: 7 533 095), or 4.2% (2020: 1.7%), of the gross number of N ordinary shares in issue at 31 March 2021 as treasury shares. Equity compensation plans hold 2 866 670 (2020: 2 831 289) of the ordinary shares and the remaining 15 270 753 (2020: 4 701 806) N ordinary shares are held by various group companies.

Voting and dividend rights

The company's issued share capital at 31 March 2021 consisted of 961 193 A ordinary shares and 435 511 058 N ordinary shares. The N ordinary shares are listed on the JSE, the A2X Exchange and has an ADR listing on the London stock exchange (LSE). The N ordinary shares 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 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.

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 (2020: 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 (2020: 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 2021 (2020: R19 223 860).

Unissued share capital

The directors of the company have unrestricted 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.

19. SHARE CAPITAL AND PREMIUM (continued)

	2021 Number of shares	2020 Number of shares
Movement in ordinary shares in issue during the year		
Ordinary shares in issue at 1 April	**436 472 251**	439 563 187
N ordinary shares issued[1]	**-**	6 011 704
A ordinary shares issued[1]	**-**	54 065
Shares acquired as part of the share repurchase programme	**-**	(9 156 705)
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	**7 533 095**	6 455 824
Additional shares received pursuant to the Prosus N.V. listing	**-**	1 428 573
Shares issued to share incentive trusts and companies	**-**	343 391
Shares held by Prosus N.V.	**10 568 947**	-
Shares bought by/sold from trust on market	**268 737**	(334)
Shares acquired by participants from equity compensation plans	**(233 356)**	(694 359)
Shares held as treasury shares at 31 March	**18 137 423**	7 533 095
Net number of ordinary shares in issue at 31 March	**418 334 828**	428 939 156

[1] Shares issued to shareholders holding Naspers N ordinary shares at the time of the Prosus N.V. listing who elected to receive additional Naspers ordinary shares. The Naspers N share capitalisation issue was accompanied by a pro rata capitalisation issue of 54 065 Naspers A ordinary shares to Naspers A shareholders.

	31 March	
	2021 US$'m	2020 US$'m
Share premium		
Balance at 1 April	**4 607**	6 154
Share premium on share repurchase programme	**-**	(1 547)
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$458.2m (2020: US$377.3m) in dividends from Tencent during the year and US$571.1m (2020: US$458.0m) after the year-end – an increase of 25% compared to the 2020 financial year.

19. 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 2021:

Currency of year end balance	Listing date[1]	Year of final repayment	Fixed interest rate	Interest payments	31 March 2021 US$'m	31 March 2020 US$'m
US$	Jul 2017	2025	5.50%	semi-annual	**1 200**	1 200
US$	Jul 2017	2027	4.85%	semi-annual	**1 000**	1 000
US$	Jan 2020	2030	3.68%	semi-annual	**1 250**	1 250
EUR	Aug 2020	2028	1.54%	annual	**998**	-
EUR	Aug 2020	2032	2.03%	annual	**879**	-
US$	Aug 2020	2050	4.03%	semi-annual	**1 000**	-
US$	Dec 2020	2051	3.83%	semi-annual	**1 500**	-
					7 827	3 450

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

Bonds issued during the year ended 31 March 2021

In August 2020, the group issued bonds totalling US$2.18bn. These bonds consist of 30-year US$1.00bn notes due in 2050, eight-year EUR500m notes due in 2028, and 12-year EUR500m notes due in 2032.

In December 2020 the group issued bonds totalling US$2.23bn. These bonds consist of 30-year US$1.50bn due in 2051, a tap of EUR350m due in 2028, and a tap of EUR250m of its existing notes due in 2032. The 2028 notes were offered at an issue price yield of 1.211% and will be treated as a single class of the group's existing EUR500m 1.539% senior notes due 2028. The 2032 notes were offered at an issue price yield of 1.742% and will be treated as a single class of the group's existing EUR500m 2.031% senior notes due 2032.

The current favourable market backdrop enabled the group to further enhance its average debt maturity profile while reducing its average cost of funding. The purpose of this offering was to raise proceeds for general corporate purposes, including potential future M&A activity, and to further augment the group's liquidity position.

Bonds issued during the year ended 31 March 2020

The group issued a 10-year US$1.25bn bond in January 2020. The bond matures in January 2030. The purpose of this offering was to raise proceeds to redeem the US$1.0bn bond that was redeemable in July 2020. The net proceeds of the offering of this bond were used by the group for the redemption of the bond due in 2020 and otherwise for general corporate purposes.

19. SHARE CAPITAL AND PREMIUM (continued)

Capital management (continued)

Undrawn revolving credit facility

The group has an undrawn revolving credit facility (RCF) of US$2.5bn of which US$2.33bn matures in April 2025 and US$0.17bn in April 2023 and bears interest at one-month US LIBOR plus 1.25%, before commitment and utilisation fees.

The borrower under the bonds and the undrawn US$2.5bn (2020: undrawn balance of US$2.5bn) RCF (refer to the group's unutilised banking facilities disclosed in note 42) is Prosus N.V. The borrower is obligated to pay a commitment fee equal to 35% of the applicable margin under the RCF. The undrawn balance of the RCF is available to fund future investments and development expenditure by the group as part of its growth strategy. The group has specific financial covenants in place to govern its 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 group's debt to the value of its investment portfolio.

Net interest-bearing debt-to-equity ratio

As of 31 March 2021, the group had total interest-bearing debt (including capitalised lease liabilities) of US$8.19bn (2020: US$3.79bn) and net cash balance including short-term cash investments of US$5.19bn (2020: US$8.33bn). The net interest-bearing debt-to-equity ratio was 8% at 31 March 2021 and negative 15% at 31 March 2020 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$7.89bn (2020: US$3.52bn) and the adjusted net interest-bearing debt-to-equity ratio was 7% at 31 March 2021. 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.

20. OTHER RESERVES

	31 March	
	2021 US$'m	2020 US$'m
Other reserves in the statement of financial position comprise:		
Foreign currency translation reserve	**(1 841)**	(2 974)
Valuation reserve	**5 044**	281
Existing control business combination reserve	**(9 346)**	(8 029)
Share-based compensation reserve	**2 390**	1 876
	(3 753)	(8 846)

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.

20. OTHER RESERVES (continued)

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 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, whereby 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.

Effective 1 April 2020, the group made a voluntary change to its accounting policy regarding the subsequent measurement of written put option arrangements with non-controlling shareholders. Subsequent changes in the carrying value of put option liabilities previously recognised in the income statement in "Other finance income/(costs) – net" are now being recognised through the existing control business combination reserve (Refer to note 2 for details). On disposal of a business, any amounts accumulated in the "Existing control business combination reserve" in respect of that business are transferred to retained earnings.

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

	31 March 2021			31 March 2020		
	Shareholding acquired	**Purchase Price US$'m**	**BCR US$'m**	Shareholding acquired	Purchase Price US$'m	BCR US$'m
Movile Mobile Commerce Holdings S.L	**11.33%**	**190**	**(136)**	0.20%	31	29
Letgo Global B.V.	**20.06%**	**32**	**(25)**	-	-	-
Frontier Car Group	**6.33%**	**34**	**1**	-	-	-
Silver Indonesia JVCo B.V.[(1)]	**34.22%**	**54**	**(37)**	-	-	-
MIH Internet Sea Pte Ltd[(1)]	**8.71%**	**89**	**(114)**	-	-	-
Prosus N.V.	**0.56%**	**1 415**	**(817)**	-	-	-
Media24 Holdings Proprietary Limited	**15.00%**	**16**	**(30)**	-	-	-
Closing balance		**1 830**	**(1 158)**		31	29

[(1)] *Purchase price for these transactions includes non-cash paid to non-controlling shareholders.*

21. RETAINED EARNINGS

A dividend will be paid in relation to the Naspers N ordinary shares and A ordinary shares of the amount that Naspers receives from Prosus as a dividend as referred to in the Prosus results announcement dated 19 June 2021, either (i) as a terminal economics distribution under the cross-holding agreement between Naspers and Prosus if the exchange offer transaction announced by Prosus on 12 May 2021 is implemented and settlement thereof occurs, or (ii) if this is not the case, as a dividend payment in the ordinary course. The Board intends to declare the dividend as soon as practicable after the exchange offer transaction has been implemented, or it is known that the exchange offer transaction will no longer proceed.

22. POST-EMPLOYMENT LIABILITIES

22.1 Medical liability

The group operates a number of post-employment medical benefit schemes. 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	
	2021	2020
Discount rates	**10.5%**	11.6%
Healthcare cost inflation	**8.6%**	8.8%
Average retirement age	**60**	60
Membership discontinued at retirement	**0%**	0%

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.

22. POST-EMPLOYMENT LIABILITIES (continued)

22.1 Medical liability (continued)

Post-employment medical liability

	31 March	
	2021 US$'m	2020 US$'m
Opening balance	**21**	25
Current service cost	**2**	-
Interest cost	**2**	2
Employer benefit payments	**(2)**	(2)
Disposal of subsidiary	**(3)**	-
Foreign currency translation effects	**4**	(4)
Total post-employment medical liability	**24**	21
Current portion of post-employment medical liability	**2**	4
Non-current portion of post-employment medical liability	**22**	17

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** 8.6%	-1%	+1%
Accrued liability 31 March 2021 (US$'m)	24	23	27
% change		-8.5%	9.9%
Current service cost plus interest cost 2021 and 2022 (US$'m)	2	2	2
% change		-8.6%	10.0%

22.2 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 2021 and 2020 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$3.4m (2020: US$3.5m) was recognised as an expense during the period in relation to the group's defined contribution funds.

23. LONG-TERM LIABILITIES

	Long-term liabilities	**Current portion**	**Total liabilities**	Long-term liabilities	Current portion	Total liabilities
	31 March					
	2021			2020		
	US$'m	**US$'m**	**US$'m**	US$'m	US$'m	US$'m
Interest-bearing	**8 100**	**92**	**8 192**	3 739	53	3 792
Capitalised lease liabilities	**240**	**62**	**302**	231	46	277
Loans and other liabilities	**7 860**	**30**	**7 890**	3 508	7	3 515
Non-interest-bearing	**48**	**18**	**66**	20	14	34
Loans and other liabilities	**48**	**18**	**66**	20	14	34
Total liabilities	**8 148**	**110**	**8 258**	3 759	67	3 826

Type of lease	**Currency of year-end balance**	**Year of final repayment**	**Weighted average interest rate**	**31 March 2021 US$'m**	2020 US$'m
Buildings	Various	2021 - 2038	0.13% - 9.75%	**267**	250
Computers, furniture and office equipment	Various	2021 - 2026	2.55% - 13.50%	**19**	19
Vehicles	Various	2021 - 2025	0.75% - 10.00%	**16**	8
				302	**277**

Maturity profile		
Minimum instalments		
Payable within year one	**71**	53
Payable within year two	**66**	58
Payable within year three	**49**	45
Payable within year four	**41**	34
Payable within year five	**35**	28
Payable after year five	**100**	105
	362	323
Future finance costs on capitalised lease liabilities	**(60)**	(46)
Present value of capitalised lease liabilities	**302**	277
Present value		
Payable within year one	**62**	46
Payable within year two	**58**	52
Payable within year three	**42**	40
Payable within year four	**34**	30
Payable within year five	**29**	24
Payable after year five	**77**	85
Present value of capitalised lease liabilities	**302**	277

23. LONG-TERM LIABILITIES (continued)

Interest-bearing: Loans and other liabilities

	Asset secured	Currency of year-end balance	Year of final repay-ment	Weighted average year-end interest rate	31 March 2021 US$'m	31 March 2020 US$'m
Unsecured[1]						
Publicly traded bond		US$	2025	5.50%	**1 200**	1 200
Publicly traded bond		US$	2027	4.85%	**1 000**	1 000
Publicly traded bond		US$	2030	3.68%	**1 250**	1 250
Publicly traded note[2]		EUR	2028	1.54%	**998**	-
Publicly traded note[3]		EUR	2032	2.03%	**879**	-
Publicly traded bond		US$	2050	4.03%	**1 000**	-
Publicly traded bond		US$	2051	3.83%	**1 500**	-
Various institutions		Various	Various	Various	**8**	8
Secured[4]						
Exim Bank S.A.	Building	EUR	2021 -2029	Euribor 1M + (1.395% - 1.395%)	**38**	37
Raiffeisen Bank S.A.	Building	EUR	2021 -2028	Euribor 1M + 1.395%	**21**	21
Various institutions	Various	Various	Various	Various	**27**	17
Total facilities					**7 921**	3 533
Unamortised loan costs					**(50)**	(18)
Premium on Euro bonds[2] [3]					**19**	-
					7 890	3 515

[1] The publicly traded bonds are listed on the Irish Stock Exchange (Euronext Dublin). Refer to note 19.

[2] The bond maturing in 2028 was issued in 2 tranches. The second tranche was issued at an issue price of 102.381% (plus EUR 1.9m representing 127-days accrued interest in respect of the period from, and including, 3 August 2020), resulting in a premium of EUR 8.3m 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 2 tranches. The second tranche was issued at an issue price of 103.020% (plus EUR 1.8m representing 127-days accrued interest in respect of the period from, and including, 3 August 2020), resulting in a premium of EUR 7.6m 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 27 for details of the group's assets pledged as collateral.

23. 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 2021 US$'m	31 March 2020 US$'m
Secured[1]					
Automotive Finance Corporation	Various	US$	2020	**13**	8
Unsecured					
Preference shares liability		BRL	2023	**36**	-
Earn-out obligations		Various	Conditional	**13**	26
Other		Various	Various	**4**	4
				66	38
Total long-term liabilities					
Repayment terms of long-term liabilities (excluding capitalised lease liabilities)					
Payable within year one				**48**	21
Payable within year two				**42**	23
Payable within year three				**17**	15
Payable within year four				**8**	14
Payable within year five				**1 205**	10
Payable after year five				**6 667**	3 484
				7 987	3 567
Premium on Euro bonds				**19**	-
Unamortised loan costs				**(50)**	(18)
				7 956	3 549
Interest rate profile of long-term liabilities (long- and short-term portion, including capitalised lease liabilities)					
Liabilities at fixed rates: 1 to 12 months				**92**	53
Liabilities at fixed rates: more than 12 months				**8 029**	3 673
Interest-free loans				**66**	34
Liabilities linked to variable rates				**71**	66
				8 258	3 826

[1] *Refer to note 27 for details of the group's assets pledged as collateral.*

23. LONG-TERM LIABILITIES (continued)

Reconciliation of liabilities arising from financing activities

	Capitalised lease liabilities	Interest bearing liabilities	Non-interest bearing liabilities
		31 March 2021	
	US$'m	US$'m	US$'m
Balance at 1 April 2020	**277**	**3 515**	**34**
Additional liabilities recognised	**67**	**4 432**	**161**
Repayments of long- and short-term debt	**(56)**	**(39)**	**(116)**
Repayments of interest on capitalised lease liabilities	**(15)**	**-**	**-**
Interest accrued	**16**	**3**	**-**
Acquisition of subsidiary	**9**	**-**	**-**
Disposal of subsidiary	**(3)**	**-**	**-**
Amortisation of transaction costs	**-**	**3**	**-**
Capitalisation of transaction costs	**-**	**(16)**	**-**
Foreign exchange translation	**11**	**(7)**	**(13)**
Remeasurement of capitalised lease liabilities	**(5)**	**-**	
Other	**1**	**(1)**	**-**
Balance at 31 March 2021	**302**	**7 890**	**66**
Less: Current portion	**(62)**	**(30)**	**(18)**
Non-current liabilities	**240**	**7 860**	**48**

23. LONG-TERM LIABILITIES (continued)

Reconciliation of liabilities arising from financing activities

	Capitalised lease liabilities	Interest bearing liabilities	Non-interest bearing liabilities
		31 March 2020	
	US$'m	US$'m	US$'m
Balance at 1 April 2019	8	3 247	13
Change in accounting policy[1]	242	-	-
Additional liabilities recognised	58	1 285	13
Additional earnout obligations	-	-	2
Repayments of long- and short-term debt	(34)	(1 032)	(15)
Repayments of interest on capitalised lease liabilities	(15)	-	-
Interest accrued	14	1	-
Acquisition of subsidiary	12	33	20
Disposal of subsidiary	(2)	(5)	-
Disposal of a business	(1)	-	-
Amortisation of transaction costs	-	3	-
Capitalisation of transaction costs	-	(8)	-
Foreign exchange translation	(13)	(5)	-
Transfer to held for sale	(2)	(1)	-
Other	10	(3)	1
Balance at 31 March 2020	277	3 515	34
Less: Current portion	(46)	(7)	(14)
Non-current liabilities	231	3 508	20

[1] *The group adopted IFRS 16 from 1 April 2019 and accordingly the capitalised lease liabilities as at 31 March 2020 relate to all leases including those previously classified as operating leases in terms of IAS 17 which were not recognised on the statement of financial position.*

24. OTHER NON-CURRENT LIABILITIES

	31 March	
	2021 US$'m	2020 US$'m
Written put option liabilities[1]	**1 311**	869
Less: Current portion of other liabilities included in accrued expenses and other current liabilities (refer to note 26)	**(1 251)**	(709)
Non-current portion of other liabilities	**60**	160

[1] Relates to put options written over the non-controlling interests in the group's Frontier Car Group, Dante International S.A. (eMAG), Extreme Digital Hungary (eMAG Hungary) , Movile Internet Movel S.A., PaySense Private Limited, letgo B.V. classifieds business (based on OfferUp associate valuation), Takealot Online Proprietary Limited SAR Scheme and various other smaller ecommerce units.

Effective 1 April 2020, the group made a voluntary change to its accounting policy regarding the subsequent measurement of written put option arrangements with non-controlling shareholders. Subsequent changes in the carrying value of put option liabilities previously recognised in the income statement in "Other finance income – net" are now being recognised through the existing control business combination reserve (refer to note 2(w) for details). During the year, the group recognised an aggregate loss on the remeasurement of written put option liabilities of US$534.2m (2020 gain of: US$53.0m). The movement in the written put option liability in the current year is predominantly due to growth in the group's ecommerce subsidiaries that resulted in the increase in the enterprise values used to determine the expected redemption amount payable (put option liability). In the prior year the remeasurement was primarily as a result of the group's acquisition of Frontier Car Group, Extreme Digital and PaySense which increased the liability, as well as the decrease in the put option liability related to letgo classifieds business that was measured using the transaction value of OfferUp Inc. (refer to note 4).

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	
	2021 US$'m	2020 US$'m
Exercisable within one year	**1 251**	709
Exercisable within one to two years	**60**	29
Exercisable after two to five years	**-**	131
Total other liabilities	**1 311**	869

The group has the contractual discretion to settle all written put option obligations either in cash or in Naspers 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.

24. 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 2021, 92% (2020: 36%) 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 6). The increase in written put option liabilities is predominantly as a result of the increase in valuations of the subsidiaries in the Etail and Food Delivery segment.

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	
Increase/(decrease) in written put option liabilities and loss/(gain) in equity	**2021 US$'m**	2020 US$'m
1% increase in the discount rate and a 1% decrease in the terminal growth rate	**(247)**	(53)
1% decrease in the discount rate and a 1% increase the terminal growth rate	**323**	62

Other assumptions contained in the discounted cash flow analyses as at 31 March 2021 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 Covid-19 pandemic, the shift to online ecommerce platforms as a result of the pandemic as well as broader market expectations. For written put option liabilities valued using orderly transactions in the prior year, the group assessed whether the transaction value as at 31 March 2020 was appropriate in light of the pandemic. The impact of the Covid-19 pandemic on the written put option liabilities based on transaction values was not considered to be significant.

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 statement of cash flows.

	31 March	
	2021 US$'m	2020 US$'m
Opening balance	**869**	827
Additional obligations raised	**19**	142
Remeasurements recognised in equity[1]	**534**	(53)
Settlements	**(24)**	-
Expirations and cancellations	**(71)**	-
Foreign currency translation effects	**(16)**	(47)
Closing balance	**1 311**	869

[1]Refer to note 2(w) for details of the group's voluntary change in accounting policy for the subsequent measurement of written put option liabilities during the current year.

25. PROVISIONS

	31 March 2021 US$'m	31 March 2020 US$'m
Pending litigation	**15**	6
Reorganisation	**1**	1
Long-service and retirement gratuity	**5**	6
Other	**2**	2
Total provisions	**23**	15
Less: Non-current portion of provisions	**(6)**	(5)
Current portion of provisions	**17**	10

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. Please refer to note 27 for contingent assets disclosed in respect of the group's litigation matters.

The provision for reorganisation relates to the relocation costs of certain of our operations.

The provision for long service and retirement gratuity relates to the estimated cost of these employee benefits.

Included in other provisions are estimated amounts related to other regulatory matters.

26. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	31 March 2021 US$'m	31 March 2020 US$'m
Deferred income[1]	**102**	62
Accrued expenses*	**211**	229
Accrued interest related to the bonds*	**80**	33
Amounts owing in respect of investments acquired*	**170**	5
Taxes and other statutory liabilities	**105**	62
Bonus accrual	**92**	65
Accrual for leave	**30**	21
Other personnel accruals	**50**	31
Payments received in advance	**26**	25
Cash-settled share-based payment liability (refer to note 44)	**977**	18
Payables from reverse factoring arrangements*	**92**	58
Merchant payable*	**519**	359
Written put option liabilities (refer to note 24)*	**1 251**	709
Other current liabilities**	**44**	24
	3 749	1 701

[1] Relates to revenue from contracts with customers. Refer to note 28 for movements in deferred income balances.

**Financial liabilities*

***Includes financial liabilities of US$33.2m (2020: US$17.8m).*

27. 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 2021 amount to US$60.4m (2020: US$28.9).

(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$81.4m (2020: US$108.9m).

(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 2021. 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	
	2021 US$'m	2020 US$'m
Minimum lease payments:		
Payable in year one	**2**	1
Payable in year two	**2**	1
Payable in year three	**2**	2
Payable in year four	**2**	2
Payable in year five	**2**	2
Payable after five years	**4**	5
	14	13

(d) Litigation claims

Taxation matters

The group operates a number of businesses in jurisdictions where taxes are payable on certain transactions or payments. The group continues to seek relevant advice and works with its advisers to identify and quantify such tax exposures. Our current assessment of possible withholding and other tax exposures, including interest and potential penalties, amounts to approximately US$40.5m (2020: US$30.3m).

Further, the group had an uncertain tax position of US$170.8m at 31 March 2020 related to amounts receivable from tax authorities. In the financial year ended 31 March 2019, the group concluded that this uncertain tax position was not probable and reflected the uncertainty in the tax expense recognised during that financial year. In September 2020, the group received this amount and has recognised it in "Taxation" in the consolidated income statement, where it was originally recognised. The receipt of the amount has evidenced that no taxation was payable on the transaction and therefore this cash flow has been classified consistently with the underlying transaction in the consolidated statement of cash flows.

(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$98.9m (2020: US$83.9m). Refer to note 23 for further details.

28. REVENUE FROM CONTRACTS WITH CUSTOMERS

	Reportable segment(s) where revenue is included	31 March 2021 US$'m	31 March 2020 US$'m
Online sale of goods revenue	Classifieds and Etail	**3 343**	1 868
Classifieds listings revenue	Classifieds	**725**	790
Payment transaction commissions and fees	Payment and Fintech	**513**	380
Mobile and other content revenue	Other Ecommerce	**147**	173
Food delivery revenue	Food Delivery	**733**	310
Travel package revenue and commissions	Travel	**-**	-
Advertising revenue	Various	**142**	201
Comparison shopping commissions and fees	Other ecommerce	**-**	22
Printing, distribution, circulation, publishing and subscription revenue	Media	**117**	137
Other revenue	Various	**214**	120
		5 934	4 001

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.

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

Accrued Income (refer to note 16)

Accrued income balance net of impairment allowances as at 31 March 2021 was US$17.8m (2020: US$22.1m). 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 note 26)

Deferred income balance as at 31 March 2021 was US$101.9m (2020: US$61.1m). Revenue recognised in the current year that was included in the deferred income balance at the beginning of the year (as at 1 April 2020) was US$47.8m (2020: US$36.1m).

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 2021 (2020: US$nil).

29. EXPENSES BY NATURE

	31 March 2021 US$'m	31 March 2020 US$'m
Operating loss includes the following items:		
Platform cost of sales, website hosting and warehousing cost	**2 976**	1 918
Payment facilitation transaction costs	**391**	266
Delivery services cost	**481**	226
Depreciation(1)	**110**	96
Amortisation(2)	**154**	122
Short-term lease payments	**3**	3
Auditor's remuneration		
Audit fees of the financial statements	**14**	10
Other non-audit services	**2**	1
	16	11
Staff costs		
As at 31 March 2021, the group had 28 445 (2020: 25 527) permanent employees. The total cost of employment of all employees, including executive directors, was as follows:		
Salaries, wages and bonuses	**1 012**	913
Social security taxes	**99**	54
Retirement benefit costs	**13**	7
Medical aid fund contributions	**5**	5
Post-employment benefits	**3**	3
Cash settled share-based compensation expenses	**718**	3
Equity settled share-based compensation expenses	**64**	119
	1 914	1 104
Training costs	**9**	9
Retention option expense	**74**	61
Total staff costs	**1 997**	1 174
Advertising expenses	**354**	341
Printing and publishing costs	**106**	127
General administration cost	**410**	364
Other costs of providing services and sale of goods, purchases and expenses	**22**	4
Total	**7 020**	4 652

(1) Includes depreciation charge of US$1.6m in cost of providing services and sale of goods (2020: US$1.1m).

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

30. OTHER (LOSSES)/GAINS - NET

	31 March 2021 US$'m	31 March 2020 US$'m
Fair-value adjustments on financial instruments	**(4)**	4
Impairment losses	**(83)**	(13)
Impairment of goodwill and other intangible assets	**(72)**	(13)
Impairment of property, plant and equipment and other assets	**(11)**	-
Dividends received on investments	**5**	6
Gains recognised on loss of significant influence	**-**	13
Covid-19 donation	**(13)**	(84)
Other	**(8)**	5
Total other losses - net	**(103)**	(69)

Refer to notes 5, 6 and 7 for further information on the above impairments.

31. FINANCE (COSTS)/INCOME

	31 March 2021 US$'m	31 March Restated* 2020 US$'m
Interest income		
Loans and bank accounts	**77**	241
Other[1]	**24**	4
	101	245
Interest expense		
Loans and overdrafts	**(247)**	(209)
Capitalised lease liabilities	**(16)**	(14)
Other	**(5)**	(6)
	(268)	(229)
Net gain from foreign exchange translation and fair-value adjustments on derivative financial instruments		
On translation of assets and liabilities	**80**	47
Fair value adjustments on derivative financial instruments	**127**	29
Other finance income - net	**207**	76
Total finance income/ (costs) - net	**40**	92

[1] Includes interest received on tax. Refer to note 27.

** Refer to note 2(w) for details of the group's voluntary change in accounting policy for the subsequent measurement of written put option liabilities during the current year.*

32. NET GAINS ON ACQUISITIONS AND DISPOSALS

	31 March 2021 US$'m	31 March 2020 US$'m
Gain on sale of investments - net	**242**	390
Gain on sale of business- net	**118**	-
Gains recognised on loss of control transactions	**-**	17
Transaction related costs[1]	**(56)**	(113)
Securities tax paid on internal restructuring	**-**	(18)
Remeasurement of previously held interest	**-**	73
Other gains	**4**	2
	308	351

[1] *Includes transaction-related cost regarding acquisition and disposal transactions. The prior year also includes transaction related cost for the listing of the Prosus.*

33. TAXATION

	31 March 2021 US$'m	31 March 2020 US$'m
Current taxation	**(47)**	205
current year	**125**	204
prior year	**(172)**	1
Deferred taxation	**1**	26
current year	**1**	26
prior year	**-**	-
Total taxation (credit)/expense per income statement[1]	**(46)**	231
Reconciliation of taxation		
Taxation at statutory rates[2]	**2 022**	1 018
Adjusted for:		
non-deductible expenses[3]	**274**	186
non-taxable income[3]	**(364)**	(210)
temporary differences not provided for[4]	**215**	292
assessed losses unprovided	**(12)**	(4)
adjustments related to prior year taxes[1]	**(156)**	1
other taxes	**18**	97
changes in taxation rates	**-**	-
tax attributable to equity-accounted earnings	**(1 987)**	(1 101)
tax adjustment for foreign taxation rates[5]	**(56)**	(48)
Taxation provided in income statement	**(46)**	231

[1] *Refer to note 27 for details on the tax credit in the current year.*
[2] *The reconciliation of taxation has been performed using the statutory tax rate of Naspers Limited of 28% (2020: 28%). The impact of different tax rates applied to profits earned in other jurisdictions is disclosed above as "Tax adjustment for foreign taxation rates".*
[3] *Non-deductible expenses relate primarily to impairment losses, share-based compensation expenses and dilutions of equity-accounted investments. Non-taxable income relates primarily to the gains on disposals of subsidiaries and associates.*
[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.*

34. EARNINGS PER SHARE

	31 March 2021			
	Gross US$'m	Taxation US$'m	Non-controlling interests US$'m	Net US$'m
Earnings				
Basic earnings attributable to shareholders				5 304
Impact of dilutive instruments of subsidiaries, associates and joint ventures				(151)
Diluted earnings attributable to shareholders				5 153
Headline adjustments[1]				
Adjustments for:	(1 347)	(173)	358	(1 162)
Impairment of property, plant and equipment and other assets	11	-	-	11
Impairment of goodwill and other intangible assets	72	-	(19)	53
Gains on acquisitions and disposals of investments	(360)	(173)	164	(369)
Dilution (gains)/losses on equity-accounted investments	(1 000)	-	268	(732)
Remeasurements included in equity-accounted earnings[2]	(102)	-	(47)	(149)
Impairment of equity-accounted investments	32	-	(8)	24
Basic headline earnings				4 142
Diluted headline earnings				3 991

[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. Refer to note 2 for detailed accounting policy relating to earnings per share.*

[2] *Remeasurements included in equity-accounted earnings include US$1.1bn (2020: US$841.9m) relating to gains arising on acquisitions and disposals by associates and US$932.5m (2020: US$226.7m) relating to impairments of assets recognised by associates.*

34. EARNINGS PER SHARE (continued)

	31 March 2020			
	Gross Restated US$'m	Taxation Restated US$'m	Non-controlling interests Restated US$'m	Net Restated* US$'m
Earnings				
Basic earnings attributable to shareholders (restated)				3 097
Impact of dilutive instruments of subsidiaries, associates and joint ventures				(71)
Diluted earnings attributable to shareholders				3 026
Headline adjustments[(1)]				
Adjustments for:	(1 030)	11	88	(931)
Impairment of property, plant and equipment and other assets	-	-	-	-
Impairment of goodwill and other intangible assets	13	-	(2)	11
Gain on loss on of control transactions	(17)	-	-	(17)
Gains on loss on of significant influence	(13)	-	4	(9)
Gains on acquisitions and disposals of investments	(391)	4	-	(387)
Remeasurement of previously held interest	(73)	-	21	(52)
Dilution gains on equity-accounted investments	52	-	5	57
Remeasurements included in equity-accounted earnings	(622)	7	60	(555)
Impairment of equity-accounted investments	21	-	-	21
Basic headline earnings				2 166
Diluted headline earnings				2 095

**Refer to note 2 for details of the group's voluntary change in accounting policy for the subsequent measurement of written put option liabilities during the current year.*

[(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.

34. EARNINGS PER SHARE (continued)

	2021 Number of shares	2020 Number of shares
Number of ordinary shares in issue at year-end (excluding treasury shares)	**418 334 828**	428 939 156
Adjusted for movement in shares held by share trusts and share repurchase programme	**8 488 386**	7 817 080
Weighted average number of ordinary shares in issue during the year	**426 823 214**	436 756 236
Adjusted for effect of future share-based payment transactions	**1 128 213**	1 725 158
Diluted weighted average number of ordinary shares in issue during the year	**427 951 427**	438 481 394
Earnings per ordinary share (US cents) for the year (restated for prior year)		
Basic	**1 243**	709
Diluted	**1 204**	690
Headline earnings per ordinary share (US cents) for the year (restated for prior year)		
Basic	**970**	496
Diluted	**933**	478
Dividend paid per A ordinary share (SA cents)	**116**	143
Dividend paid per N ordinary share (SA cents)	**580**	715
Proposed dividend per A ordinary share (SA cents)[(1)]	**-**	116
Proposed dividend per N ordinary share (SA cents)[(1)]	**-**	580

[(1)] The Board intends to declare the dividend as soon as practicable after the exchange offer transaction has been implemented, or it is known that the exchange offer transaction will no longer proceed.

35. CASH FROM OPERATIONS

	31 March 2021 US$'m	31 March Restated* 2020 US$'m
Profit before tax per income statement (restated for the prior year)*	**7 222**	3 582
Adjustments relating to operations:		
Non-cash and other	**(7 192)**	(3 944)
Depreciation and amortisation	**264**	218
Retention option expense	**74**	61
Share-based compensation expenses	**781**	122
Net finance income	**(40)**	(92)
Share of equity-accounted results	**(7 095)**	(3 932)
Impairment of equity-accounted investments	**32**	21
Gains on acquisitions and disposals	**(364)**	(464)
Dilution (gains)/losses on equity-accounted investments	**(1 000)**	52
Gains recognised on loss of significant influence	**-**	(13)
Net realisable value adjustments on inventory, net of reversals	**8**	5
Impairment losses	**83**	13
Covid-19 donation	**-**	84
Reversal of bonus provision	**39**	-
Other	**26**	(19)
Working capital	**(174)**	(32)
Cash movement in trade and other receivables	**(55)**	14
Cash movement in payables and accruals	**2**	(20)
Cash movement in inventories	**(121)**	(26)
Total cash (utilised) from operations	**(144)**	(394)

** Refer to note 2(w) for details of the group's voluntary change in accounting policy for the subsequent measurement of written put option liabilities during the current year.*

36. ACQUISITIONS OF SUBSIDIARIES AND BUSINESSES

	31 March	
	2021 US$'m	2020 US$'m
Fair value of assets and liabilities:		
Property, plant and equipment	**9**	28
Investments and loans	**2**	-
Other intangible assets	**45**	255
Net current (liability)/assets	**(12)**	253
Deferred taxation	**(10)**	(59)
Long-term liabilities	**(9)**	(65)
Total fair value of assets and liabilities	**25**	412
Non-controlling interests	**(24)**	(53)
Derecognition of equity-accounted investments	**-**	(78)
Remeasurement of previously held interest	**-**	(73)
Goodwill recognised	**43**	566
Purchase consideration	**44**	774
Contribution of subsidiary	**-**	(24)
Amount to be settled in future	**(7)**	(3)
Settlement of amounts owing in respect of prior year purchases	**(2)**	-
Net cash in subsidiaries and businesses acquired	**(20)**	(279)
Net cash outflow from acquisitions of subsidiaries and businesses	**15**	468

37. DISPOSALS OF SUBSIDIARIES AND BUSINESSES

	31 March	
	2021 US$'m	2020 US$'m
Carrying values of assets and liabilities:		
Property, plant and equipment	**3**	4
Disposal groups classified as held for sale	**174**	-
Goodwill	**72**	7
Other intangible assets	**13**	6
Net current assets/(liabilities)	**8**	(22)
Deferred taxation	**-**	(2)
Foreign currency translation reserve realised	**16**	191
	286	184
Non-controlling interests	**-**	10
Existing control business combination reserve	**(17)**	(21)
Gain/(loss) on disposal - net	**346**	(153)
Fair value gain on shares received	**174**	-
Selling price	**789**	20
Net cash in subsidiaries and businesses disposed of	**(35)**	2
Shares received as settlement	**(710)**	35
Amounts to be received in the future	**(17)**	(35)
Net cash inflow from disposals of subsidiaries and businesses	**27**	22

38. ACQUISITION OF AND ADDITIONAL INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

Included in acquisition of and additional investments in associates of US$1.8bn (2020: US$376.0m) are the following: Delivery Hero SE US$1.3bn, EMPG US$75.0m, OfferUp Inc US$100.0m, Eruditus US$59.9m, Remitly US$66.8m, Mail.ru US$25.0m and other acquisitions of US$173.3m (2020: Swiggy US$100.1m, Meesho Inc US$79.7m, Udemy US$43.0m, NTEx Transportation services (ElasticRun) US$30.2m, Brainly Inc US$25.0m and other acquisitions of US$98.0m). These investments were classified as investments in associates.

Included in acquisition of and additional investments in joint ventures of US$132.0m (2020: US$23.0m) is SilverBrazil US$112.1m, El Cochinero (IFood Mexico) US$11.4m and other acquisitions of US$8.5m (2020: El Cochinero US$23.0m). These investments were classified as investments in joint ventures.

39. SHORT-TERM INVESTMENTS

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

		31 March	
		2021	2020
	Weighted average interest rate	**US$'m**	US$'m
Deposits and money-market investments	0.37%	**1 209**	3 839
Fixed deposits	3.8%	**226**	183
Accrued interest income		**4**	38
Total short-term investments		**1 439**	4 060

The deposits and money-market investments of US$1.21bn (2020: US$3.83bn) are denominated in US dollar and fixed deposits of US$226.4m (2020: US$183.0m) are denominated in South African rand.

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 2021.

Most short-term investments are held in the same currency as the respective entity's functional currency. However, there are certain money-market investments held in euros by entities with US dollar functional currencies which give 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 2021

40. CASH AND CASH EQUIVALENTS

	31 March	
	2021 US$'m	2020 US$'m
Cash at bank and on hand	**1 301**	929
Short-term bank deposits[1]	**2 457**	3 374
Bank overdrafts and call loans	**(9)**	(32)
	3 749	4 271
Restricted cash		
The following cash balances are restricted from immediate use according to agreements with banks and other financial institutions:		
Classifieds	**-**	5
Payments and Fintech	**295**	166
Etail	**25**	-
Other Ecommerce	**16**	2
Total restricted cash	**336**	173

[1] Included in short-term bank deposits is an amount of US$996.2m (2020: US$650.0m) which represents money-market investments 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.

41. SEGMENT INFORMATION

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, etail, travel 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 and across Europe, Asia and the Middle East through its investments in Delivery Hero, Swiggy and iFood.
- *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.
- *Travel* – in the prior year, the group through its investment in MakeMyTrip in India operated a platform for online travel services including flight tickets and hotel reservations. Eight months of results are included for MakeMyTrip in the segmental results for the previous period, representing the group's share of its earnings for the period up to disposal and a catch-up of the lag period applied in reporting its results. After the Trip.com transaction, the travel segment ceased to exist and has not been reported on in the current financial year.
- *Other Ecommerce* – this segment comprises the group's edtech, 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 and Mail.ru, the leading internet company in Russian speaking markets.

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 income statement.

41. SEGMENT INFORMATION (continued)

Adjusted EBITDA 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, compensation received from third parties for property, plant and equipment impaired, lost or stolen, 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).

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, compensation received from third parties for property, plant and equipment impaired, lost or stolen, 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 28. 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.

Changes to definition of adjusted EBITDA and trading profit/(loss)

On 24 April 2020, the Naspers board (the board) approved a prospective change in the settlement mechanism for the group's share appreciation rights (SARs) plans from settlement in Naspers N ordinary shares to using cash resources for settlement. Accordingly, going forward these plans have been classified as cash-settled share-based payment expenses for both Prosus and Naspers.

In October 2020, the board approved a change to the group's definition to adjusted EBITDA and trading profit/(loss) related to the treatment of SAR share-based compensation benefits. Adjusted EBITDA and trading profit/(loss) now include the impact of the group's SAR share-based compensation expenses based on the grant date fair value for cash-settled share-based compensation benefits. The non-IFRS measures therefore exclude the subsequent remeasurement of the group's cash-settled share-based compensation benefits. These non-IFRS measures are aimed to reflect a stable measure of the group's operations. From April 2020, since the change in the settlement mechanism, the CODM reviews these two non-IFRS measures to include the impact of the grant date fair value of the group's cash-settled share-based compensation benefits. The CODM reviews these measures excluding the subsequent remeasurement because the volatility in the fair value of our ecommerce portfolio may distort the operating performance of the group's segments. Whilst this presentation is different from what was reported for the six months ended 30 September 2020, the CODM simultaneously reviewed segment information for these non-IFRS measures without the subsequent fair value remeasurement during this period. Accordingly, in October 2020, subsequent to the board approval of the change to the definition of these non-IFRS measures, the September 2020 results were restated. This ensured that these non-IFRS measures were presented on a similar basis for the financial year. Including only the grant date fair value of the group's cash-settled share-based compensation benefits is consistent with how the CODM reviewed these measures prior to the modification of the SARs to a cash-settled scheme and as a result the prior period presented does not require restatement. The group has applied this new definition for adjusted EBITDA and trading profit from April 2020 in these consolidated financial statements.

On an economic interest basis, this non-IFRS measure will continue to include the group's proportionate share of its associate cash-settled share-based compensation expenses and exclude the share of its associate equity-settled share-based compensation expenses.

41. SEGMENT INFORMATION (continued)

	Revenue Year ended 31 March					
	2021			2020		
	US$'m	**US$'m**	**US$'m**	US$'m	US$'m	US$'m
	External	**Inter-segmental**	**Total**	External	Inter-segmental	Total
Ecommerce	**6 849**	**-**	**6 849**	4 680	-	4 680
- Classifieds	**1 608**	**1**	**1 609**	1 299	-	1 299
- Payments and Fintech	**577**	**-**	**577**	422	6	428
- Food Delivery	**1 481**	**5**	**1 486**	751	-	751
- Etail	**2 846**	**10**	**2 856**	1 756	-	1 756
- Travel	**-**	**-**	**-**	146	-	146
- Other	**337**	**(16)**	**321**	306	(6)	300
Social and Internet platforms	**22 526**	**-**	**22 526**	17 189	-	17 189
- Tencent	**22 155**	**-**	**22 155**	16 779	-	16 779
- Mail.ru	**371**	**-**	**371**	410	-	410
Media	**211**	**-**	**211**	267	5	272
Corporate	**-**	**-**	**-**	-	-	-
Eliminations	**-**	**-**	**-**	-	(5)	(5)
Total economic interest	**29 586**	**-**	**29 586**	22 136	-	22 136
Less: Equity-accounted investments	**(23 652)**	**-**	**(23 652)**	(18 135)	-	(18 135)
Total consolidated	**5 934**	**-**	**5 934**	4 001	-	4 001

41. SEGMENT INFORMATION (continued)

	Year ended 31 March 2021						
	US$'m	US$'m	US$'m	US$'m	US$'m	US$'m	US$'m
	Total revenue	COPS and SGA[1]	Adjusted EBITDA[2]	Deprecia-tion	Amorti--sation of software	Interest on leases	Trading (loss)/profit[3]
Ecommerce	6 849	(7 110)	(261)	(143)	(19)	(16)	(439)
- Classifieds	1 609	(1 535)	74	(47)	(5)	(7)	15
- Payments and Fintech	577	(636)	(59)	(8)	-	(1)	(68)
- Food Delivery	1 486	(1 799)	(313)	(36)	(3)	(3)	(355)
- Etail	2 856	(2 746)	110	(42)	(2)	(5)	61
- Other	321	(394)	(73)	(10)	(9)	-	(92)
Social and Internet	22 526	(15 297)	7 229	(1 016)	(30)	(29)	6 154
- Tencent	22 155	(15 004)	7 151	(986)	(13)	(26)	6 126
- Mail.ru	371	(293)	78	(30)	(17)	(3)	28
Media	211	(213)	(2)	(5)	-	(1)	(8)
Corporate	-	(146)	(146)	(5)	-	(1)	(152)
Eliminations	-	-	-	-	-	-	-
Total economic interest	29 586	(22 766)	6 820	(1 169)	(49)	(47)	5 555
Less: Equity-accounted investments	(23 652)	16 749	(6 903)	1 059	33	32	(5 779)
Total consolidated	5 934	(6 017)	(83)	(110)	(16)	(15)	(224)

(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 refers to earnings before the remeasurement of cash-settled share-based compensation expenses, equity-settled share-based compensation expenses for group share option schemes, interest, taxation, depreciation and amortisation. It is considered a useful measure to analyse profitability by eliminating the effects of remeasurement of cash-settled share-based compensation expenses, equity-settled share-based compensation expenses for group share option schemes, financing, tax, capital investment, depreciation and amortisation.

(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.

41. SEGMENT INFORMATION (continued)

	Year ended 31 March 2020						
	US$'m	US$'m	US$'m	US$'m	US$'m	US$'m	US$'m
	Total revenue	COPS and SGA[1] Restated*	Adjusted EBITDA[2] Restated*	Deprecia-tion Restated*	Amorti--sation of software	Interest on finance leases	Trading (loss)/profit[3] Restated*
Ecommerce	4 680	(5 361)	(681)	(113)	(16)	(13)	(823)
- Classifieds	1 299	(1 207)	92	(40)	(3)	(5)	44
- Payments and Fintech	428	(488)	(60)	(6)	-	(1)	(67)
- Food Delivery	751	(1 347)	(596)	(24)	(3)	(1)	(624)
- Etail	1 756	(1 778)	(22)	(35)	(1)	(5)	(63)
- Travel	146	(165)	(19)	(3)	-	-	(22)
- Other*	300	(376)	(76)	(5)	(9)	(1)	(91)
Social and internet platforms	17 189	(11 734)	5 455	(705)	(25)	(26)	4 699
- Tencent	16 779	(11 451)	5 328	(692)	(11)	(24)	4 601
- Mail.ru	410	(283)	127	(13)	(14)	(2)	98
Media	272	(257)	15	(6)	(1)	-	8
Corporate*[4]	-	(151)	(151)	(6)	(1)	(1)	(159)
Eliminations	(5)	5	-	-	-	-	-
Total economic interest	22 136	(17 498)	4 638	(830)	(43)	(40)	3 725
Less: Equity-accounted investments	(18 135)	13 148	(4 987)	734	27	26	(4 200)
Total consolidated[2]	4 001	(4 350)	(349)	(96)	(16)	(14)	(475)

** During the current year, the way that corporate costs are presented to the CODM has been changed. Corporate costs, previously allocated and disclosed in the "Other ecommerce" sub-segment, are now included in the "Corporate segment". This provides more clarity on the total corporate costs incurred by the group. This change had no impact on the overall group trading (loss)/profit.*

[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 refers to earnings before the remeasurement of cash-settled share-based compensation expenses, equity-settled share-based compensation expenses for Naspers group share option schemes, interest, taxation, depreciation and amortisation. It is considered a useful measure to analyse profitability by eliminating the effects of remeasurement of cash-settled share-based compensation expenses, equity-settled share-based compensation expenses for group share option schemes, financing, tax, capital investment, depreciation and amortisation.

[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] Corporate cost of US$3.5m has been incurred subsequent to the listing of the Prosus group.

41. SEGMENT INFORMATION (continued)

Additional disclosure

	Year ended 31 March 2021 US$'m	US$'m	Year ended 31 March 2020 US$'m	US$'m
	Impairment of assets	**Share of equity-accounted results**	Impairment of assets	Share of equity-accounted results
Ecommerce	**(502)**	**(1 007)**	-	(294)
- Classifieds	**(64)**	**(44)**	-	(22)
- Payments and Fintech	**-**	**(15)**	-	(23)
- Food Delivery	**(414)**	**(903)**	-	(166)
- Etail	**(1)**	**-**	-	-
- Travel	**-**	**-**	-	(27)
- Other	**(23)**	**(45)**	-	(56)
Social and Internet platforms	**(553)**	**8 102**	(201)	4 226
- Tencent	**(550)**	**8 156**	(175)	4 178
- Mail.ru	**(3)**	**(54)**	(26)	48
Media	**(4)**	**1**	-	1
Corporate	**(10)**	**-**	(3)	-
Total reportable segments	**(1 069)**	**7 096**	(204)	3 933
Less: Equity-accounted investments[1]	**986**	**-**	201	-
Continuing operations	**(83)**	**7 096**	(3)	3 933
Total	**(83)**	**7 096**	(3)	3 933

[1] *All associates' and joint ventures' results are accounted for using the equity accounting method.*

41. SEGMENT INFORMATION (continued)

Trading profit as presented in the segment disclosure is the CODM and management's 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	
	2021	2020 Restated*
	US$'m	US$'m
Consolidated adjusted EBITDA[1]	**(83)**	(349)
Depreciation	**(110)**	(96)
Amortisation of software	**(16)**	(16)
Interest on capitalised lease liabilities	**(15)**	(14)
Trading loss[2]	**(224)**	(475)
Interest on capitalised finance leases	**15**	14
Amortisation of other intangible assets	**(138)**	(104)
Other losses - net	**(103)**	(69)
Retention option expense	**(74)**	(61)
Remeasurement of cash-settled share-based incentive expenses	**(648)**	-
Share-based incentives for share options settled in Naspers Limited shares	**(17)**	(25)
Operating loss per the income statement	**(1 189)**	(720)
Interest income	**101**	245
Interest expense	**(268)**	(229)
Other finance income/(costs) - net	**207**	76
Share of equity-accounted results	**7 095**	3 932
Impairment of equity-accounted investments	**(32)**	(21)
Dilution gain/(loss) on equity-accounted investments	**1000**	(52)
Net gains on acquisitions and disposals	**308**	351
Profit before taxation per the income statement	**7 222**	3 582

** Refer to note 2 for details of the group's voluntary change in accounting policy for the subsequent measurement of written put option liabilities during the current year.*

[2] Adjusted EBITDA is a non-IFRS measure that refers to earnings before the remeasurement of cash-settled share-based compensation expenses, equity-settled share-based compensation expenses for Naspers group share option schemes, interest, taxation, depreciation and amortisation. It is considered a useful measure to analyse profitability by eliminating the effects of remeasurement of cash-settled share-based compensation expenses, equity-settled share-based compensation expenses for group share option schemes, financing, tax, capital investment, depreciation and amortisation.

[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.

41. SEGMENT INFORMATION (continued)

Geographical information

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 and Eastern Europe and Russia. 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.

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

	Africa						
	South Africa US$'m	Rest of Africa US$'m	Latin America US$'m	Asia US$'m	Europe US$'m	Other US$'m	Total US$'m
March 2021							
External consolidated revenue	**843**	**9**	**1266**	**420**	**3 188**	**208**	**5 934**
External proportionately consolidated revenue[1]	**851**	**9**	**1317**	**22 803**	**4175**	**431**	**29 586**
March 2020							
External consolidated revenue	694	15	624	341	2 187	140	4 001
External proportionately consolidated revenue from [1]	704	15	677	17 453	3 069	218	22 136

[1] *Revenue includes the group's proportionate share of associates' and joint ventures' external revenue.*

Revenue is allocated to a country based on the location of subscribers or users/customers.

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 classified 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.

During the 31 March 2021 financial year, the group did not designate forward exchange contracts as either a cash flow or a fair value hedge.

In the 31 March 2020 financial year, the group entered into foreign exchange contracts at a notional value of US$1.56bn that were designated as cash flow hedge instruments for foreign currency cash and cash equivalents. 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 holding foreign currency cash and cash equivalents. The hedge ratio was 1:1. Cumulative losses of US$107.2m were recognised in other comprehensive income relating to this cash flow hedge since the inception of the hedging relationship and were reclassified to the income statement as the underlying cash and cash equivalent balances were revalued was recognised in the income statement. Net gains of US$6.5m were recognised as part of "Other finance (costs)/income – net" in the income statement. This is 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 instrument and hedged item match.

42. FINANCIAL RISK MANAGEMENT (continued)

42.1 Foreign exchange risk (continued)

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.

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.

The cross-currency interest rate swap matures in July 2025 and on maturity the group will exchange EUR700m for US$783.7m. 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. The hedge ratio is 1:1.

Cumulative losses of US$24.1m (2020: gains of US$24.8m) have been recognised in the foreign currency translation reserve relating to the net investment hedge since the inception of the hedging relationship. The increase in the value of the net investment in Delivery Hero used to determine hedge ineffectiveness for the period is US$1.50bn (2020: increase in value of US$123.0m).

During the current year, total losses of US$79.3m (2020: gains of US$82.3m) were recognised on the cross-currency interest rate swap. Losses of US$48.2m (2020: gains of US$13.1m) 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). Losses of US$31.0m (2020: gains of US$69.2m) were recognised as part of "Other finance (costs)/income – net" in the income statement. This is the element of the cross-currency interest rate swap not designated as part of the hedging relationship. Ineffectiveness may arise from credit risk on the cross-currency interest rate swap. Ineffectiveness is negligible as all critical terms on the hedging instrument and hedged item match.

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 2021, the group had a net cash balance including short-term cash investments, of US$5.19bn (2020: US$8.33bn), of which US$414.3m (2020: US$302.1m) was held in South Africa. The US$4.77bn (2020: US$8.03bn) 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.

Foreign currency sensitivity analysis

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, Russian rouble, Romanian lei and Brazil real are the most significant. The group is also exposed to the British pound, Chinese yuan renminbi, Polish zloty 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% decrease (2020: 10% decrease) in the South African rand, Brazilian real, Indian rupee, Romanian lei and Russian rouble against the US dollar, as well as a 10% increase of the US dollar against the euro (2020: 10% increase of the US dollar against the euro). These movements would result in a US$180.5m decrease in net profit after tax for the year (2020: US$67.9m decrease). Total equity would increase by US$72.8m (2020: US$59.7m increase).

42. FINANCIAL RISK MANAGEMENT (continued)

42.1 Foreign exchange risk (continued)

Foreign currency sensitivity analysis

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 2021		31 March 2020	
	Average rate	**Closing rate**	Average rate	Closing rate
Currency (1FC = US$)				
South African rand (ZAR)	**0.0614**	**0.0677**	0.0667	0.0560
Euro (EUR)	**1.1691**	**1.1730**	1.1103	1.1031
Chinese yuan renminbi (CNY)	**0.1479**	**0.1526**	0.1433	0.1412
Brazilian real (BRL)	**0.1830**	**0.1775**	0.2398	0.1921
Indian rupee (INR)	**0.0135**	**0.0137**	0.0141	0.0133
Polish zloty (PLN)	**0.2593**	**0.2533**	0.2569	0.2420
Russian rouble (RUB)	**0.0134**	**0.0132**	0.0152	0.0127
Romanian lei (RON)	**0.2405**	**0.2384**	0.2330	0.2282
British pound sterling (GBP)	**1.3152**	**1.3782**	1.2702	1.2419

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.

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:

	31 March 2021		31 March 2020	
	Currency amount of liabilities 'm	**US$'m**	Currency amount of liabilities 'm	US$'m
Uncovered liabilities				
Euro	**1 738**	**2 039**	6	6
South African rand	**694**	**46**	84	6
US dollar	**11**	**11**	9	9
British pound	**1**	**1**	9	13
Other	**-**	**2**	-	7

42. FINANCIAL RISK MANAGEMENT (continued)

42.1 Foreign exchange risk (continued)

Derivative financial instruments

The following table details the group's derivative financial instruments:

	31 March 2021		31 March 2020	
	Assets US$'m	**Liabilities US$'m**	Assets US$'m	Liabilities US$'m
Current portion				
Forward exchange contracts	**3**	**2**	-	38
Derivatives contained in acquisition agreements	**15**	**-**	-	-
	18	**2**	-	38
Non-current portion				
Derivatives contained in lease agreements	**9**	**2**	6	2
Cross-currency interest rate swap	**-**	**30**	49	-
	9	**32**	55	2
Total	**27**	**34**	55	40

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 statement of financial position. At 31 March 2021 and 2020, there were no contracts that could be offset under the master netting arrangement.

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 consist primarily of invoiced amounts from normal trading activities. 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 etail, classifieds, media and online content businesses. 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 etail, classifieds and payments businesses and are included within "Other receivables" in the 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 and 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, 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) 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, however, due to the recoverability of debt owing, the adverse effects of the pandemic on credit losses were not material. Due to the group's diverse operations, the forward-looking information considered that the values assigned when calculating impairment allowances vary by business type and country in which the customer is located.

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 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 as a result of the Covid-19 pandemic's impact on operations. Budget forecasts consider these equity-accounted investments businesses remaining operational amidst the pandemic. In addition, the associates and joint ventures have sufficient liquid assets and will therefore be able to settle their debt. As at 31 March 2021 and 31 March 2020, impairment allowances on related party loans and receivables were not material.

42. FINANCIAL RISK MANAGEMENT (continued)

42.2 Credit risk *(continued)*

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 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, etail 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 26) 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 2021, an impairment allowance of US$2.7m (2020: US$6.6m) has been recognised with respect to merchant and bank receivables.

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 2021, 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 2021, impairment allowances related to loan receivables amounted to US$2.1m (31 March 2020: US$nil).

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 2021 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 continuous basis.

42. FINANCIAL RISK MANAGEMENT (continued)

42.2 Credit risk *(continued)*

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$9.1m as at 31 March 2021 (2020: US9.6m). This expected credit loss assessment takes into account the impact of the Covid-19 pandemic. 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. As at 31 March 2021, the impact of Covid-19 on the group's impairment allowances was not significant.

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 2021 and 2020:

	31 March	
	2021 US$'m	2020 US$'m
On call	**80**	30
Expiring within one year	**15**	41
Expiring beyond one year	**2 500**	2 500
	2 595	2 571

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 2021				
	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	**(302)**	**(362)**	**(71)**	**(191)**	**(100)**
Interest-bearing: Loans and other liabilities	**(7 890)**	**(12 117)**	**(244)**	**(2 584)**	**(9 289)**
Non-interest-bearing: Loans and other liabilities	**(66)**	**(66)**	**(15)**	**(48)**	**(3)**
Other non-current liabilities	**(60)**	**(60)**	**-**	**(60)**	**-**
Trade payables	**(395)**	**(395)**	**(395)**	**-**	**-**
Accrued expenses and other current liabilities[1]	**(2 356)**	**(2 356)**	**(2 356)**	**-**	**-**
Related party loans and payables	**(4)**	**(4)**	**(4)**	**-**	**-**
Dividends payable	**(2)**	**(2)**	**(2)**	**-**	**-**
Bank overdrafts	**(9)**	**(9)**	**(9)**	**-**	**-**
Derivative financial assets/(liabilities)					
Forward exchange contracts - inflow	**3**	**3**	**3**	**-**	**-**
Forward exchange contracts - outflow	**(2)**	**(2)**	**(2)**	**-**	**-**
Derivatives contained in acquisition agreements -inflow	**15**	**15**	**15**	**-**	**-**
Derivatives contained in lease agreements - inflow	**9**	**9**	**-**	**9**	**-**
Derivatives contained in lease agreements - outflow	**(2)**	**(2)**	**-**	**(2)**	**-**
Cross-currency interest rate swap - inflow	**-**	**977**	**43**	**934**	**-**
Cross-currency interest rate swap - outflow	**(30)**	**(1 011)**	**(30)**	**(981)**	**-**

[1] *Includes written put option liabilities - refer to note 24.*

42. FINANCIAL RISK MANAGEMENT (continued)

42.3 Liquidity risk (continued)

	31 March 2020				
	Carrying value Restated US$'m	Contractual cash flows Restated US$'m	0 - 12 months Restated US$'m	1 - 5 years Restated US$'m	5 years + Restated US$'m
Non-derivative financial liabilities					
Interest-bearing: Capitalised finance leases	(277)	(323)	(53)	(165)	(105)
Interest-bearing: Loans and other liabilities	(3 515)	(4 723)	(168)	(683)	(3 872)
Non-interest-bearing: Loans and other liabilities	(34)	(34)	(14)	(18)	(2)
Other non-current liabilities	(160)	(160)	-	(160)	-
Trade payables	(322)	(322)	(322)	-	-
Accrued expenses and other current liabilities(1)	(1 327)	(1 327)	(1 327)	-	-
Related party payables	(3)	(3)	(3)	-	-
Dividends payable	(1)	(1)	(1)	-	-
Bank overdrafts	(32)	(32)	(32)	-	-
Derivative financial assets/(liabilities)					
Forward exchange contracts - inflow	-	1 105	1 105	-	-
Forward exchange contracts - outflow	(38)	(1 138)	(1 138)	-	-
Derivatives contained in lease agreements - inflow	6	6	-	6	-
Derivatives contained in lease agreements - outflow	(2)	(2)	-	(2)	-
Cross-currency interest rate swap - inflow	49	1 021	43	173	805
Cross-currency interest rate swap - outflow	-	(976)	(29)	(114)	(833)

(1) Includes written put option liabilities - refer to note 24.

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 23 for the interest rate profiles and repayment terms of long-term liabilities as at 31 March 2021 and 2020.

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 and London repo rates. Management's best estimate of the possible change in these interest rates is an increase of 100 basis points (2020: 100 basis points).

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 2021 would increase by US$6.9m as at 31 March 2021 (2020: increase by US$69.9m).

42.5 Price risk

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$146.4m decrease in other comprehensive income (2020: US$70.4m).

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 2021			
	Carrying value US$'m	Net gains/ (losses) recog-nised in profit or loss US$'m	Total interest income US$'m	Impair-ment US$'m
Assets				
Investments and loans	2 879	-	-	-
Financial assets at fair value through profit or loss	1 258	-	-	-
Financial assets at fair value through other comprehensive income[(2)]	1 608	-	-	-
Other loans and investments[(3)]	13	-	-	-
Receivables and loans[(3)]	755	46	36	15
Trade receivables	185	2	-	10
Other receivables	386	-	33	5
Foreign currency intergroup receivables	-	44	-	-
Related party receivables	184	-	3	-
Derivative financial instruments[(1)]	27	185	-	-
Forward exchange contracts	3	(6)	-	-
Derivatives contained in acquisition agreements	15	189	-	-
Derivatives contained in lease agreements	9	2	-	-
Short-term investments[(3)]	1 439	(5)	21	-
Cash and cash equivalents[(1)(3)]	3 758	26	44	-
Total	8 858	252	101	15

[(1)] *Measured at fair value through profit or loss. Cash and cash equivalents include money market funds which are part of cash and cash equivalents.*

[(2)] *During the year gains of US$555.4m (2020: a loss of US$291.8m) 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.*

43. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

	31 March 2021		
	Carrying value US$'m	Net gains/ (losses) recognised in profit or loss US$'m	Total interest expense US$'m
Liabilities			
Long-term liabilities[1]	8 208	(3)	248
Interest-bearing: Capitalised lease liabilities	240	-	13
Interest-bearing: Loans and other liabilities	7 860	(3)	232
Non-interest-bearing: Loans and other liabilities	48	-	3
Other non-current liabilities	60	-	-
Short-term payables and loans[1]	2 867	(30)	16
Interest-bearing: Capitalised lease liabilities	62	(1)	3
Interest-bearing: Loans and other liabilities	30	(2)	2
Non-interest-bearing: Loans and other liabilities	18	(1)	-
Trade payables	395	(2)	-
Accrued expenses and other current liabilities[2]	2 356	4	11
Related party payables	4	-	-
Foreign currency intergroup payables	-	(28)	-
Dividends payable	2	-	-
Derivative financial instruments[3]	34	(58)	-
Forward exchange contracts	2	(27)	-
Derivatives contained in lease agreements	2	-	-
Cross-currency interest rate swap	30	(31)	-
Bank overdrafts[1]	9	-	4
Total	**11 118**	**(91)**	**268**

[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 24).*
[3] *Measured at fair value through profit or loss.*

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 2021					
Publicly traded bonds	**7 827**	**7 935**	**-**	**7 935**	**-**
31 March 2020					
Publicly traded bonds	3 450	3 183	-	3 183	-

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).

43. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

	31 March 2020			
	Carrying value US$'m	Net gains/ (losses) recognised in profit or loss[1] US$'m	Total interest income[1] US$'m	Impairment[1] US$'m
Assets				
Investments and loans	818	-	-	-
Financial assets at fair value through profit or loss	13	-	-	-
Financial assets at fair value through other comprehensive income	804	-	-	-
Other loans and receivables[2]	1	-	-	-
Receivables and loans[2]	483	20	32	16
Trade receivables	139	3	1	9
Other receivables	237	(1)	31	7
Foreign currency intergroup receivables	-	18	-	-
Related party receivables	107	-	-	-
Derivative financial instruments[1]	55	75	-	-
Forward exchange contracts	-	-	-	-
Cross-currency interest rate swap	49	69	-	-
Derivatives contained in lease agreements	6	6	-	-
Short-term investments[2]	4 060	7	38	-
Cash and cash equivalents[1][2]	4 303	126	175	-
Total	9 719	228	245	16

[1] *Measured at fair value through profit or loss. Cash and cash equivalents include money market funds which are part of cash and cash equivalents.*

[2] *Measured at amortised cost.*

43. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

	31 March 2020		
	Carrying value US$'m	Net gains/ (losses) recognised in profit or los US$'m	Total interest expense US$'m
Liabilities			
Long-term liabilities[1]	3 919	-	211
Interest-bearing: Capitalised finance leases	231	-	11
Interest-bearing: Loans and other liabilities	3 508	-	200
Non-interest-bearing: Loans and other liabilities	20	-	-
Other non-current liabilities	160	-	-
Short-term payables and loans[1]	1 720	(3)	11
Interest-bearing: Capitalised finance leases	46	(1)	3
Interest-bearing: Loans and other liabilities	7	(1)	2
Non-interest-bearing: Loans and other liabilities	14	-	-
Trade payables	322	(13)	-
Accrued expenses and other current liabilities*[2]	1 327	32	6
Related party payables	3	-	-
Foreign currency intergroup payables	-	(20)	-
Dividends payable	1	-	-
Derivative financial instruments[3]	40	(149)	-
Forward exchange contracts	38	(147)	-
Cross-currency interest rate swap	2	(2)	-
Bank overdrafts	32	-	7
Total	5 711	(152)	229

**Net gains/(losses) was restated to exclude remeasurements of written put option liabilities previously recognised in the income statement. Refer to note 2(w) for details of the group's voluntary change in accounting policy for the subsequent measurement of written put option liabilities during the current year.*

[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 24).

[3] Measured at fair value through profit or loss.

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).

43. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

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 investments 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 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.

Level 3 fair-value measurements

- *Financial assets at fair value* – relate predominantly to unlisted equity investments. The fair value of these investments is based on the most recent funding transactions for these investments.
- *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 believe 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.

- *Level 3 – the fair values of all level* 3 disclosures have been determined through the use of discounted cash flow analyses. Key inputs include current market interest rates as well as contractual cash flows.

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 2021			
	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	**1 608**	**1 465**	**4**	**139**
Financial assets at fair value through profit or loss	**1 258**	**-**	**1 242**	**16**
Forward exchange contracts	**3**	**-**	**3**	**-**
Derivatives contained in lease agreements	**9**	**-**	**-**	**9**
Cash and cash equivalents[1]	**996**	**-**	**996**	**-**
Derivatives contained in acquisition agreements	**15**	**15**		
Total	**3 889**	**1 480**	**2 245**	**164**
Liabilities				
Forward exchange contracts	**2**	**-**	**2**	**-**
Derivatives contained in lease agreements	**2**	**-**	**-**	**2**
Earn-out obligations	**13**	**-**	**-**	**13**
Cross-currency interest rate swap	**30**	**-**	**30**	**-**
Total	**47**	**-**	**32**	**15**

[1] Relates to short-term bank deposits which are money market investment held with major banking groups and high-quality institutions that have AAA money market fund credit ratings from internationally recognised rating agencies.

	31 March 2020			
	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	804	711	3	90
Forward exchange contracts	13	-	-	13
Derivatives contained in lease agreements	6	-	-	6
Cash and cash equivalents[1]	650	-	650	-
Cross-currency interest rate swaps	49	-	49	-
Total	1 522	711	702	109
Liabilities				
Forward exchange contracts	38	-	38	-
Derivatives contained in lease agreements	2	-	-	2
Earn-out obligations	22	-	-	22
Total	62	-	38	24

[1]Relates to short-term bank deposits which are money market investment held with major banking groups and high-quality institutions that have AAA money market fund credit ratings from internationally recognised rating agencies.

43. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

The following table shows a reconciliation of the group's level 3 financial instruments:

	31 March 2021			
	Earn-out obli-gations US$'m	**Financial assets at FVOCI[1] US$'m**	**Derivatives embedded in leases US$'m**	**Financial assets at FVPL[2] US$'m**
Balance at 1 April 2020	**(22)**	**90**	**4**	**13**
Additions	**(1)**	**76**	**3**	**3**
Total gains recognised in other comprehensive income	**-**	**24**	**-**	**-**
Total losses recognised in the income statement	**(10)**	**-**	**-**	**-**
Settlements/disposals	**20**	**(51)**	**-**	**-**
Total	**(13)**	**139**	**7**	**16**

	31 March 2020			
	Earn-out obli-gations US$'m	Financial assets at FVOCI[1] US$'m	Derivatives embedded in leases US$'m	Financial assets at FVPL[2] US$'m
Balance at 1 April 2019	(7)	46	1	-
Additions	(20)	79	3	13
Total losses recognised in other comprehensive income	-	(14)	-	-
Settlements/disposals	5	(21)	-	-
Total	(22)	90	4	13

[1] *Financial assets at fair value through other comprehensive income.*

[2] *Financial assets at fair value through profit or loss.*

There were no transfers between level 1 and level 2 during any period presented.

44. EQUITY COMPENSATION BENEFITS

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, performance stock units (PSUs), restricted stock units (RSUs) or share appreciation rights (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) via the capitalisation issue of Naspers M 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.

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

In respect of SARs on exercise date, following completion of the vesting period, awards are settled with employees in cash. These plans are cash-settled (refer to note 3 for change in settlement of these schemes). In respect of some share options, PSUs and RSUs, awards are automatically settled in Naspers Limited and/or Prosus equity instruments on the vesting date. These plans are equity-settled.

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.

44. 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	c[(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
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	15%	e	10 years	Cash-settled
iFood.com Share Option Scheme	12.5%	a[(8)]	10 years	Equity-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
MMC PlayKids Holding B.V. 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

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 vests after year one and monthly thereafter over 3 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.

44. 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)]	5 years and 14 days	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
Avito AB SAR Scheme	15%	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
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
Naspers Ventures B.V. SAR Scheme	15%	d	10 years	Cash-settled
MIH Ventures B.V. SAR Scheme	10%	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	12.5%	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.

44. EQUITY COMPENSATION BENEFITS (continued)

Movements in terms of the group's significant share option and RSU plans are as follows:

	31 March 2021				
	Naspers	**Prosus RSU**	**Naspers RSU**	**MIH Holdings**	**MIH Internet**
Shares					
Outstanding at 1 April	**122 884**	**-**	**119 375**	**282 013**	**2 019 484**
Granted	**-**	**696 940**	**-**	**95 023**	**113 962**
Exercised	**(6 235)**	**(93)**	**(33 943)**	**(39 093)**	**(137 362)**
Forfeited	**-**	**(28 979)**	**(21 588)**	**(3 296)**	**(8 628)**
Expired	**-**	**-**	**-**	**-**	**-**
Cancelled	**-**	**(249)**	**-**	**-**	**-**
Outstanding at 31 March	**116 649**	**667 619**	**63 844**	**334 647**	**1 987 456**
Available to be implemented at 31 March	**95 093**	**-**	**-**	**164 191**	**1 501 390**
Weighted average exercise price	**(SA rand)**	**(Euro)**	**(SA rand)**	**(SA rand)**	**(SA rand)**
Outstanding at 1 April	**1 861.78**	**-**	**-**	**1 922.85**	**1 765.13**
Granted	**-**	**-**	**-**	**2 839.97**	**2 882.65**
Exercised	**1 699.73**	**-**	**-**	**1 105.43**	**1 637.25**
Forfeited	**-**	**-**	**-**	**3 051.36**	**2 834.24**
Expired	**-**	**-**	**-**	**-**	**-**
Cancelled	**-**	**-**	**-**	**-**	**-**
Outstanding at 31 March	**1 870.44**	**-**	**-**	**2 268.38**	**1 833.38**
Available to be implemented at 31 March	**1 641.28**	**-**	**-**	**1 572.35**	**1 486.85**
Weighted average share price of options taken up during the year					
Shares	**6 235**	**93**	**33 943**	**39 093**	**137 362**
Weighted average share price	**3 456.95**	**90.71**	**3 209.18**	**3 287.25**	**3 277.14**
	31 March 2020				
Shares					
Outstanding at 1 April	216 694	-	100 520	365 684	2 276 571
Granted	-	-	121 761	69 349	146 541
Exercised	(85 704)	-	(67 192)	(148 459)	(385 250)
Forfeited	(8 106)	-	(35 714)	(1 088)	(15 242)
Expired	-	-	-	-	-
Cancelled	-	-	-	(3 473)	(3 136)
Outstanding at 31 March	122 884	-	119 375	282 013	2 019 484
Available to be implemented at	108 329	-	-	216 377	1 373 192
Weighted average exercise price	(SA rand)	(Euro)	(SA rand)	(SA rand)	(SA rand)
Outstanding at 1 April	1 505.43	-	-	1 616.39	1 492.14
Granted	-	-	-	3 217.92	3 330.59
Exercised	876.84	-	-	3 291.45	2 760.69
Forfeited	2749. 35	-	-	-	-
Cancelled	-	-	-	3 409.97	2 909.37
Outstanding at 31 March	1 861.78	-	-	1 922.85	1 765.13
Available to be implemented at	1 031.27	-	-	828.19	1 283.36
Weighted average share price of options taken up during the year					
Shares	85 704	-	67 192	148 459	385 250
Weighted average share price	3 286.15	-	2 986.27	3 396.85	2 813.40

44. EQUITY COMPENSATION BENEFITS (continued)

Movements in terms of the group's significant share option and RSU plans are as follows:

	31 March 2021		
	Dante International	**iFood**	**Movile Scheme**
Shares			
Outstanding at 1 April	**66 641**	**104 298**	**634 328**
Granted	**22 475**	**27 272**	**-**
Exercised	**(4 181)**	**-**	**(84 983)**
Forfeited	**(4 511)**	**(8 021)**	**(8 055)**
Expired		**-**	**-**
Cancelled	**-**	**-**	**-**
Outstanding at 31 March	**80 424**	**123 549**	**541 290**
Available to be implemented at 31 March	**33 477**	**41 240**	**300 869**
Weighted average exercise price	**(US$)**	**(BRL)**	**(BRL)**
Outstanding at 1 April	**684.47**	**3 229.46**	**340.49**
Granted	**1 043.32**	**7 177**	**-**
Exercised	**597.06**	**-**	**207.84**
Forfeited	**738.48**	**2 974.06**	**467.23**
Expired	**-**	**-**	**-**
Cancelled	**-**	**-**	**-**
Outstanding at 31 March	**786.26**	**4 117.50**	**359.43**
Available to be implemented at 31 March	**612.53**	**2 289.88**	**273.61**
Weighted average share price of options taken up during the year	**-**	**-**	**-**
Shares	**4 181**	**-**	**84 983**
Weighted average share price	**1 043.32**	**-**	**780.74**
	31 March 2020		
Shares			
Outstanding at 1 April	63 933	71 832	449 934
Granted	11 733	56 060	239 709
Exercised	(6 659)	(8 891)	(15 800)
Forfeited	(2 366)	(14 703)	(39 515)
Expired	-	-	-
Cancelled	-	-	-
Outstanding at 31 March	66 641	104 298	634 328
Available to be implemented at 31 March	24 107	26 423	254 816
Weighted average exercise price	(US$)	(BRL)	(BRL)
Outstanding at 1 April	630.85	2 055.31	248.11
Granted	882.28	4 270.68	497.00
Exercised	503.83	398.56	155.01
Forfeited	725.13	3 174.97	312
Expired	-	-	-
Outstanding at 31 March	684.47	3 229.46	340.49
Available to be implemented at 31 March	546.97	1 282.16	172.15
taken up during the year			
Shares	6 659	8 891	15 800
Weighted average share price	882.28	682.87	497.00

44. EQUITY COMPENSATION BENEFITS (continued)

Movements in terms of the group's significant share appreciation rights plans are as follows:

	31 March 2021					
	Avito	MIH China	Naspers Global Classifieds	Naspers Global Ecommerce	PayU Global	Takealot
SARs						
Outstanding at 1 April	**1 069 438**	**461 617**	**22 150 996**	**9 683 333**	**1 207 454**	**86 524**
Granted	**293 355**	**68 236**	**7 257 671**	**1 065 585**	**-**	**13 525**
Exercised	**(94 877)**	**(212 245)**	**(3 874 164)**	**(415 511)**	**(65 715)**	**(2 946)**
Forfeited	**(79 762)**	**(6 064)**	**(4 167 096)**	**(32 269)**	**(62 098)**	**(6 677)**
Cancelled	**-**	**-**	**-**	**-**	**-**	**-**
Outstanding at 31 March	**1 188 154**	**311 544**	**21 367 407**	**10 301 138**	**1 079 641**	**90 426**
Available to be implemented at 31 March	**359 435**	**91 046**	**5 385 439**	**6 806 349**	**558 725**	**43 025**
Weighted average exercise price	**(US$)**	**(US$)**	**(US$)**	**(US$)**	**(US$)**	**(ZAR)**
Outstanding at 1 April	**83.51**	**103.29**	**8.25**	**22.99**	**71.10**	**3 556.39**
Granted	**110.53**	**213.45**	**9.05**	**42.02**	**-**	**7 536.59**
Exercised	**77.11**	**69.76**	**6.39**	**22.01**	**56.97**	**3 231.99**
Forfeited	**87.58**	**141.67**	**8.98**	**27.93**	**83.03**	**3 117.71**
Outstanding at 31 March	**90.42**	**149.50**	**8.71**	**24.99**	**71.27**	**4 194.67**
Available to be implemented at 31 March	**79.70**	**134.57**	**7.88**	**19.54**	**60.34**	**3 330.20**
Weighted average share price of options taken up during the						
Shares	**94 877**	**212 245**	**3 874 164**	**415 511**	**65 715**	**2 946**
Weighted average share price	**110.53**	**217.27**	**9.05**	**43.10**	**106.75**	**7 536.59**

44. EQUITY COMPENSATION BENEFITS (continued)

Movements in terms of the group's significant share appreciation rights plans are as follows:

	31 March 2020					
	Avito	MIH China	Naspers Global Classifieds	Naspers Global Ecommerce	PayU Global	Takealot
SARs						
Outstanding at 1 April	676 269	424 973	20 085 382	12 579 747	1 270 943	74 050
Granted	618 150	96 319	10 287 847	1 494 974	472 381	24 964
Exercised	(66 204)	(57 424)	(5 950 584)	(4 341 498)	(345 655)	(8 810)
Forfeited	(158 777)	(2 251)	(2271 649)	(49 890)	(176 186)	(3 680)
Cancelled	-	-	-	-	(14 029)	-
Outstanding at 31 March	1 069 438	461 617	22 150 996	9 683 333	1 207 454	86 524
Available to be implemented at 31 March	183 001	185 376	4 150 750	5 934 221	324 649	25 969
Weighted average exercise price	(US$)	(US$)	(US$)	(US$)	(US$)	(ZAR)
Outstanding at 1 April	75.58	88.57	6.87	19.21	53.34	3 117.71
Granted	90.63	140.89	9.62	36.75	95.18	4 705.77
Exercised	70.23	55.39	5.97	16.74	44.25	3 117.71
Forfeited	83.00	155.78	8.22	26.12	58.30	3 576.43
Cancelled	-	-	-	-	95.18	-
Outstanding at 31 March	83.51	103.29	8.25	22.99	71.10	3 556.39
Available to be implemented at 31 March	73.78	82.98	6.20	17.54	50.97	3 117.71
Weighted average share price of SARs taken up during the year						
Shares	66 204	57 424	5 950 584	4 341 498	345 655	8 810
Weighted average share price	90.63	146.85	9.62	38.40	95.05	4 705.77

44. EQUITY COMPENSATION BENEFITS (continued)

Share option allocations outstanding and currently available to be implemented at 31 March 2021 by exercise price for the group's significant share incentive plans:

	Share options outstanding			Share options currently available	
Exercise prices	Number outstanding at 31 March 2021	Weighted average remaining contractual life (years)	Weighted average exercise price	Exercisable at 31 March 2021	Weighted average exercise price
Naspers (SA rand)					
0 to 347.8735	6 223	0.47	294.14	6 223	294.14
376.5635 to 767.8735	11 784	1.63	545.77	11 784	545.77
780.6635 to 1272.6435	8 409	2.73	961.92	8 409	961.92
1371.8535 to 1477.8635	23 453	3.60	1 377.83	23 453	1 377.83
1594.5035 to 1700.5135	9 502	4.48	1 640.47	9 502	1 640.47
1740.8335 to 1962.8635	9 245	4.72	1 781.67	8 590	1 770.10
2323.5035 to 2839.8635	18 945	5.66	2 497.79	12 101	2 500.97
2945.8735 to 3100.99	21 659	7.08	3 061.78	11 848	3 050.69
3207 to 3207	7 429	7.24	3 207.00	3 183	3 207.00
	116 649			95 093	
MIH Holdings (SA rand)					
0 to 328.7133	5 092	1.23	326.10	5 092	326.10
376.5833 to 482.5933	4 625	1.53	407.51	4 625	407.51
661.8833 to 886.6933	29 319	2.29	672.58	29 319	672.58
1046.8833 to 1378.6733	60 036	3.21	1 161.31	60 036	1 161.31
1594.5233 to 1700.5333	14 180	4.47	1 629.50	14 180	1 629.50
1712.8733 to 2037.8633	2 548	4.50	1 754.57	2 367	1 732.91
2068.8933 to 2323.5233	19 768	6.18	2 301.34	10 057	2 312.69
2380.94 to 2450	11 521	7.89	2 422.83	4 085	2 424.81
2782.5 to 2839.8833	121 167	8.84	2 825.12	18 916	2 821.46
2888.51 to 3100.99	9 189	7.13	3 069.20	4 013	3 067.71
3179.88 to 3780.75	57 202	8.26	3 402.41	11 501	3 402.09
	334 647			164 191	
MIH Internet (SA rand)					
241.8832 to 328.7132	18 925	0.95	294.23	18 925	294.23
376.5832 to 482.5932	66 313	1.44	472.66	66 313	472.66
661.8832 to 1272.6632	934 660	2.99	1 042.23	934 660	1 042.23
1302.8932 to 1634.8432	45 875	4.28	1 576.40	45 875	1 576.40
1700.5332 to 1834.7632	36 819	5.14	1 801.38	30 977	1 795.08
1886.8832 to 2097.8832	158 162	5.27	2 052.19	105 878	2 051.77
2230 to 2438.37	62 569	6.15	2 340.70	30 927	2 339.52
2755.7232 to 2995.97	290 693	7.56	2 819.15	129 085	2 809.59
3017 to 3207	243 190	7.36	3 103.46	108 697	3 100.49
3213.98 to 3494	124 848	8.24	3 433.53	27 134	3 437.29
3702.99 to 3809.00	5 402	7.57	3 727.75	2 919	3 708.00
	1 987 456			1 501 390	

44. EQUITY COMPENSATION BENEFITS (continued)

Share option allocations outstanding and currently available to be implemented at 31 March 2021 by exercise price for the group's significant share incentive plans:

	Share options outstanding			Share options currently available	
Exercise prices	Number outstanding at 31 March 2021	Weighted average remaining contractual life (years)	Weighted average exercise price	Exercisable at 31 March 2021	Weighted average exercise price
Dante International (USD)					
319.02 to 533.7	**18 862**	**4.77**	**450.19**	**16 512**	**438.31**
678.53 to 882.28	**39 087**	**7.41**	**800.63**	**16 965**	**782.09**
1043.32 to 1043.32	**22 475**	**9.66**	**1 043.32**	**-**	**-**
	80 424			**33 477**	
iFood (BRL)					
408.64 to 2233.05	**28 610**	**5.32**	**1 068.19**	**24 154**	**970.85**
3984.58 to 4270.68	**68 222**	**8.33**	**4 197.96**	**17 086**	**4 154.54**
7177.42	**26 717**	**9.54**	**7 177.42**	**-**	**-**
	123 549			**41 240**	
Movile Joint Scheme (BRL)					
48.87 to 149.71	**136 539**	**4.18**	**107.27**	**136 539**	**107.27**
279.9 to 307.38	**92 415**	**6.23**	**296.27**	**62 615**	**295.00**
468.87 to 497	**312 336**	**8.09**	**488.35**	**101 715**	**483.72**
	541 290			**300 869**	

44. EQUITY COMPENSATION BENEFITS (continued)

Share appreciation rights allocations outstanding and currently available to be implemented at 31 March 2021 by exercise price for the group's significant share incentive plans:

	SARs outstanding			SARs currently available	
Exercise prices	**Number outstanding at 31 March 2021**	**Weighted average remaining contractual life (years)**	**Weighted average exercise price**	**Exercisable at 31 March 2021**	**Weighted average exercise price**
Avito (US$)					
54.86 to 110.53	**1 188 154**	8.14	90.42	**359 435**	79.70
MIH China (US$)					
81.7856 to 156.04	**243 359**	2.18	131.58	**91 046**	134.57
213.36 to 252.82	**68 185**	4.52	213.45	**-**	-
	311 544			**91 046**	
Naspers Global Classifieds (US$)					
3.54 to 6.5	**2 046 224**	4.98	5.62	**1 542 474**	5.44
7.64 to 9.62	**19 321 183**	8.40	9.04	**3 842 965**	8.86
	21 367 407			**5 385 439**	
Naspers Global Ecommerce (US$)					
15.58 to 20.45	**5 353 232**	3.66	16.09	**5 227 691**	15.99
23.61 to 27.49	**1 375 865**	6.44	27.40	**756 705**	27.33
31.84 to 33.78	**2 460 120**	7.83	35.39	**809 741**	34.90
37.08 to 42.31	**1 111 921**	9.44	41.82	**12 212**	37.28
	10 301 138			**6 806 349**	
PayU Global (US$)					
39.1 to 43.51	**270 130**	4.87	40.72	**249 336**	40.70
58.44 to 95.18	**809 511**	7.61	81.47	**309 389**	76.16
	1 079 641			**558 725**	
Takealot (ZAR)					
3117.71 to 7536.59	**90 426**	7.73	4,194.67	**43 025**	3,330.20

44. EQUITY COMPENSATION BENEFITS (continued)

Share option and RSU plan grants made during the year relating to the group's significant plans:

	31 March 2021			
	Prosus RSU (Euro)	Naspers RSU (SA rand)	MIH Holdings (SA rand)	MIH Internet (SA rand)
Weighted average fair value at measurement date	**80.29**	**-**	**1 207.10**	**1 226.18**
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	**80.29**	**-**	**2 839.97**	**2 882.65**
Weighted average exercise price	**-**	**-**	**2 839.97**	**2 882.65**
Weighted average expected volatility (%)*	**-**	**-**	**35.6%**	**35.6%**
Weighted average option life (years)	**10.0**	**-**	**10.0**	**10.0**
Weighted average dividend yield (%)	**-**	**-**	**0.3%**	**0.2%**
Weighted average risk-free interest rate (%) (based on zero rate bond yield at perfect fit)	**-**	**-**	**6.6%**	**6.6%**
Weighted average annual suboptimal rate (%)	**-**	**-**	**160.0%**	**160.0%**
Weighted average vesting period (years)	**2.5**	**-**	**2.5**	**2.5**

* *The weighted average expected volatility of all share options listed above is determined using historical daily share prices.*

44. EQUITY COMPENSATION BENEFITS (continued)

Share option and RSU plan grants made during the year relating to the group's significant plans:

	31 March 2021		
	Dante (US$)	**iFood (BRL)**	**Movile (BRL)**
Weighted average fair value at measurement date	**520.60**	**3 158.04**	**-**
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	**1 043.32**	**7 177.42**	**-**
Weighted average exercise price	**1 043.32**	**7 177.42**	**-**
Weighted average expected volatility (%)*	**58.7%**	**42.0%**	**-**
Weighted average option life (years)	**10.0**	**10.0**	**-**
Weighted average dividend yield (%)	**0.0%**	**0.0%**	**-**
Weighted average risk-free interest rate (%) (based on zero rate bond yield at perfect fit)	**0.9%**	**4.9%**	**-**
Weighted average annual suboptimal rate (%)	**160.0%**	**160.0%**	**-**
Weighted average vesting period (years)	**2.5**	**2.5**	**-**

* *The weighted average expected volatility of all share options listed above is determined using historical daily share prices.*

44. EQUITY COMPENSATION BENEFITS (continued)

Share option and RSU plan grants made during the year relating to the group's significant plans:

	31 March 2020			
	Prosus RSU (Euro)	Naspers RSU (SA rand)	MIH Holdings (SA rand)	MIH Internet (SA rand)
Weighted average fair value at measurement date	-	3 251.25	1 177.73	1 148.79
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	-	3 252.12	3 216.51	3 329.38
Weighted average exercise price	-	-	3 216.51	3 329.38
Weighted average expected volatility (%)*	-	-	32.9%	32.9%
Weighted average option life (years)	-	2.5	10.0	10.0
Weighted average dividend yield (%)	-	-	0.2%	0.2%
Weighted average risk-free interest rate (%) (based on zero rate bond yield at perfect fit)	-	-	8.1%	8.0%
Weighted average annual suboptimal rate (%)	-	-	223.0%	340.0%
Weighted average vesting period (years)	-	2.5	2.5	2.5

* *The weighted average expected volatility of all share options listed above is determined using historical daily share prices.*

44. EQUITY COMPENSATION BENEFITS (continued)

Share option and RSU plan grants made during the year relating to the group's significant plans:

	31 March 2020		
	Dante International (US$)	iFood (BRL)	Movile Joint scheme (BRL)
Weighted average fair value at measurement date	386.80	1990.98	213.46
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	882.28	4270.68	497.00
Weighted average exercise price	882.28	4270.68	497.00
Weighted average expected volatility (%)*	45.9%	40.5%	37.4%
Weighted average option life (years)	10.0	10.0	10.0
Weighted average dividend yield (%)	0.0%	0.0%	0.0%
Weighted average risk-free interest rate (%) (based on zero rate bond yield at perfect fit)	1.9%	5.7%	5.9%
Weighted average annual suboptimal rate (%)	100.0%	100.0%	100.0%
Weighted average vesting period (years)	2.5	3.0	2.5

* *The weighted average expected volatility of all share options listed above is determined using historical daily share prices.*

44. EQUITY COMPENSATION BENEFITS (continued)

Share appreciation rights plan grants made during the year relating to the group's significant plans:

	Avito (US$)	MIH China (US$)	Naspers Global Classifieds (US$)	Naspers Global Ecommerce (US$)	PayU Global (US$)	Takelaot (ZAR)
31 March 2021						
Weighted average fair value at re-measurement date	**69.99**	**83.12**	**5.30**	**33.59**	**-**	**13 585.76**
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	**155.92**	**247.12**	**12.19**	**64.46**	**-**	**18 915.73**
Weighted average exercise price	**110.53**	**213.45**	**9.05**	**42.02**	**-**	**7 536.59**
Weighted average expected volatility (%)*	**34.7%**	**35.3%**	**34.7%**	**47.6%**	**-**	**59.3%**
Weighted average option life (years)	**10.0**	**5.0**	**10.0**	**10.0**	**-**	**10.0**
Weighted average risk-free interest rate (%) (based on zero rate bond yield at perfect fit)	**1.7%**	**0.8%**	**1.7%**	**1.7%**	**-**	**7.3%**
Weighted average annual suboptimal rate (%)	**160.0%**	**160.0%**	**160.0%**	**160.0%**	**-**	**160.0%**
Weighted average vesting period (years)	**2.5**	**2.5**	**2.5**	**2.5**	**-**	**2.5**
Share price at measurement date	**155.92**	**247.12**	**12.19**	**64.46**	**-**	**18 915.73**
31 March 2020						
Weighted average fair value at measurement date	24.19	34.96	2.56	13.93	36.70	2 592.38
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	90.63	140.89	9.62	36.75	95.18	4 705.77
Weighted average exercise price	90.63	140.89	9.62	36.75	95.18	4 705.77
Weighted average expected volatility (%)*	24.9%	30.2%	24.7%	37.9%	38.9%	52.0%
Weighted average option life (years)	10.0	5.0	10.0	10.0	10.0	10.0
Weighted average risk-free interest rate (%) (based on zero rate bond yield at perfect fit)	1.9%	2.1%	1.9%	2.0%	1.9%	8.2%
Weighted average annual suboptimal rate (%)	100.0%	300.0%	100.0%	100.0%	100.0%	100.0%
Weighted average vesting period (years)	2.5	2.5	2.5	2.5	2.5	2.5
Share price at measurement date	90.6	140.89	9.62	36.75	95.18	4,705.77

* *The weighted average expected volatility of all share options listed above is determined using historical daily share price.*

44. EQUITY COMPENSATION BENEFITS (continued)

Liabilities arising from share-based payment transactions

The following liabilities have been recognised in the statement of financial position relating to the group's cash-settled share-based payment obligations:

	31 March	
	2021 US$'m	2020 US$'m
Share-based payment liability		
Total carrying amount of cash-settled share-based payment liability	**1127**	58
Current portion of share-based payment liability	**(977)**	(18)
Non-current portion of share-based payment liability	**150**	40

Reconciliation of the cash-settled share based payment liability

	31 March	
	2021 US$'m	2020 US$'m
Opening carrying amount of cash settled liability	**58**	16
SARs scheme charge per the income statement(1)	**718**	3
Employment linked put option charge per the income statement	**52**	35
Additions	**16**	6
Settlements	**(107)**	(2)
Modification(2)	**389**	-
Foreign currency translation effects	**1**	-
Closing carrying amount of cash-settled share based payment liability	**1 127**	58

(1)The increase in the expense is as a result of the modification of the group's SAR schemes to cash-settled plans and the growth in the fair values of the underlying businesses that increased the estimated cash settlement for the schemes.

(2)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. Refer to note 3.

As at 31 March 2021 69.9% (2020:100%) 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$95.1m (2020: US$34.9m) that arose upon acquisition of FCG, Extreme Digital, PaySense, and Iyzico in the prior year (Refer to note 4 for further details) and Takealot Pty Ltd. The group recognised, in the income statement, a remeasurement of US$51.6m (2020: US$34.9m) included in the current year cash-settled share-based payment expense related to these subsidiaries. The share-based payment liability is recognised 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 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.

45. SUBSEQUENT EVENTS

The following transactions were entered into by the group subsequent to 31 March 2021 up until the date of signing these consolidated financial statements (19 June 2021):

MIH Ventures B.V. (MIH Ventures), agreed to subscribe for US$100m of newly issued common shares of Churchill Capital Corp II (Churchill), a special purpose acquisition company listed on the New York Stock Exchange. In connection to this transaction, Churchill granted MIH Ventures a 30-day option (the MIH option) to subscribe for up to an additional US$400m of newly issued common shares. At the same time, Churchill entered into agreements to acquire: (i) Software Luxembourg Holding S.A. (Skillsoft) in a transaction valued at approximately US$1.3bn (the Skillsoft Merger); and (ii) Albert DE Holdings Inc. for a consideration valued at approximately US$233m.

The group announced that it exercised the MIH option to invest an additional US$400m in Churchill's planned acquisition of Skillsoft. This gives MIH Ventures newly issued common shares, representing up to 35% of the issued and outstanding Churchill common shares after giving effect to the Skillsoft acquisition. MIH Ventures also entered into a strategic support agreement to provide certain business development and investor relations support services to Churchill. The group expects to account for its interest in Churchill as an investment in an associate. The obligation of MIH Ventures to complete its subscription for shares of Churchill is conditional on receipt of certain regulatory approvals and the completion of the Skillsoft merger by Churchill. Following the closing of this transaction, the group acquired a 37.6% effective interest (approximately 31.1% fully diluted) in Churchill for a total consideration of US$500m.

The group sold 2% of Tencent Holdings Limited's (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 dilution gain of approximately US$13bn. The group intends to use the proceeds of the sale to increase its financial flexibility to invest in growth, plus for general corporate purposes.

The group acquired a 14% effective (and fully diluted) interest for US$120m in Kolonial.no (Kolonial), Norway's largest online grocery business. The group will account for this investment as an equity-accounted associate on account of its significant influence on the board of directors.

The group made an additional investment amounting to US$273m, in Bundl Technologies Private Limited (Swiggy), the operator of a first-party food-delivery marketplace in India. Following this investment, the group holds a 40% effective interest (36% fully diluted) in Swiggy. The group continues to account for its interest in Swiggy as an investment in an associate.

The group made an additional investment amounting to US$30m, in NTex Transportation Services Private Limited (ElasticRun), a software and technology platform for providing transportation and logistics services in India. Following this investment, the group holds a 24% effective interest (23% fully diluted) in ElasticRun. The group continues to account for its interest in ElasticRun as an investment in an associate.

The group made an additional investment amounting to US$62m, in Meesho Inc. (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 their platform. Following this investment, the group holds a 14% 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.

The group acquired a 16% effective interest (15% fully diluted) for US$191m in API Holdings Private Limited (PharmEasy). API Holdings Private Limited owns India's largest integrated digital healthcare platforms. The group will account for this investment as an equity-accounted associate on account of its significant influence on the board of directors.

The group made an additional investment amounting to US$153m, in Think & Learn Private Limited (BYJU), India's largest education company and the creator of India's largest personalised learning app. Following this investment, the group holds a 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.

45. SUBSEQUENT EVENTS (continued)

The group acquired the share capital held by non-controlling shareholders of its subsidiary Takealot Online (RF) Proprietary Limited (Takealot), for US$54.8m. Following the acquisition, the group holds a 100% effective interest (96% fully diluted) in Takealot resulting in the cancellation of the written put option liability for this subsidiary which will be derecognised. The group is assessing the impact of this transaction in equity.

The group acquired the share capital held by non-controlling shareholders of its subsidiary Frontier Car Group Inc. (FCG), for US$43.6m. Following the acquisition, the group holds a 99% effective and fully diluted interest in FCG resulting in the cancellation of the written put option liability for this subsidiary which will be derecognised. The group is assessing the impact of this transaction in equity.

The group acquired a 4% effective (and fully diluted) interest for US$84m in UrbanClap Technologies India Private Limited (Urban Company). Urban Company is one of the largest home services platform in Asia, with representation in India, UAE, Singapore and Australia. The group will account for this investment at fair value through other comprehensive income.

The group completed bilateral trades that resulted in an additional investment in Delivery Hero were completed. 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 25% as the access to the returns associated with the ownership for these shares have been transferred. The group paid an additional USS$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 carrying value of the investment.

The group acquired a 62% effective interest (61% fully diluted) for US$259m in Good Investco B.V. (GoodHabitz). GoodHabitz BV provides educational information online, offering commercial, management, and technical training services in the Netherlands. The group will account for this investment as a subsidiary.

The group entered into an agreement to acquire a 100% effective interest for US$1.8bn in Stack Overflow a leading knowledge-sharing platform for the global community of developers and technologists. The group expects to account for this investment as a subsidiary. The transaction is subject to regulatory approval and customary closing conditions and is expected to close in the first half of the 2022 financial year.

The group acquired a 13% effective interest (12% fully diluted) for US$84m in Flink SE (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 group acquired a total of 15 570 029 Naspers N ordinary shares as part of the share purchase programme announced in November 2020. A total of 10 568 947 N ordinary shares for US$ 2.4bn were acquired as at 31 March 2021 (refer to note 19) and a further 5 001 082 Naspers N ordinary shares for US$1.1bn were acquired between April and 15 June 2021. The group expects to complete the Naspers share purchase programme by the end of June 2021 for a total purchase consideration of approximately US$3.6bn.

The group announced its intention to implement a voluntary share exchange offer to Naspers shareholders, where Naspers shareholders will be invited to tender their existing Naspers N ordinary shares for newly issued Prosus N ordinary shares at an exchange ratio of 2.27. Prosus intends to acquire 45.4% of the issued Naspers N ordinary shares in exchange for newly issued Prosus N ordinary shares, which would take its overall interest in Naspers to 49.5%, given the Naspers shares Prosus already owns. In addition, Prosus will issue newly created class B ordinary shares to Naspers which together with the N ordinary shares held will give it more than 70% of the voting rights of Prosus. Due to the resulting cross-holding, the transaction would more than double the Prosus free float’s effective economic interest in the group’s underlying businesses to around 60%. The proposed transaction will be subject to a minimum acceptance condition of 45.4% of the issued Naspers N Ordinary Shares. The group intends to account for this transaction primarily within equity as a transaction with shareholders.

Company statement of financial position

for the year ended 31 March 2021

	Notes	31 March 2021 R'm	2020 R'm
ASSETS			
Non-current assets		**1 297 809**	1 296 767
Investments in subsidiaries	2	**1 295 954**	1 295 686
Loans to subsidiaries	3	**1 846**	1 074
Property, plant and equipment	4	**2**	2
Investment at fair value through other comprehensive income	5	**7**	5
Current assets		**1 977**	4 247
Other receivables	6	**7**	8
Related party receivables	7	**1 811**	4 142
Taxation receivable		**54**	-
Cash and cash equivalents	18	**105**	97
TOTAL ASSETS		**1 299 786**	1 301 014
EQUITY AND LIABILITIES			
Shareholders' equity		**1 299 714**	1 299 434
Share capital and premium	8	**44 425**	44 414
Other reserves		**1 296**	1 300
Retained earnings		**1 253 993**	1 253 720
Non-current liabilities		**-**	4
Post-employment medical liability	9	**-**	3
Other non-current liabilities		**-**	1
Current liabilities		**72**	1 576
Accrued expenses and other current liabilities	10	**22**	1 528
Related party payables	7	**24**	25
Dividends payable		**26**	23
TOTAL EQUITY AND LIABILITIES		**1 299 786**	1 301 014

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

Company statement of comprehensive income

for the year ended 31 March 2021

	Notes	31 March 2021 R'm	31 March 2020 R'm
Revenue	11	**2 728**	1 260 346
Selling, general and administration expenses	12	**(185)**	(254)
Other gains/(losses) - net	13	**272**	(2 034)
Operating profit		**2 815**	1258 058
Interest income	14	**159**	447
Other finance (costs)/income - net	14	**(149)**	137
Loss on acquisitions and disposals	15	**(35)**	(616)
Profit before taxation		**2 790**	1 258 026
Taxation	16	**-**	(1 464)
Profit for the year		**2 790**	1 256 562
Other comprehensive income[1]		**5**	(2)
Fair-value gain/(loss) on financial assets at fair value through other comprehensive income		**2**	(2)
Actuarial gain of post employment liabilities		**3**	-
Total comprehensive income for the year		**2 795**	1 256 560

[1] All components of other comprehensive income will not subsequently be reclassified to profit or loss.

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 2021

	Share capital and premium		Share-based compen-sation reserve	Valuation reserve	Retained earnings	Total
	A shares R'm	N shares R'm	R'm	R'm	R'm	R'm
Balance at 1 April 2019	18	66 668	13	1 296	482	68 477
Total comprehensive income for the year	-	-	-	(2)	1 256 562	1 256 560
Profit for the year	-	-	-	-	1 256 562	1 256 562
Total other comprehensive income for the year	-	-	-	(2)	-	(2)
Treasury share movement	-	134	-	-	-	134
Share-based compensation reserve movement	-	-	1	-	-	1
Transfers to non-distributable reserves	-	-	(8)	-	8	-
Share repurchase[1]	-	(22 407)	-	-	-	(22 407)
Dividends[2]	-	-	-	-	(3 134)	(3 134)
Capitalisation issue[3]	1	-	-	-	(198)	(197)
Balance at 31 March 2020	19	44 395	6	1 294	1 253 720	1 299 434
Balance at 1 April 2020	**19**	**44 395**	**6**	**1 294**	**1 253 720**	**1 299 434**
Total comprehensive income for the year	**-**	**-**	**-**	**5**	**2 790**	**2 795**
Profit for the year	**-**	**-**	**-**	**-**	**2 790**	**2 790**
Total other comprehensive income for the year	**-**	**-**	**-**	**5**	**-**	**5**
Treasury share movement	**-**	**11**	**-**	**-**	**-**	**11**
Transfers to non-distributable reserves	**-**	**-**	**(6)**	**(3)**	**9**	**-**
Dividends[2]	**-**	**-**	**-**	**-**	**(2 526)**	**(2 526)**
Balance at 31 March 2021	**19**	**44 406**	**-**	**1 296**	**1 253 993**	**1 299 714**

[1] Refer to note 8 for further details relating to the share repurchase programme.

[2] Refer to note 19 for further details relating to dividend payments.

[3] Relates to the additional shares issued pursuant to the Prosus N.V. listing during the prior year.

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

Company statement of cash flows

for the year ended 31 March 2021

	Notes	31 March 2021 R'm	31 March 2020 R'm
Cash flows from operating activities			
Cash generated/(utilised) in operations	17	**606**	(1017)
Interest income received		**327**	344
Dividends received		**2 375**	3 177
Taxation paid	16	**(54)**	(1 464)
Net cash generated from operating activities		**3 254**	1 040
Cash flows from investing activities			
Cash received from other investments and loans		**-**	17
Additional investment in subsidiary[(1)]		**-**	(563)
Proceeds received from sale of Prosus N.V. shares		**-**	23 543
Loans repaid by subsidiaries		**23**	1 935
Loans advanced to subsidiaries		**(751)**	(988)
Net cash (utilised in)/generated from investing activities		**(728)**	23 944
Cash flows from financing activities			
Proceeds from issue of share capital [(2)]		**11**	75
Payments to shareholders in respect of the share repurchase programme[(3)]		**-**	(22 407)
Dividends paid	19	**(2 523)**	(3 131)
Net cash utilised in financing activities		**(2 512)**	(25 463)
Net increase/(decrease) in cash and cash equivalents		**14**	(479)
Foreign exchange translation adjustments on cash and cash equivalents		**(6)**	238
Cash and cash equivalents at the beginning of the year		**97**	338
Cash and cash equivalents at the end of the year	18	**105**	97

(1) In September 2019 the company purchased an additional share in its subsidiary MIH Holdings for R563.4m cash.

(2) 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.

(3) Refer to note 8 for further details relating to the share repurchase programme.

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

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.

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. 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 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.

1. PRINCIPAL ACCOUNTING POLICIES (continued)

Accounting judgements and sources of estimation uncertainty (continued)

Following the listing of the company's subsidiary, Prosus N.V. on the Euronext Amsterdam in prior year, MIH Holdings (Proprietary) Limited ("MIHH"), a wholly owned subsidiary of Naspers Limited, distributed its 73.84% interest in Prosus N.V. to Naspers Limited on 13 September 2019 as a dividend in specie.

This dividend in specie (investment in Prosus N.V.) was recognised at 31 March 2020 in Naspers Limited's annual financial statements at the fair value of the Prosus N.V. investment. In calculating the fair value, the company determined that the share price of Prosus N.V. for the first 15 days of trading did not represent an orderly transaction on account of the trading volumes during this period. Consequently, the volume-weighted average share price (VWAP) determined over the following 15 days of trading was considered more representative of the fair value of Prosus N.V. in an orderly transaction. Please refer to note 2 for the details of this investment.

The portion of the distribution of Prosus N.V. from MIHH that represents a return of capital, was accounted for as a reduction of its investment in MIHH. The remainder of the distribution received from MIHH was recognised as dividend income. As a result of the dividend received from MIHH, Naspers assessed the remaining carrying amount of its investment in MIHH for impairment.

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. Impairments that are recognised, are recognised in the profit or loss account. 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.

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
		2021 %	2020 %	**2021 R'm**	2020 R'm		
Listed companies							
Prosus N.V.[(1)]	US$	**73.0**	72.5	**1 273 705**	1 273 705	Investment holding	The Netherlands
Unlisted companies							
MIH Holdings Proprietary Limited	ZAR	**100.0**	100.0	**20 455**	20 455	Investment holding	South Africa
Media24 Holdings Proprietary Limited[(2)]	ZAR	**90.4**	85.0	**1 794**	1 526	Investment holding	South Africa
Heemstede Beleggings Proprietary Limited	ZAR	**100.0**	100.0	**-**	-	Investment holding	South Africa
Naspers Properties Proprietary Limited	ZAR	**100.0**	100.0	**-**	-	Property holding	South Africa
				1 295 954	1295 686		

* *The percentage interest shown is the effective financial interest, after disregarding the interest of any equity compensation plans treated as treasury shares.*

(1) *On 30 October 2020 Prosus announced its intention to acquire its ordinary shares through a share repurchase programme. This was completed in February 2021. Subsequent to the acquisition of Prosus N ordinary shares the company's interest in Prosus N.V. is 73.02%.*

(2) *During the current financial year Media24 Holdings Proprietary Limited bought 5.4% of its shares from Welkom Yizani Investments (RF) Limited, this resulted in an increase in the company's shareholding in Media24. The investment in Media24 was assessed for impairment and it was determined that the provision for impairment could be partially reversed by R268.3m as at 31 March 2021.*

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 2021 was approximately R1,939.2bn. 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 0% and 5% (2020: 0% and 5%) and post-tax discount rates range between 15.5% and 17.5% (2020: 14% and 17%).

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.

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

2. INVESTMENTS IN SUBSIDIARIES (continued)

Impairment assessment (continued)

The aggregate carrying amount pertaining to the investment in MIH Holdings Proprietary Limited and Media24 Holdings Proprietary Limited, amounting to R20.5bn and R1.8bn 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.

The company recognised a partial reversal of impairment on the investment in Media24 Holdings Proprietary Limited of R268.3m during the financial year ended 31 March 2021 (2020: R533.6m impairment). Media24's improved performance in the current year was the basis for the budgets and forecast used for determining the recoverable amount, accordingly this improved performance and future projections resulted in the reversal of impairment up to the recoverable amount for this investment. The recoverable amount of Media24 Holdings Proprietary Limited was determined to be R1.8bn (2020: R1.5bn).

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 MIH Holdings Proprietary Limited, 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 impairments that would have to be recognised.

For Media24 Holdings Proprietary Limited a 2% change in the discount rate would have the following impact on the value in use calculations used in determining the recoverable amount of the investment:

- an increase in the discount rate by 2% would result in a decrease in the valuation by R303.8m which would result in an impairment loss;
- a decrease in the discount rate by 2% increases the valuation by R410.6m which would result in a further reversal of the impairment.

A 1% change in the growth rate used in the value in use calculations of Media24 Holdings Proprietary Limited would have the following impact on the value in use calculations used in determining the recoverable amount of the investment:

- an increase in the growth rate by 1% would result in an increase in the valuation by R64.2m which would result in a reversal of the impairment;
- a decrease in the growth rate by 1% decreases the valuation by R55.2m which would result in an impairment loss.

3. LOANS TO SUBSIDIARIES

	31 March 2021 R'm	31 March 2020 R'm
Loans to subsidiaries		
Media24 Holdings Proprietary Limited	**150**	-
MIH Holdings Proprietary Limited	**1 356**	720
Naspers Properties Proprietary Limited	**340**	354
	1 846	1 074

Loans to subsidiary companies do not have any fixed repayment terms and are interest free, except for R180.0m (2020: R180.0m) of the Naspers Properties Proprietary Limited loan account which bears interest at a rate of prime less 2% (2020: prime less 2%).

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 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. Where there has been a significant increase in credit risk since initial recognition, impairment allowances are adjusted to equal the lifetime expected credit losses on these loans.

At 31 March 2021 the impairment allowances related to loans to subsidiaries were not significant on account of the loan counterparties' holdings of substantial highly-liquid marketable securities, cash/short-term cash investment balances and fixed commercial property. 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. PROPERTY, PLANT AND EQUIPMENT

	31 March		
	Office equipment R'm	**Total 2021 R'm**	Total 2020 R'm
Cost			
Opening balance	**4**	**4**	4
Acquisitions	**-**	**-**	-
Closing balance	**4**	**4**	4
Accumulated depreciation			
Opening balance	**(2)**	**(2)**	(2)
Depreciation	**-**	**-**	-
Closing balance	**(2)**	**(2)**	(2)
Cost	**4**	**4**	4
Accumulated depreciation and impairment	**(2)**	**(2)**	(2)
Carrying value	**2**	**2**	2

5. INVESTMENT AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	31 March	
	2021 R'm	2020 R'm
Investment in the MultiChoice Group Limited shares	**7**	5
	7	5

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 R6.8m (2020: R4.5m) 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 R6.8m (2020: R4.5m) has been raised for these awards and is included in note 10.

6. OTHER RECEIVABLES

	31 March	
	2021 R'm	2020 R'm
Prepaid expenses	**7**	6
Other	**-**	2
	7	8

7. RELATED PARTY TRANSACTIONS AND BALANCES

For details on related party loans, interest and dividends received refer to notes 3 and 11.

	31 March	
	2021 R'm	2020 R'm
Related party receivables		
MIH Treasury Services Proprietary Limited	**1 809**	2 221
MIH Holdings Proprietary Limited	**2**	-
Prosus N.V.	**-**	2
Prosus Services B.V.	**-**	10
MIH Services FZ LLC Share Trust	**-**	1 909
	1 811	4 142
Related party payables		
MIH Holdings Proprietary Limited	**(23)**	(13)
Prosus Services B.V.	**-**	(11)
Media24 Proprietary Limited	**(1)**	(1)
	(24)	(25)

Related party receivables 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 impairment assessment takes into account the default of the Naspers and Prosus groups on external debt as well as the existence of collateral and letters of support by group companies. As at 31 March 2021, impairment allowances 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.

	2021 R'000	2020 R'000
Directors' emoluments		
Executive directors		
Paid by other companies in the group	**84 258**	81 351
Non-executive directors		
Fees for services as directors	**21 657**	44 480
Fees for services as directors of subsidiary companies	**51 829**	34 233
	157 744	160 064

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 18 of the consolidated annual financial statements for disclosure on executive and non-executive directors' remuneration.

8. SHARE CAPITAL AND PREMIUM

	31 March	
	2021 R'm	2020 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		
961 193 A ordinary shares of R20 each (2020: 961 193)	**19**	19
435 511 058 N ordinary shares of 2 cents each (2020: 435 511 058)	**9**	9
Share capital	**28**	28
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]	**267**	256
	44 425	44 414

[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.

Share repurchase programme

In January 2020 the company sold 22 million N ordinary shares in Prosus N.V. (a 1.35% effective interest in the Prosus N.V. investment) to institutional investors. The net proceeds from the sale of the Prosus N.V. shares were used over time to return capital to Naspers shareholders in the form of a share repurchase programme. The share repurchase programme was completed in March 2020. As at 31 March 2020, Naspers had repurchased 9 156 705 N ordinary shares. These shares were cancelled on the repurchase date. The repurchase programme resulted in a decrease in share capital and premium of R22.4bn.

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 19 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 19 and 20 of the consolidated annual financial statements for the group's capital management policy. 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 and actuarial gains and losses.

8. SHARE CAPITAL AND PREMIUM (continued)

	2021 Number of shares	2020 Number of shares
Movement in ordinary shares in issue during the year		
Ordinary shares in issue at 1 April	**436 472 251**	439 563 187
N ordinary shares issued[1]	**-**	6 011 704
A ordinary shares issued[1]	**-**	54 065
Shares acquired as part of the share repurchase programme	**-**	(9 156 705)
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	**168 282**	225 523
Additional shares received pursuant to the Prosus N.V. listing[1]	**-**	55 431
Shares transferred to other group equity compensation plans	**-**	(23 256)
Shares acquired by participants from the Naspers equity compensation plan	**(8 537)**	(89 416)
Shares held as treasury shares at 31 March	**159 745**	168 282

[1]Shares issued to shareholders holding Naspers N ordinary shares at the time of the Prosus N.V. listing in September 2019 who elected to receive additional Naspers ordinary shares. The Naspers N share capitalisation issue was accompanied by a pro rata capitalisation issue of 54 065 Naspers A ordinary shares to Naspers A shareholders.

	31 March 2021 R'm	31 March 2020 R'm
Share premium		
Balance at 1 April	**44 130**	66 537
Shares acquired as part of the share repurchase programme	**-**	(22 407)
Balance at 31 March	**44 130**	44 130

9. POST-EMPLOYMENT MEDICAL LIABILITY

The company operates a post-employment medical benefit scheme. The obligation of the company to pay medical aid contributions after retirement is no longer part of the conditions of employment for new employees. A number of pensioners, however, remain entitled to this benefit. The company provides for post-employment medical aid benefits on the accrual basis determined each year by an independent actuary.

	31 March 2021 R'm	31 March 2020 R'm
Balance at 1 April	**3**	3
Provisions charged to statement of comprehensive income	**(3)**	-
Balance at 31 March	**-**	3

Refer to note 22 of the consolidated annual financial statement for additional information, including the actuarial assumptions.

10. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	31 March	
	2021 **R'm**	2020 R'm
Accrued expenses[1]	**15**	1 520
Bonus accrual	**-**	2
Cash-settled share-based payment liability	**7**	6
	22	1 528

[1] In March 2020 the company committed R1.5bn in emergency aid to the South African government's response to the Covid-19 pandemic in the country.

11. REVENUE

	31 March	
	2021 **R'm**	2020 R'm
Dividends received		
Media24 Holdings Proprietary Limited	**36**	36
MIH Holdings Proprietary Limited[1]	**-**	1 260 296
Prosus N.V.	**2 683**	-
Interest received		
Naspers Properties Proprietary Limited	**9**	14
	2 728	1 260 346

The revenue disclosed above are related-party transactions with the respective group entities.

[1] In the prior year the dividend income recognised by the company related to the receipt of the distribution of the Prosus N.V. investment to the company by its subsidiary MIH Holdings Proprietary Limited.

12. EXPENSES BY NATURE

Selling, general and administrative expenses include the following items:

	31 March 2021 R'm	31 March 2020 R'm
Staff costs		
The total cost of employment of all employees, was as follows:		
Salaries, wages and bonuses, retirement benefit costs, medical aid fund contributions, post-employment benefits, UIF, SDL and training costs	**8**	25
Share-based compensation expenses	**2**	(2)
Total staff costs	**10**	23
Fees paid to non-employees for administration, management and technical services	**48**	25
Auditor's remuneration		
Audit fees	**1**	1
Other purchases and expenses	**126**	205
	185	254

13. OTHER GAINS/(LOSSES) - NET

	31 March 2021 R'm	31 March 2020 R'm
Covid-19 donation[1]	**-**	(1 500)
Reversal of impairment/(impairment) of Media24 Holdings (Pty) Ltd investment[2]	**268**	(534)
Share-based compensation liability move	**2**	-
External dividend received	**2**	-
Total other gains/(losses) - net	**272**	(2 034)

[1] In March 2020 the company committed R1.5bn in emergency aid to the South African government's response to the COVID-19 pandemic in the country.

[2]The investment in Media24 was assessed for impairment and it was determined that the provision for impairment could be partially reversed by R268.3m as at 31 March 2021.

14. FINANCE INCOME/(COSTS)

	31 March	
	2021 R'm	2020 R'm
Interest income		
Loans and bank accounts	**132**	445
Other	**27**	2
	159	447
Net (loss)/gain from foreign exchange translation of derivative financial instruments		
On translation of assets and liabilities	**(149)**	137
Other finance (costs)/income - net	**(149)**	137
Finance income/(costs) - net	**10**	584

15. LOSS ON ACQUISITIONS AND DISPOSALS

	31 March	
	2021 R'm	2020 R'm
Loss on sale of investments[1]	**-**	(199)
Transaction-related costs[2]	**(35)**	(417)
	(35)	(616)

[1] The loss on sale resulted from the sale of Prosus N.V. shares to institutional investors.

[2] The transaction-related costs resulted primarily from the Prosus and Naspers share buy-back (2020: transaction-related costs resulted primarily for the sale of Prosus N.V. shares).

16. TAXATION

	31 March 2021 R'm	31 March 2020 R'm
Normal taxation	**-**	203
current year	**54**	203
prior year overprovision	**(54)**	-
Securities transfer and dividend withholding tax[1]	**-**	1 261
Taxation per statement of comprehensive income	**-**	1 464
Reconciliation of taxation		
Taxation at statutory rate of 28% (2020: 28%)	**781**	352 247
Adjusted for:		
non-deductible expenses[2]	**47**	731
non-taxable income[2]	**(837)**	(352 892)
prior year adjustments	**(54)**	-
securities transfer tax	**-**	1 258
other taxes	**63**	120
Taxation per statement of comprehensive income	**-**	1 464
Taxation paid		
Opening balance	**-**	-
Recognised in profit or loss	**-**	1 464
Receivable at the end of the year	**54**	-
Taxation paid per statement of cash flows	**54**	1 464

[1] Securities transfer tax and dividend withholding tax paid in South Africa in respect of the Prosus N.V. listing transaction.

[2]In the current financial year non-deductible expenses relate primarily to donations made and expenses incurred that are not in the production of taxable income. The non-taxable income relates primarily to dividend income and the reversal of impairment of investment. In the prior financial year non-deductible expenses related primarily to donations made, the impairment loss and expenses incurred that are not in the production of taxable income. The non-taxable income related primarily to dividend income.

17. CASH GENERATED FROM/(UTILISED IN) OPERATIONS

	31 March 2021 R'm	31 March 2020 R'm
Profit before tax per statement of comprehensive income	**2 790**	1 258 026
Adjustments:		
Non-cash and other	**(3 008)**	(1 258 699)
Finance (income)/costs - net	**(19)**	(598)
Dividends received[1]	**(2 721)**	(1 260 332)
Share-based compensation expenses	**2**	(2)
Share-based compensation liability move	**(2)**	
(Reversal of impairment)/impairment of investment	**(268)**	534
Loss on sale of investment	**-**	199
Covid-19 donation accrual	**-**	1 500
Working capital	**824**	(344)
Cash movement in other and related party receivables	**2 346**	
Cash movement in accrued expenses and payables	**(1 522)**	(344)
Cash generated from/(utilised in) operations	**606**	(1 017)

[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 income/(costs) – net" in the statement of comprehensive income.

18. CASH AND CASH EQUIVALENTS

	31 March 2021 R'm	31 March 2020 R'm
Cash at bank and on hand	**105**	97
	105	97

19. DIVIDENDS

	31 March 2021 SA cents per share	31 March 2020 SA cents per share
Dividends paid		
Naspers N ordinary shares		
Number 91 - declared 21 August 2020 - paid 30 November 2020		
(2020: Number 90 - declared 23 August 2019 - paid 16 September 2019)	**580**	715
Naspers A ordinary shares		
Number 91 - declared 21 August 2020 - paid 30 November 2020		
(2020: Number 90 - declared 23 August 2019 - paid 16 September 2019)	**116**	143
Total dividend per share for the year	**696**	858
	R'm	R'm
Total dividends declared for the year	**2 526**	3 134
Total value of dividends paid per the statement of cash flows	**2 523**	3 131

20. FINANCIAL RISK MANAGEMENT

Foreign exchange risk

Refer to note 42 of the consolidated annual financial statements for the group's foreign exchange risks policy.

In the current year the company entered into foreign exchange contracts at a notional value of R2.6bn 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 gains of R311m 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 R311m were recognised on the hedged items attributable to the hedged risks. Net gains of R25m 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.

In the prior year the company entered into foreign exchange contracts at a notional value of R 22bn that were designated as cash flow hedge instruments for foreign currency cash and cash equivalents. 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 holding foreign currency cash and cash equivalents. The hedge ratio was 1:1. Cumulative losses of R1 771m were 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 cash and cash equivalent balances were revalued and recognised in the statement of comprehensive income. Gains of R1 971m were recognised on the hedged items attributable to the hedged risks. Net gains of R101m were recognised as part of "Other finance (costs)/income – net" in the statement of comprehensive income, 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	
	2021 R'm	2020 R'm
Opening balance	**-**	-
Gains/(losses) on cash flow hedges recognized in other comprehensive income	**311**	(1 771)
Derecognised and reported in finance (costs)/income	**(311)**	1 771
Closing balance	**-**	-

20. *FINANCIAL RISK MANAGEMENT (continued)*

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 (2020: 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 (2020: 10% decrease) of the rand against the US dollar and the euro would result in an increase in net profit after tax of R1.9m (2020: R2.5m increase in net profit after tax).

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 management policy regarding loans to subsidiaries.

Guarantees

The company has guaranteed various revolving credit facilities of Rnil* (2020: R44.6bn) and offshore bonds of R32.9bn (2020: R39.3bn) in Prosus N.V. of which the undrawn balance is available to fund future investments. 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 R32.9bn (2020: R83.9bn). Refer to note 19 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 not material.

* *On 2 April 2020 the company was released as guarantor from the various revolving credit facilities of R44.6bn.*

20. FINANCIAL RISK MANAGEMENT (continued)

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
31 March 2021			
Non-derivative financial liabilities			
Accrued expenses and other current liabilities	**(22)**	**(22)**	**(22)**
Related party payables	**(24)**	**(24)**	**(24)**
Dividends payable	**(26)**	**(26)**	**(26)**
Financial guarantees	**-**	**(32 913)**	**(32 913)**
31 March 2020			
Non-derivative financial liabilities			
Accrued expenses and other current liabilities	(26)	(26)	(26)
Related party payables	(25)	(25)	(25)
Dividends payable	(23)	(23)	(23)
Financial guarantees	-	(83 919)	(83 919)

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

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 both derivative and 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 through cash balances held in bank accounts. The following changes in the repo rates represent management's assessment of the possible change in interest rates at the respective year-ends:

South African repo rate: increases by 100 basis points (2020: increases by 100 basis points)

American, European and London Interbank rates: increases by 100 basis points each (2020: increases by 100 basis points each).

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 2021 would increase by R15.1m (2020: increase by R17.6m).

21. FAIR VALUE OF FINANCIAL INSTRUMENTS

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 2021		
	Carrying value R'm	Net gains/(losses) recog-nised in profit or loss R'm	Total interest/ finance income/ (cost) R'm
Assets			
Loans to subsidiaries	1 846	-	9
Investment at fair value through other comprehensive income[(1)]	7	-	-
Related party receivables[(2)]	1 811	(145)	153
Cash and cash equivalents	105	(6)	4
Total	**3 769**	**(151)**	**166**
Liabilities			
Accrued expenses and other current liabilities	22	-	-
Related party payables	24	2	-
Dividends payable	26	-	-
Total	**72**	**2**	**-**

[(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 R144.2m 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 loan is a reasonable approximation of fair value based on a discounted cash flow using a market-related interest rate.

21. 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 2020		
	Carrying value R'm	Net gains/(losses) recog-nised in profit or loss R'm	Total interest/ finance income/ (cost) R'm
Assets			
Loans to subsidiaries	1 074	-	14
Investment at fair value through other comprehensive income[1]	5	-	-
Other receivables	2	-	-
Related party receivables	4 142	-	300
Cash and cash equivalents[2]	97	168	145
Total	5 320	168	459
Liabilities			
Accrued expenses and other current liabilities	26	(31)	-
Related party payables	25	-	-
Dividends payable	23	-	-
Total	74	(31)	-

(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) *The net foreign exchange gain of R168.0m is attributable to the Euro proceeds from the sale of the Prosus N.V. investment and foreign currency revaluations on interest earned over the period of the repurchase programme (refer to note 3).*

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 loan is a reasonable approximation of fair value based on a discounted cash flow using a market-related interest rate.

Refer to note 43 of the consolidated annual financial statements for details regarding the calculation of the fair values of financial instruments.

22. EQUITY COMPENSATION BENEFITS

Refer to note 44 of the consolidated annual financial statements for details regarding the Naspers Limited share incentive plan.

23. SUBSEQUENT EVENT

On 1 April 2021 the company purchased one additional share in Naspers Properties Proprietary Limited, this was in full and final settlement of the full debt to the value of R340.0m owed to it by Naspers Properties Proprietary Limited for no consideration. On the same day the company sold its 100% held subsidiary, Naspers Properties Proprietary Limited, to Media24 Proprietary Limited for a consideration of R106m. The accounting impact of this transaction is still being finalised There have been no other events between 31 March 2021 and the date of this report requiring adjustment or disclosure.

Administration and corporate information

GROUP SECRETARY
Lynelle Bagwandeen
WeWork the Link
173 Oxford Road,
Rosebank,2196
South Africa
cosec@naspers.com

REGISTERED OFFICE
40 Heerengracht
Cape Town 8001
South Africa
PO Box 2271
Cape Town 8000
South Africa
Tel: +27 (0)21 406 2121
Fax: +27 (0)21 406 3753

REGISTRATION NUMBER
1925/001431/06
Incorporated in South Africa

AUDITOR
PricewaterhouseCoopers Inc

TRANSFER SECRETARIES
JSE Investor Services Proprietary Limited
(Registration number: 2000/007239/07)
PO Box 10462
Johannesburg 2000
South Africa
Tell: +27 (0)86 140 0110/+27 (0)11 029 0253

For the purpose of holding a virtual annual general meeting
The Meeting Specialist Proprietary Limited
JSE Building
One Exchange Square, Gwen Lane
Sandown 2196
PO Box 2043
Marshalltown 2107
South Africa
proxy@tmsmeetings@co.za
Tell: 27 (0)11 520 7951/0/2

ADR PROGRAMME
Bank of New York Mellon maintains a Global BuyDIRECT^{SM} 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 BuyDIRECT^{SM}
Church Street Station
PO Box 11258, New York, NY 10286-1258, USA

SPONSOR
Investec Bank Limited
(Registration number: 1969/004763/06)
PO Box 785700, Sandton 2146
South Africa
Tel: +27 (0)11 286 7326
Fax: +27 (0)11 286 9986

ATTORNEYS
Werksmans Inc.
PO Box 1474, Cape Town 8000
South Africa

Webber Wentzel (in alliance with Linklaters)
PO Box 61771
Marshalltown
Johannesburg 2107
South Africa

INVESTOR RELATIONS
Eoin Ryan
investorrelations@naspers.com
Tel: +1 347 210 4305

Analysis of shareholders and shareholder's diary

for the year ended 31 March 2021

ANALYSIS OF SHAREHOLDERS

Size of holdings	Number of N shareholders	Number of N shares owned
1 – 100 shares	58 703	1 853 878
101 – 1 000 shares	20 882	6 302 747
1 001 – 5 000 shares	3 119	6 782 919
5 001 – 10 000 shares	666	4 765 266
More than 10 000 shares	1 562	415 806 248

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
Public Investment Corporation of South Africa	14.30%	62 256 494

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 2021 was 94.23%, represented by 84 919 shareholders holding 410 402 263 N ordinary shares in the company. The non-public shareholders of the company, comprising 13 shareholders representing 25 108 795 N ordinary shares, are analysed as follows:

Category	Number of N ordinary shares	% of N ordinary issued share capital
Naspers share-based incentive schemes	2 866 670	0.66%
Directors	6 971 372	1.60%
Group companies	15 270 753	3.51%

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

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