NASPERS






Improving everyday life for millions of people...

Integrated annual report 2021

...by building leading consumer internet companies that address societal needs.

Welcome to our 2021 integrated annual report

At Naspers, we are committed to improving everyday life for millions of people by building leading consumer internet companies that address societal needs. This is at the heart of why and how we create value responsibly for all our stakeholders.

On the following pages we share our story of living up to this commitment in an extraordinarily challenging, transformative year.

About this report

This integrated annual report assesses our performance for the financial year ended 31 March 2021. We aim to provide a picture of our progress and impact on society.

THE SIX CAPITALS

- Financial
- Intellectual
- Human
- Social and relationship
- Manufacturing
- Natural

KEY ISSUES

Business

- Financial performance
- Responsible investments
- Customer centricity

Environment

- Climate action

Societal

- Business culture, ethics and integrity
- People
- Data privacy
- Digital inclusion

Technological

- AI
- Cyber-resilience
- Innovation

Reporting

In line with best practice for integrated reporting we measure our performance by evaluating how we create value for our key stakeholders by taking account of the six capitals[1]. We also report on the 11 material issues identified by our stakeholders in our first materiality assessment as well as progress made against our strategy. We regularly measure returns on invested capital. We understand the risks we take and manage these to minimise their impact on our business and results.

This way of telling a comprehensive, connected story fits well with our holistic view of value and our focus on creating sustainable value for long-term good.

Responding to Covid-19

We were quick to respond to the Covid-19 pandemic. From the outset we focused on ensuring we safeguarded our people, maintained our ability to serve our customers and protected our businesses for the long term. Throughout the report we sum up how we have lived up to this commitment, including the many different initiatives undertaken by portfolio companies.

Listing information

Naspers Limited (Naspers) has its primary listing on the JSE Limited's stock exchange (JSE) (NPN.SJ) and a secondary listing on A2X Markets (NPN.AJ) in South Africa. It is the largest South African company on the JSE. It also has a level 1 American Depository Receipt (ADR) programme listing on the London Stock Exchange (LSE: NPSN) and trades on an over-the-counter (OTC) basis in the United States (US). Investors are therefore able to buy and sell Naspers securities on several markets. Naspers's subsidiary, Prosus N.V. (Prosus), is listed on Euronext Amsterdam with secondary listings on the JSE Limited's stock exchange (XJSE:PRX) and A2X Markets (PRX.AJ) and also has bonds listed on Euronext Dublin. Prosus also has ADRs that trade on an OTC basis in the US.

Where relevant, we have adjusted amounts and percentages for the effects of foreign currency, as well as acquisitions and disposals.

Such adjustments (pro forma financial information) are quoted in brackets after the equivalent metrics reported under International Financial Reporting Standards (IFRS). Refer to pages 161 to 168 of the summarised consolidated annual financial statements for a reconciliation of these metrics with the equivalent amounts reported under IFRS. Financial commentary and segmental reviews are prepared on an economic-interest basis (which includes consolidated subsidiaries and a proportionate share of associated companies and joint ventures), unless otherwise stated.

This report contains certain non-IFRS financial measures (non-IFRS measures), which are not liquidity or performance measures under IFRS, and which the group considers to be alternative performance measures (APMs). These APMs are prepared in addition to the figures that are prepared in accordance with IFRS. Such measures include trading profit; adjusted EBITDA; headline earnings; core headline earnings; free cash flow; growth in local currency, excluding acquisitions and disposals; and economic-interest information.

The group provides non-IFRS measures and other information because the board believes that they provide investors with additional information to measure its operating performance. The group's use of non-IFRS measures may vary from the use of other companies in its industry. The measures used should not be considered as an alternative to net income(loss), revenue or any other performance measure derived in accordance with IFRS or to net cash inflow(outflow) from operating activities as a measure of liquidity. The non-IFRS measures have limitations as analytical tools and should not be considered in isolation or as substitutes for analysis of the group's results as reported under IFRS. They may exclude or include amounts that are included or excluded, as applicable, in the calculation of the most directly comparable measures in accordance with IFRS. Their usefulness is therefore subject to limitations, which are described below. In particular, other companies in the industry may define the non-IFRS measures used herein differently than the group does. In those cases, it may be difficult to compare the performance of those entities to the group's performance based on these similarly named non-IFRS measures. In addition, the exclusion of certain items from non-IFRS measures does not imply that these items are necessarily non-recurring. From time to time, the group may exclude additional items if it believes doing so would result in more transparent and comparable disclosure.

Scope and boundary of reporting

Financial and non-financial reporting

This report extends beyond financial reporting. It reflects on non-financial performance, opportunities, risks and outcomes attributable to or associated with key stakeholders who have a significant influence on our ability to create value. Our subsidiaries, associates and investees (non-controlled entities) are required to comply with applicable law and regulation. The group also encourages its associates and investees (non-controlled entities) to adopt appropriate governance standards (for example, codes of business ethics and conduct, and policies relating to anti-bribery and anti-corruption, competition compliance, privacy and sanctions and export controls).

It includes the strategy and financial performance of Naspers and its subsidiaries, joint ventures and associates (the group). The scope of reporting on non-financial performance is indicated in this report. Group reporting standards are continually being developed to make disclosure meaningful

1 As identified in the framework of the International Integrated Reporting Council: financial, human, intellectual, manufacturing, social and relationship and natural capitals.

About this report continued

and measurable for stakeholders. Given the highly competitive environment in which we operate, this report mostly excludes financial targets or forward-looking statements other than as explained on this page.

Legislation and frameworks that inform our reporting
This integrated annual report was prepared against local and global standards, including:

- 2013 Framework of the International Integrated Reporting Council (IIRC): this principles-based approach promotes the concept of the six capitals[1], which considers material inputs and resources required to create and sustain value in the long term. We describe key components of the Naspers value chain (business model) that creates and sustains value for our stakeholders.
- We have aligned our climate change approach and our integrated reporting to the framework of the Task Force on Climate-related Financial Disclosures (TCFD), and this year we publish our first TCFD report.
- To meet the needs of investors and analysts and provide financially material information for all our stakeholders, we align our disclosures with the Sustainability Accounting Standards Board (SASB). This is also the first year we have published an SASB response.
- We support the United Nations Sustainable Development Goals (UN SDGs) and, like many other businesses, have identified which of those goals our business aligns with. We discuss this alignment and our activities in support of the SDGs in this report.
- South African Companies Act 71 of 2008, as amended (Companies Act).
- King IV Report on Corporate Governance for South Africa (King IV™)[2].
- IFRS.

1 As identified in the framework of the International Integrated Reporting Council: financial, human, intellectual, manufacturing, social and relationship and natural capitals.
2 The Institute of Directors in Southern Africa NPC (IoDSA) owns all copyright and trademarks for King IV™.

Materiality and material matters
We apply the principle of materiality in assessing what information to include in our integrated annual report. This report focuses particularly on those issues, opportunities and challenges that impact materially on the group and on its ability to be a sustainable business that delivers value to key stakeholders, including our shareholders.

Assurance
Financial information in this report extracted from the audited Naspers Limited consolidated annual financial statements for the year ended 31 March 2021 was audited by PricewaterhouseCoopers Inc. (PwC) (refer to page 147 for its report). PwC also performed specific procedures on material non-financial information in this report. In addition, PwC performed limited assurance on our scope 1 and scope 2 carbon footprint (refer to page 88). South African broad-based black economic empowerment (BBBEE) information (for Naspers and Media24) was assured by EmpowerLogic.

The group has a combined assurance model for internal use. This model is designed to cover key risks through a combination of assurance service providers and functions as appropriate for Naspers.

An overview of combined assurance per key risk is reported for consideration by the audit and risk committees.

The scope for our group internal audit and risk support function includes all controlled assets. The head of internal audit and risk support reports to the audit committee and presents for its approval an objective-driven, risk-based internal audit plan. Where required, external parties, such as forensic specialists or data-analytics experts, support the internal audit function. Other external assurance providers are enlisted as needed. In our more regulated businesses (like PayU), regulatory inspectors visit periodically.

The audit committee recommends the appointment of the external auditor to shareholders, reviews the auditor's independence annually and oversees the external audit. The audit committee makes recommendations to the board and assists the board in ensuring the integrity of external reports.

Forward-looking statements
This report contains forward-looking statements as defined in the United States Private Securities Litigation Reform Act of 1995 concerning our financial condition, results of operations and businesses. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond our control and all of which are based on our current beliefs and expectations about future events. Forward-looking statements are typically identified by the use of forward-looking terminology such as "believes", "expects", "may", "ill", "could", "should", "intends", "estimates", "plans", "assumes" or "anticipates", or associated negative, or other variations or comparable terminology, or by discussions of strategy that involve risks and uncertainties. These forward-looking statements and other statements contained in this report on matters that are not historical facts involve predictions.

No assurance can be given that such future results will be achieved. Actual events or results may differ materially as a result of risks and uncertainties implied in such forward-looking statements.

A number of factors could affect our future operations and could cause those results to differ materially from those expressed in the forward-looking statements, including (without limitation): (a) changes to IFRS and associated interpretations, applications and practices as they apply to past, present and future periods; (b) ongoing and future acquisitions, changes to domestic and international business and market conditions such as exchange rate and interest rate movements; (c) changes in domestic and international regulatory and legislative environments; (d) changes to domestic and international operational, social, economic and political conditions; (e) labour disruptions and industrial action; and (f) the effects of both current and future litigation. The forward-looking statements contained in this report apply only as of the date of the report. We are not under any obligation to (and expressly disclaim any such obligation to) revise or update any forward-looking statements to reflect events or circumstances after the date of the report or to reflect the occurrence of unanticipated events. We cannot give any assurance that forward-looking statements will prove correct and investors are cautioned not to place undue reliance on any forward-looking statements.

Statement of the board of directors on the integrated annual report

This report is primarily intended to address the information requirements of long-term investors (our equity shareholders, bondholders and prospective investors). We also present information relevant to the way we create value for other key stakeholders, including our employees, clients, customers, regulators and society.

After being reviewed by the audit committee and board, the board approved the integrated annual report. The summarised consolidated annual financial statements for the year ended 31 March 2021 were prepared in accordance with IFRS and the Companies Act, while the integrated annual report was prepared using the IIRC framework and recommendations of King IV. In our opinion, the integrated annual report and annual financial statements fairly reflect the financial position of the group and its operations at 31 March 2021.

On behalf of the board

Koos Bekker
Chair

Bob van Dijk
Chief executive

Cape Town
19 June 2021

Group overview

Contents

From India to Brazil to South Africa to Russia – we improve everyday life for well over a billion people around the world. Millions more are within our reach and we want to help them too.

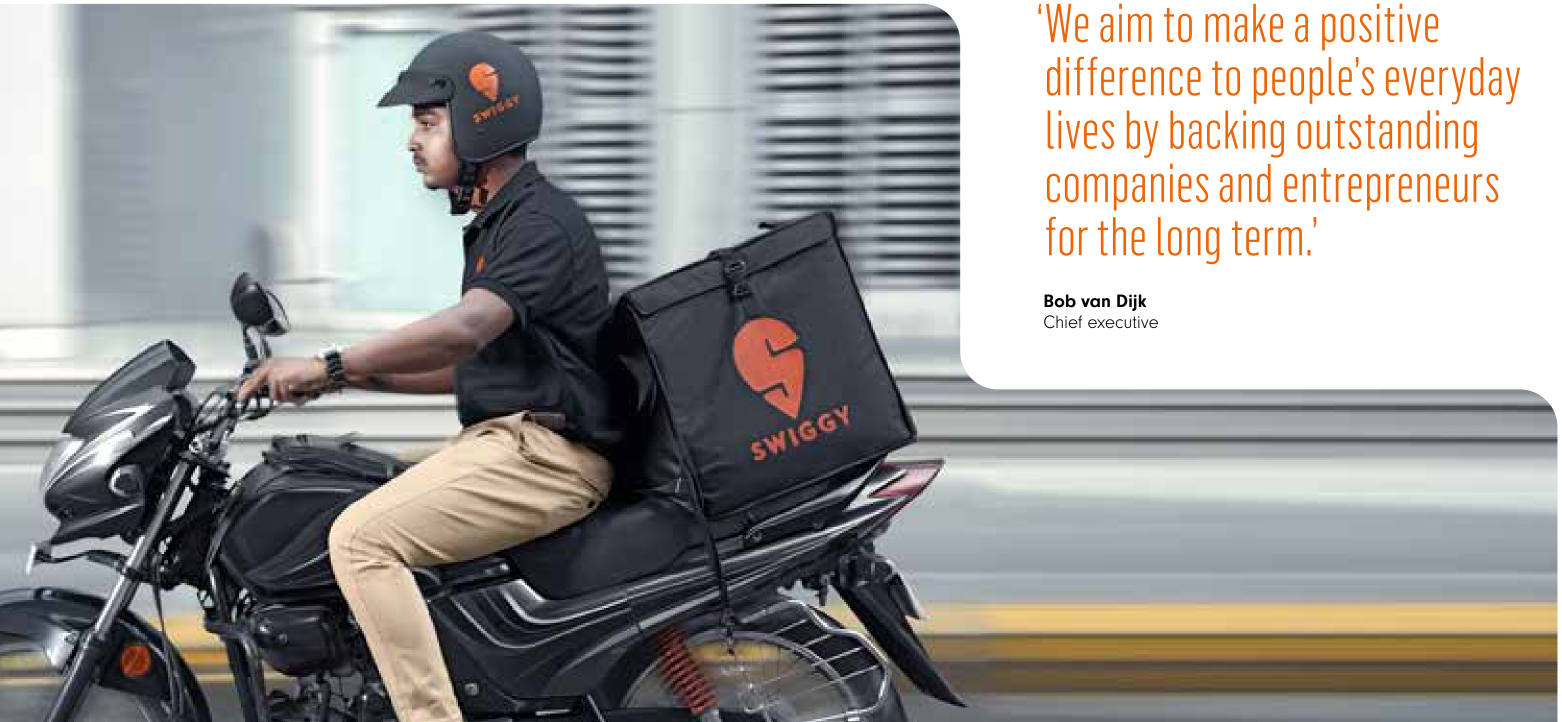
We are a global consumer internet group and one of the largest technology investors in the world.

We build leading companies that empower people and enrich communities.

We continue to grow and actively search for opportunities to partner with exceptional entrepreneurs using technology to address big societal needs. We keep going further in living our purpose to improve everyday life for millions of people.

'We aim to make a positive difference to people's everyday lives by backing outstanding companies and entrepreneurs for the long term.'

Bob van Dijk
Chief executive



Where we operate

We are in some high-growth parts of the world

We focus on dynamic markets around the world

Market leaders
We are leaders in many markets where we operate. Our most significant markets are India, Russia, Latin America, Central and Eastern Europe, North America, China, Southeast Asia, Africa and the Middle East.

Financial highlights

32%[1]
growth in group revenues to US$29.6bn

US$3.5bn
21% in core headline earnings

45%[1]
growth in trading profit to US$5.6bn

R160m
investment via Naspers Foundry targeting early-stage technology companies

1 On an economic-interest basis. Growth in local currency, excluding acquisitions and disposals.

Geographic reach/major markets

India
Read more on page 42

Southeast Asia
Read more on page 52

Brazil
Read more on page 36

Eastern Europe
Read more on page 46

We focus on high-growth segments

We focus on core segments, including Classifieds, Food Delivery, Payments and Fintech, and Etail. Through our Ventures segment we invest in the next wave of growth segments, such as Edtech. We also invest in key Social and Internet Platforms.

Ecommerce (global consumer internet portfolio)

Classifieds
OLX Group

REVENUE[1]
US$1 609m
up 18%

TRADING PROFIT[1]
US$15m
down 9%

EMPLOYEES
8 754

Our brands, OLX and Avito, including 15 other brands, hold leading market positions in more than 22 countries.

OfferUp	28.94%
EMPG	28.60%
OLX	73.19%
Avito	73.19%
[illegible]	66.38%

Read more on page 32

Food Delivery

REVENUE[1]
US$1 486m
up >100%

TRADING LOSS[1]
US$355m
up 42%

EMPLOYEES
4 126

Our portfolio consists of food-delivery businesses, including iFood, Delivery Hero and Swiggy.

iFood	45.55%
Delivery Hero	15.44%
Swiggy	30.15%

Read more on page 36

Payments and Fintech

REVENUE[1]
US$577m
up 36%

TRADING LOSS[1]
US$68m
down 6%

EMPLOYEES
2 980

PayU is one of the largest online payment services platforms in the world, with operations in 20 markets across Africa and the Middle East, Central and Eastern Europe, India, Southeast Asia and Latin America. Included in this segment are the group's fintech and credit associates Remitly and ZestMoney.

ZOOZ	73.19%
lyzico	66.70%
PayU	73.19%
Remitly	17.65%
PaySense	57.97%
rdp	52.50%
wibmo	73.19%

Read more on page 42

Etail

REVENUE[1]
US$2 856m
up 57%

TRADING PROFIT[1]
US$61m
up >100%

EMPLOYEES
8 318

eMAG is an ecommerce leader in Central and Eastern Europe.

Takealot is South Africa's leading etailer, with three major businesses: Takealot.com, Superbalist and Mr D Food.

eMAG	58.61%
takealot.com	96.99%

Read more on page 46

Ventures

REVENUE[1]
US$168m
up 54%

TRADING LOSS[1]
US$48m
up 2%

Our Ventures arm partners with entrepreneurs to build leading technology companies, with the ambition to fuel the next wave of growth for the group.

Eruditus	6.46%
Udemy	10.24%
Brainly	29.32%
SimilarWeb	12.34%
codecademy	15.33%
SoloLearn	14.52%
honor	11.58%
BYJU'S	7.74%
movile	68.32%
meesho	9.05%

Read more on page 52

Social and Internet Platforms

REVENUE[1]
US$22 526m
up 28%

TRADING PROFIT[1]
US$6 154m
up 29%

Prosus also holds investments in two listed internet companies: Tencent, China's largest and most-used internet services platform, and Mail.ru Group, the leading internet company in Russian-speaking markets.

Tencent 腾讯	22.59%
mail.ru group	19.97%

Read more on page 58

Media
Media24

REVENUE[1]
R211m
down 19%

TRADING LOSS[1]
R8m
down 100%

EMPLOYEES
2 697

Media24 is Africa's leading print and digital media group with interests in digital media and services, newspapers, magazines, ecommerce, book publishing and media logistics. It publishes several magazines and newspapers and reaches 1.5 million average daily unique browsers – up 45% year on year, generating 12.6 million average daily page views, across its digital platforms. .

MEDIA24	100%

Read more on page 60

1 Presented on an economic-interest basis. Growth in local currency excluding acquisitions and disposals.

Improving everyday life

We improve everyday life for millions of people around the world in many different ways.

Bringing delicious food to people's doors...

...and more customers to restaurants' kitchens.

Read more on page 36

Putting the power to make fast, secure payments in people's hands...

...and giving them credit options too, often for the first time.

Read more on page 42

Enabling people and businesses to buy and sell things quickly, conveniently and safely...

...while giving those items a second, third, fourth or fifth life.

Read more on page 46

Opening up a world of learning for people...

...in ways that fit in with where, when and how they want to learn.

Read more on page 52

Building financial value for our shareholders by backing and growing leading businesses across our core segments, empowering employees to learn new skills on our online hub MyAcademy, and helping communities stay safe and well fed during the pandemic with online deliveries – we create long-term sustainable value for our stakeholders.

Going forward, we aim to do much more to live up to our core purpose.

An extraordinary year

We accelerated our journey through an extraordinarily challenging year.

1

Coming into the year

We came into the year in a strong position as a 100% consumer internet company focused on improving everyday life for millions of people.

2

During the year

We moved fast to ensure our people, customers and communities were protected in the face of Covid-19.

SAFE WAYS TO SERVE CUSTOMERS

PROTECT LIVELIHOODS
of delivery partners and restaurants

PPE
Worked with Tencent and Takealot to source and deliver PPE for frontline workers

MORE SERVICES
Rolling out payment and delivery services to more markets

HELPING SELLERS
Extending listing durations and financial relief to help sellers

PROVIDING FREE ACCESS TO SERVICES
to help thousands of learners

DONATED

SOUTH AFRICA

R1.5bn	R500m	R1bn
R1.5bn	on top of Media24's donation	for medical supplies

INDIA

INR1bn
to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund

We accelerated our journey as a leading global consumer internet group.

US$3.6bn
invested for growth and scale in existing and new segments

DRIVING PROFITABILITY
and cash generation on more established segments

IMPROVING FINANCIAL FLEXIBILITY

IMPROVING PLATFORMS
through product and AI

INVESTING IN AND SUPPORTING OUR TALENT

LAUNCHED SOCIAL IMPACT FUND
for accessibility (backs start-ups that design life-enhancing technologies for people with disabilities)

3

Coming out of the year

We are moving forward stronger than ever – driven by our commitment to improve everyday life for millions of people.

The pandemic has accelerated the consumer adoption of online models and we are well placed to benefit from that

Fit for the future

We are now in an even stronger position to grow our business and go further faster in improving everyday life for millions of people.

Making the most of our strengths
Throughout the year, we demonstrated resilience in the face of the pandemic and progressed on our journey as a leading global consumer internet group. Across our core segments, we are improving everyday life for over 2 billion people in well over 100 countries around the world. We have leadership positions in some 77 markets. Year on year, we grew group revenue 32% to US$29.6bn. Group trading profit increased 45% to US$5.6bn.

IMPROVING EVERYDAY LIFE FOR OVER
2bn
users

OPERATING IN OVER
>100
countries and markets

Focusing on the next billion
We are proud to be improving everyday life for over 1.5 billion people around the world and we don't want to stop there. Indeed, we have our sights set on the next billion.

To this end, we have identified key countries, segments and growth trends where we are focusing our energy and investment. From continuing to invest in exciting high-growth countries such as India to making the most of our high-growth industries such as Edtech – we have a clear path to keep growing and adding value.

LEADERSHIP POSITIONS IN SOME
77
markets

CONTINUING TO GROW
32%
group revenue growth YoY

'We are looking forward to building on our strengths, so we can keep on growing and create more value for our stakeholders.'

Spotlight on...

...key countries

We focus on high-growth markets around the world, including India, Latin America, Russia, Central and Eastern Europe, North America, China, Southeast Asia, Africa and the Middle East.

India
From Food Delivery to Payments and Fintech to Edtech – India continues to be a key growth market for us.

Digital payments are expected to overtake cash payments by
2022
in India

Brazil
Through Food Delivery pioneer iFood, for example, we are building on our leading presence in Brazil.

iFood order growth
100%
in Brazil

Southeast Asia
During the year, our Ventures business made investments in markets across Southeast Asia where we see strong growth opportunities, including Indonesia.

We first invested
US$8m
in Shipper, Indonesia, in 2020 with an additional
US$12.7m
in March 2021

...key segments

We focus on core high-growth segments, including Classifieds, Payments and Fintech, Food Delivery and Etail.

Classifieds
In Classifieds, we are shaping the future of trade to unlock the hidden value in everything.

OLX Group:
322m
monthly active users

Payments and Fintech
In Payments and Fintech, we are building a world without financial borders where everybody can prosper.

PayU operates in
20
high-growth markets, five of which are in the top 10 growing markets

Food Delivery
We are building a global leader in Food Delivery – transforming the way people source, consume and experience food.

Global market potential
US$330bn
by 2022

Etail
We continue to grow and strengthen our Etail businesses in Central and Eastern Europe and South Africa.

Ecommerce expected to grow by
15%
annually in Romania, 8% in Bulgaria and 12% in Hungary

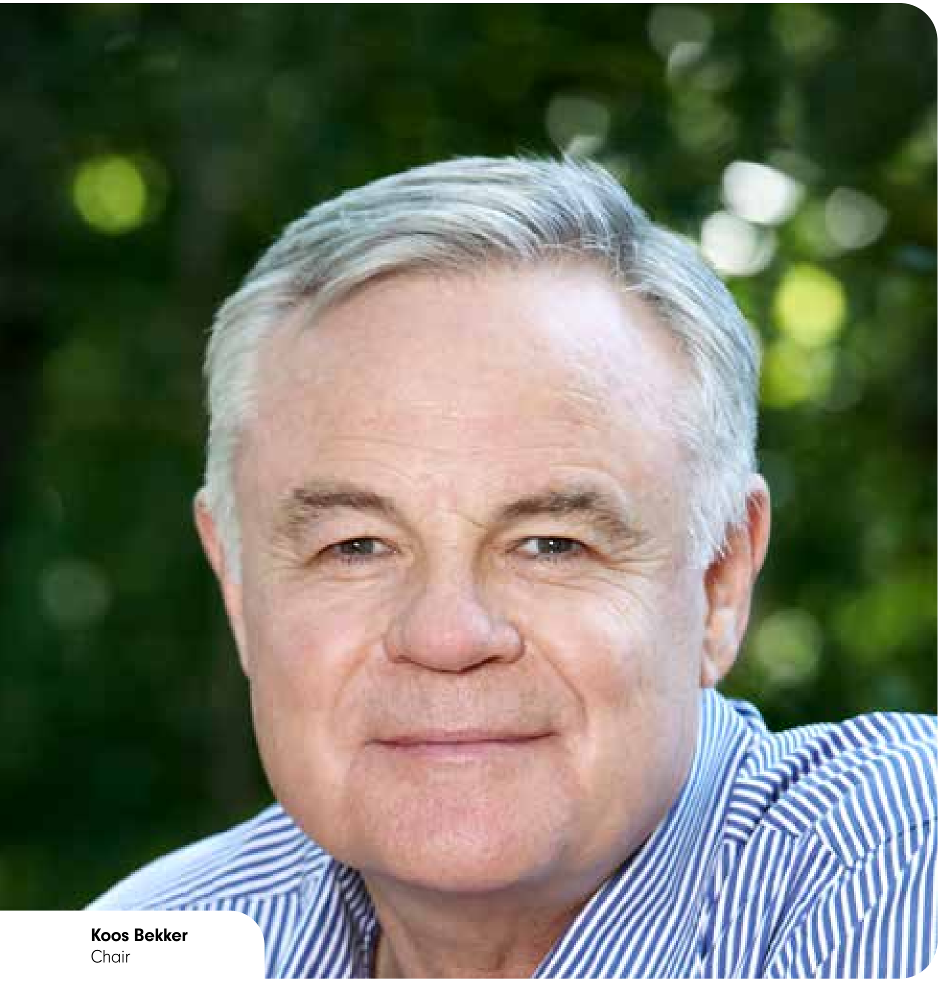
...growth trends

Driven in great measure by the pandemic, the world has moved online like never before. This growth trend adds great momentum to our business. It is at the heart of where we focus as a leading global consumer internet group.

US$3.6bn
invested into portfolio companies in the year

Chair's review

In a year characterised by the pandemic and the rapid acceleration online, I am proud to say that we have risen to the challenges and made the most of opportunities to emerge stronger as a group.



Koos Bekker
Chair

Rising to the challenges

Covid-19 created unprecedented challenges. We responded rapidly, putting the safety, health and wellbeing of our people, our customers and communities first. We sum up our response to Covid-19 throughout the report, notably in the performance review on pages 30 to 61.

Making the most of opportunities

The world has been moving online for some time. Indeed, it is at the heart of our focus as a global consumer internet group and one of the largest technology investors in the world. This year, the trend accelerated and we both responded to and helped fuel that growth across most of our businesses.

Pursuing our purpose

We wish to improve everyday life for millions of people around the world by building leading companies that use tech to meet big societal needs in better ways. So we have transformed ourselves into an almost 100% consumer internet group.

Focusing on sustainable positive impact

At the heart of our purpose is our commitment to being a responsible business that has a sustainable, positive impact on the world. We aim to create sustainable value for all our key stakeholders. We measure this value across six capitals: financial, human, intellectual, manufacturing, social and relationship and natural. We also align to the UN SDGs. Throughout this report we highlight examples of impact against the SDGs.

This year we increased focus on sustainability to improve our long-term impact. This included analysing material areas where we can make the biggest difference. We sum up our work on materiality on page 26.

Ensuring good governance

Good governance is fundamental to our business. New policies adopted include anti-money laundering and counter-financing of terrorism, and we developed a human rights statement. We discuss this in the Governance section on pages 98 to 115.

'We aim to create sustainable value for all our key stakeholders.'

Succeeding together

While strong governance frameworks are critical, they count for little without our people doing the right things in the right way day after day. I am proud of the collaborative, dynamic culture we have nurtured across the group over the years.

Bob van Dijk and his team led the group with enterprise and skill. Board members provided valuable guidance and support. From data scientists to human resource managers, from cybersecurity experts to product engineers – everyone played their part.

On behalf of the board I thank all our people for their contributions in a year of great pressure and change.

Contributing to South Africa

We remain deeply committed to South Africa. As our local businesses grow, they have a positive impact on the country – from jobs and wealth they create to the ways they contribute to society. This year Takealot, for example, played a key role in sourcing and distributing personal protective equipment (PPE) to South Africa's frontline workers fighting Covid-19. We also contribute through Naspers Foundry, which invests in the next generation of South African tech businesses. In addition, we pay a significant amount of tax: in total, Naspers group paid R7.3bn in taxes in South Africa during the year.

Board changes

On 1 April 2021, in accordance with our retirement of director's policy, Don Eriksson retired from the board. He was also chair of the audit, risk and social, ethics and sustainability committees. The board thanks Don for his valuable contribution and excellent chairing of these committees.

Steve Pacak was appointed chair of the audit and risk committees and Debra Meyer chair of the social, ethics and sustainability committee. In addition, Angelien Kemna was appointed as an independent non-executive director on 15 April 2021. She also serves as a member of the audit committee. Confirmation of her appointment will be sought at the annual general meeting.

In line with the company's memorandum of incorporation, one third of non-executive directors retire annually and reappointment is not automatic. Hendrik du Toit, Craig Enenstein, Nolo Letele, Roberto Oliveira de Lima and Ben van der Merwe retire by

Chair's review continued

rotation at the annual general meeting. Being eligible, they offer themselves for re-election. At the annual general meeting, shareholders will be asked to consider the re-election of these directors (see Notice of virtual annual general meeting on page 175).

Steve Pacak, Rachel Jafta, Angelien Kemna and Manisha Girotra are members of the audit committee. The board will recommend to shareholders that Steve Pacak, Angelien Kemna and Manisha Girotra be reappointed to this committee. Rachel Jafta steps down from the audit committee at the annual general meeting – the board thanks Rachel for her significant contribution to the committee over several years. Please see directors' curricula vitae on pages 99 and 100.

Dividend

(All figures in South African cents unless stated otherwise.)

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 21 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.

Responding to Covid-19

The Covid-19 pandemic has created significant challenges and uncertainties for everyone around the world. The health and wellbeing of our people, their families and the communities we serve, continues to be our priority during this difficult time.

Together, we have ensured we:

- safeguard our people
- maintain our ability to serve our customers, and
- protect our businesses for the long term.

As India confronts a devastating second wave of Covid-19, we continue to focus on ensuring the safety and wellbeing of our people, customers and partners across the country.

Our approach

The group has a crisis response protocol to ensure that serious situations be recognised early and addressed in a coordinated manner. We implemented the protocol in response to Covid-19, including assessing the potential impact on our people and the businesses we operate. Key business risks were assessed and mitigation plans implemented. We continue to update these plans.

What we've been doing

Our primary objective has been to prioritise the health and wellbeing of our employees.

All our workplaces adhere to local laws and regulations as well as the group's global safety protocols. This includes reduced capacity, the maintenance of social distancing and strict hygiene procedures.

We recognise that our people need additional support at this time. Our employee assistance programme provides assistance on clinical, emotional, legal and financial matters.

Supporting communities

We have been supporting the communities we live and work in.

iFood introduced an option to donate money to fight hunger in Brazil as part of each food order. Donations support the NGO Açaõ da Cidadania, which offers basic food packages to socially vulnerable families. So far, this has benefited 160 000 recipients. In addition, ready-made meals are donated to CUFA (Central Única das Favelas), a Brazilian organisation that helps the socially vulnerable in favelas (informal settlements).

In 2020, Delivery Hero announced a global partnership with the United Nations World Food Programme to roll out the ShareTheMeal donation feature to its delivery platforms. The partnership resulted in a donation function integrated in Delivery Hero's local apps.

Making a difference in South Africa

In April 2020, we donated R1.5bn in emergency aid to the government's response to the Covid-19 crisis. This comprised R500m to the Solidarity Fund announced by President Cyril Ramaphosa, and R1bn of PPE and other medical supplies. These we sourced in China, in partnership with the Chinese government and Tencent, to support South Africa's health workers. This included the logistics to fly the equipment to South Africa and, in conjunction with the government, distribution to medical facilities across the country.

Providing support in India

In April 2020, we donated INR1bn to the Indian Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund). Donations are used to alleviate suffering of those affected by the Covid-19 crisis and to aid the emergency response.

Swiggy launched a campaign to donate meals to persons in need in India. The campaign donated approximately three million meals and grocery kits to people in need.

Swiggy also used its network of restaurants and commercial kitchens to help several state governments and non-governmental organisations (NGOs) provide simple, wholesome meals in Covid-19 relief camps in Delhi, Gurgaon, Bangalore, Mumbai and Hyderabad.

BYJU'S offered its learning platform for free in India for the first few months of the pandemic to benefit children that could not attend school due to closures.

Looking forward

Covid-19 is still with us, although the roll out of vaccines around the world makes this less threatening to us all.

The acceleration of online adoption continues, too. We look forward to growing further and having an ever-bigger positive impact. As a global consumer internet group dedicated to improving everyday life for millions of people around the world, there is a great deal more we can do and achieve. Also, more sustainable value to create for our stakeholders.

Koos Bekker
Chair

19 June 2021

Our commitment to sustainability

Ensuring strong sustainability governance

Reflecting our commitment to strong sustainability governance, the board-approved group sustainability plan identifies and focuses on specific sustainability goals. The board oversees, and is ultimately responsible for, sustainability and the progress made against the sustainability plan. The risk and social, ethics and sustainability committees assist the board in discharging this responsibility.

The board ensures that processes are in place to assess and respond to sustainability risks and opportunities that arise as a consequence of the group's activities.

The board delegates the implementation of the sustainability plan to the management team.

Given the range of majority-owned companies in our portfolio, a one-size-fits-all approach to governance is not practical, so the companies vary their approach to sustainability, based on factors such as business model, operations, workforce size and geography, resources and complexity of activities.

Read more on page 72

SUSTAINABLE DEVELOPMENT GOALS

'As we grow, our potential to have a long-term positive impact on people's lives around the world grows too.'

Chief executive's review

We entered the year with confidence, from a position of strength and with momentum in all our core segments. We move forward from the year with even more conviction that we are on the right path.

Bob van Dijk
Chief executive

We set our direction well before the start of this reporting period. Throughout the year, we stuck to it and advanced at pace, while responding to the challenges of the pandemic.

As we highlight in this report, we have emerged stronger from the year – even more focused on our journey and excited by the opportunities ahead.

Responding quickly and effectively to the pandemic

As detailed throughout the report, we responded quickly and effectively to Covid-19. Our top priority was the health and wellbeing of our people, their families and the communities we serve. Together, we ensured we safeguarded our people, maintained our ability to serve our customers and protected our businesses for the long term.

I am proud to say, we also played a key part around the world in helping countries and communities throughout this time. In particular, we supported governments' humanitarian efforts with the provision of much-needed personal protective equipment (PPE) for frontline healthcare workers.

In South Africa, our promise was to source, buy, ship and distribute, as fast as possible, R1bn of PPE from China to frontline workers at hospitals identified by the Department of Health.

This significant undertaking was made possible through tireless collaboration between our South African teams, our long-term partners at Tencent in China, teams in government, and the logistics experts of our ecommerce retailer Takealot.

Across our group, our companies and partners made their own contributions. For example, OLX, our online classifieds business, used its marketplace platform in Portugal to help find homes for healthcare professionals. In India, we donated INR1bn to Prime Minister Modi's relief fund. In many different ways, we have been helping to improve people's lives amid the pandemic.

Maintaining our strategy

While dealing with the pandemic, we maintained our strategic focus throughout the year.

Our strategy has always been to back and build businesses that improve people's everyday lives. We do this by understanding both people's day-to-day needs and technology's advances – working in the space where these two fundamentals intersect.

In this way, we have grown to become a top 10 global consumer internet company and one of the largest technology investors in the world. Today, the entrepreneurs and teams at the heart of our investments and companies improve the daily lives of millions of people. They enable people to buy and sell online, easily order meals delivered quickly to their homes, access important financial services that traditional banks will not provide to them, educate themselves without ever visiting a classroom, and much more; and they help to satisfy that most basic of human needs, the ability for people to connect and interact with each other – vitally important during the pandemic.

Staying focused and disciplined is key to delivering our strategy

Despite the pandemic, we continued to invest and accelerate our business. Our aim, as ever, is to deliver sustainable growth and long-term value creation.

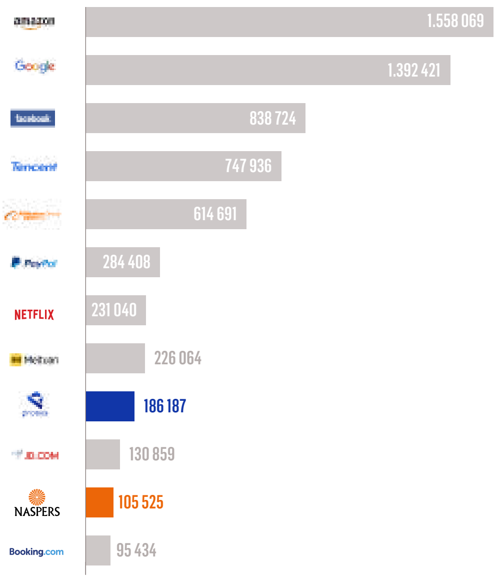
The pandemic has certainly impacted the market. In terms of valuations, it's been unsurprising that

Performance highlights

- In Classifieds, OLX Group innovated and grew, ending the year ahead of expectations on both revenue and profits.
- Our food delivery businesses performed strongly, with iFood growing revenue 205% year on year.
- Our Payments and Fintech reached a new level, driven by the pandemic-fuelled acceleration in the adoption and use of digital payments across our core markets.
- Our etail businesses continue to show considerable growth in their markets.
- Through our Ventures arm, we continued to invest in the next wave of growth, notably Edtech.
- Tencent and Mail.ru, leading platforms in their respective markets, delivered strong results.

Chief executive’s review continued

PROSUS IS A TOP 12 GLOBAL CONSUMER INTERNET COMPANY
MARKET CAP (US$'bn)



Source: Capital IQ

investors want more exposure to companies they view as structural winners – whether that be in communication, tech or ecommerce. We believe there has been a structural shift to the positive in our segments, particularly in Food Delivery, Payments and Fintech, Etail and our Edtech businesses. We are long-term investors and we invest and operate in a fast-growing and ever-evolving space where there will be ample opportunity to deploy our capital and continue to generate returns over time. Our goal is to deliver strong internal rates of return (IRR) at scale over a long period of time. We have an excellent track record and will continue to allocate capital diligently, aiming for returns well above our cost of capital.

Over the past decade, our internet portfolio has delivered more than 20% IRR and we aim to sustain this going forward. The required returns depend on a range of factors such as scale, risk and profitability. For early-stage partnerships in new or high-growth markets, the risk profile is clearly high. In these cases, we look for venture-style IRRs well over 20%, understanding that operational success will determine the outcome. As our bigger businesses mature and we make larger investments that already are proven leaders in their fields, the risks are reduced. In this case we can look for a commensurately lower IRR but one that generates more significant profit.

Performing well

Group revenue grew 32% to US$29.6bn. Group trading profit increased 45% to US$5.6bn.

We detail our performance on pages 30 to 62. To share a few highlights, our core segments all performed well during the year, capitalising on and contributing to the widespread acceleration to digital around the world, driven by the pandemic.

Strengthening our position in Classifieds

We made considerable progress in Classifieds, strengthening our strategic and financial position. Although the pandemic affected our business at the start of the year, we innovated to continue enabling trade, and ended the year stronger than expected, with both revenue and trading profit exceeding the revised budget, taking into account the anticipated impacts of the pandemic.

We are an investor and an operator

An investor: We take a disciplined and systematic approach to capital allocation

- **We test:** First, we experiment and expand, building our understanding and presence.
- **We invest:** Over time, we deploy more capital and accelerate growth.
- **We scale:** In our chosen focus areas, we continue organic and inorganic growth and drive profitability.

An operator: We have a responsible, long-term approach to operating

- We take a long-term, responsible view as an operator.
- Our aim is to help, support and encourage entrepreneurs and businesses as much as we can, so they create as much value as possible.
- We actively share our groupwide insights and expertise, to help businesses create more value.
- With our disciplined test, invest and scale approach, we are used to having a range of ownership stakes across different segments and, in turn, varying how we help.

‘From Food Delivery to Payments and Fintech, from Classifieds to Edtech – we focus on improving everyday life for millions of people in areas where we can really excel. We do this in a rigorous, tried-and-tested way for long-term value creation.’

Key events throughout the year

Apr

Naspers completes R22.4bn share repurchase programme

Safeguarding employees, customers and businesses and supporting communities in response to the Covid-19 pandemic

Naspers delivers personal protective equipment for healthcare workers

Emerging Markets Property Group (EMPG), a leading property portal group in emerging markets, and OLX Group announce their merger in Pakistan, Egypt, Lebanon and the United Arab Emirates

May

R100m

Naspers Foundry invests a further R100m in Aerobotics, an agtech company that provides tree crop health and yield intelligence data to the agricultural industry using drone and satellite-enabled AI technology

Jun

Indonesian start-up, Shipper, secures series A funding led by Ventures

Jul

US$85m

Remitly announces a US$85m round led by PayU

Aug

News24 announces digital subscription service

Launch of social impact challenge for accessibility (SICA) in India

Sep

US$113m

Eruditus closes a US$113m series D, co-led by Ventures and Leeds Illuminate

Naspers Foundry closes a transaction with Food Supply Network. The independent B2B marketplace integrates ordering systems of manufacturers, distributors and buyers (restaurants, hotels and retailers) of food products

BRL60m

Zoop receives BRL60m investment led by Movile

iFood acquires SiteMercado to accelerate grocery-delivery business

Bykea, a Pakistan-based on-demand transport and logistics platform raised a series B funding round led by Ventures

Chief executive's review continued

'The world was well on its way to shifting online when the pandemic hit, and the crisis brought this trend forward a number of years in a matter of months. The future was brought forward'.

Reaching a new level in Payments and Fintech

Payments and Fintech benefited from the pandemic-fuelled acceleration in adoption and use of digital payments across our core markets. In Latin America, transactional volumes grew 69% year on year. Poland and Romania were also very strong. In our core market of India, annual transactional volumes grew 42% (in local currency, excluding M&A).

Continuing to grow in Food Delivery

Our core food-delivery businesses continued to grow during the year. iFood performed strongly, growing gross merchandise value (GMV)[1] by 148% and revenue by 205% year on year (in local currency, excluding M&A) and strengthening its position as Brazil's clear leader. Delivery Hero also had a strong year, reporting €12.4bn in gross merchandise value and €2 472m revenue from continuing operations for its year ended 31 December 2020. Mr D had a strong year as a leading South African food-delivery business, growing 88% in revenue for the year. A key driver in growth was the shift of consumer demand from restaurant dining to online delivery due to lockdown conditions.

Creating the next core segment – Edtech

In recent years, we have progressively grown our portfolio of companies focused on education as part of our Ventures arm. On 1 April 2021, we split these out of Ventures into a formal Edtech segment, reporting separately. Education is a US$10tn global market that is still fairly untouched by technology. We aim to capitalise on the opportunity to make education universally accessible.

Continuing to focus on the next wave through Ventures

Just as Edtech is about to graduate from Ventures, so too did Food Delivery in 2019. Our Ventures arm is the advance guard of our highly focused approach to investing and building leading global businesses that improve people's everyday lives. Through Ventures, we explore and lock onto the next big waves of our growth story.

Capitalising on our strong culture

The strength of our highly collaborative culture was proven as we met the challenges of a pandemic-dominated year and made the most of opportunities from a global leap forward online. We highlight our culture on page 29. But I touch on one key aspect here: learning.

Looking to learn as much as possible

We are a learning organisation that continually adapts and moves forward. This is evident in many different ways. When we invest in start-ups through Ventures, for example, this enables us to learn first-hand with entrepreneurs about exciting new areas of opportunity such as agtech (investments and start-up activity in agricultural technology).

At the other end of the spectrum from this highly specific knowledge-gathering, we automate and scale our learning through our growing investment in and roll out of artificial intelligence (AI) and machine learning (ML) across our core segments. As we highlight on pages 79 and 80, we are applying AI and ML at scale across the group, which will enable us to learn more, and faster, so we can apply this to improve the services and experience we deliver for our business partners, customers and users.

We aim to share as much learning and best practice as possible across the group. This is one of the key ways in which we add value to businesses in our portfolio. Through our MyAcademy learning hub, for example, a great variety of knowledge is available on demand to everyone in the group, including minority investees. This year, more than 50 000 users took advantage of MyAcademy to add to their skills and understanding.

This deep cultural attachment to learning makes the creation of Edtech as our newest segment a natural next step for us.

Our commitment to learning is also closely allied to our focus on diversity, equity and inclusion – which essentially fuels greater learning and creativity. Building a diverse and inclusive workforce is a key element of our business growth and success. As we discuss on pages 84 and 85, we increased our emphasis on this during the year.

1 GMV represents the value of all successfully closed transactions between users on a platform. GMV provides a measure of the overall volume of transactions through a platform, both through first-party and third-party transactions.

Oct

US$15m
Klar, a leading challenger bank in Mexico, closes US$15m in a series A funding led by Ventures

US$5bn
Announcement of intention to acquire up to US$5bn of Naspers and Prosus shares

Nov

>US$500m
Additional US$400m investment and strategic support agreement in Churchill Capital Corp II, brings total investment to US$500m and total private investment in public equity (PIPE) commitments in connection with the Skillsoft and Global Knowledge transactions to at least US$530m

R45m
Naspers Foundry invests R45m in The Student Hub, an online learning platform that increases access to vocational education to large numbers of students while reducing the costs of delivery of education and training

Dec

Inaugural Prosus SICA selects as the top three start-ups Sohum Innovation Labs, NeoMotion Assistive Solutions and Stamurai from Demosthenes Technologies – all early-stage Indian ventures developing technology to aid people with disabilities

Prosus prices new 30-year tranche USD bond and taps its 2028 and 2032 EUR bonds

Prosus announces secondary listing on A2X Markets

Jan

US$30m
Full-stack agtech platform DeHaat raises US$30m series C led by Ventures

Mar

20.37m
Acquired approximately 20.37 million shares in Delivery Hero

Launch of Prosus FLIGHT, an education and employment initiative for marginalised women and girls in India in partnership with UN Women

Apr

Naspers reduced its stake in Tencent from 22.6% to 21%

May

Announce intention to implement a voluntary share exchange offer to Naspers shareholders

Chief executive's review continued

Improving every day

Importantly, learning never has to end. As we are demonstrating through our Edtech businesses, with the help of technology, learning can continue non-stop for everyone in ways that work best for them. This means we all have the opportunity to be better; and, as a group, we have the opportunity to go further in living our purpose of improving life for millions of people around the world – to add more value day by day.

We want to do this for more people across our core segments of Classifieds, Food Delivery, Payments and Fintech, and Etail – so that many more millions of people around the world benefit from the products, services and experiences provided by businesses in our portfolio. We also want to do this in new and better ways to play an ever-deeper and more positive part in people's everyday lives.

In essence, we are committed to growing the size of our core segments and deepening their positive impact on people. Moving forward with our purpose in this way will help us fulfil our commitment to generate increased growth and value for our shareholders.

Focusing on the issues that matter to our stakeholders

Another major part of our culture is our deep commitment to being a responsible business that takes a long-term view and seeks to engage with and look after all our key stakeholders. During the year, we completed our first materiality assessment to ensure we focus on the issues that are most important to our stakeholders and our business. From financial performance to data privacy, from cyber-resilience to customer centricity, the issues our assessment highlighted as most material are ones we already focus on. The assessment is a valuable reinforcement of our direction and one that we will continue to use and evolve in the interests of our stakeholders. More detail appears on pages 25 to 28.

While our materiality process helps us identify the issues that matter, the critical follow-on is that we address these issues in the right way to serve our stakeholders and our purpose. Throughout this report, we highlight how we go about doing this as well as our progress. In the sustainability review from page 73, for example, we discuss how we are stepping up our commitment to have a progressively greater impact across key areas – our people, data privacy and protection, cybersecurity and technology resilience, AI and ML, the environment, and society.

Making a positive difference to people's lives

There are many examples of how we are having a broader positive impact on people's lives around the world, beyond the immediate benefits we bring to everyday life through businesses in our core segments.

In India, for example, we launched SICA in partnership with Invest India and Social Alpha. This aims to create long-term positive societal impact by supporting start-ups in India, working on assistive technologies to enhance life for people with disabilities, and encouraging the adoption of best-in-class coding standards to offer enhanced accessibility by design. The programme is aligned with the Prime Minister's vision to bring Digital India to Accessible India.

We also launched Prosus FLIGHT, in partnership with UN Women, to help young women in India gain education and employment. Barriers to entry for women include poverty, lack of educational opportunities and role models, gender stereotypes and early marriage. Prosus FLIGHT aims to alleviate some of these barriers by supporting women and girls to earn a formal degree or certification, and helping them acquire employable skills that would allow them to participate in India's digital economy.

Our commitment to South Africa remains deep and strong. We continue to invest for sustainable socio-economic impact through two key initiatives: Naspers Labs and Naspers Foundry. Naspers Labs focuses on tackling youth unemployment with a hyper-local programme combining community spaces with online learning and support. Naspers

Going further on our sustainability journey

Focusing on materiality

We conducted our first materiality assessment to help identify the issues that are most important to our stakeholders and that we can have the biggest impact on.

Read more on page 26

Committing to being climate-neutral

We announced our commitment to becoming carbon-neutral and began to map out our path to get us there.

Read more on page 88

Investing in cybersecurity and technology resilience

We continued to focus on ensuring our platforms and businesses are as secure and resilient as possible.

Read more on page 77

Helping our people to learn and develop

Through our groupwide online learning hub MyAcademy and various opportunities provided by portfolio companies, we enabled our people to continue learning and developing despite the pandemic.

Read more on page 82

Responding to Covid-19

We reacted quickly and effectively to the Covid-19 pandemic.

Read more on page 83

Putting data privacy and protection at the heart of the business

We established three key performance indicators (KPIs) for data privacy and protection, to help us manage and monitor our performance.

Read more on page 75

Making the most of AI and ML

We further enhanced our AI and ML capabilities across the group.

Read more on page 79

Chief executive's review continued

'Through Prosus FLIGHT, we are helping young women inIndia gain education and employment.'

Foundry invests in talented and ambitious South African technology entrepreneurs so they can develop and grow businesses that improve people's lives.

More details on these and other social impact initiatives appear in our Sustainability review from page 72.

Embracing our responsibilities

We have always taken a long-term responsible approach to our business. We aim to deliver a strong internal rate of return (IRR) on our investments and to deliver a strong performance across environmental, social and governance (ESG) matters. We see these core areas of focus as complementary – responsible value creation brings IRR and ESG together.

Celebrating our people

At heart, we are a responsible, people-focused technology business. We concentrate on how innovative technology can improve people's everyday lives – that is the focus of the entrepreneurs we back and the businesses we invest in and help build. It is not tech for tech's sake, rather tech for the betterment of all. We can only do this through the skills and efforts of our many different people across the group. This year, more than any other, our people made the critical difference. I thank everyone in the group for their outstanding commitment and contributions in this extraordinary year.

Increasing our funds for growth investments

On 8 April 2021, we announced the sale reducing our stake in Tencent from approximately 22.4% to 20.9%, yielding US$14.6bn. We intend to use the proceeds of the sale to increase our financial flexibility to invest in growth. At the same time, we announced our commitment not to sell any further Tencent shares for at least the next three years.

Creating value for both Naspers and Prosus

On 12 May 2021, Prosus announced its intention to implement a voluntary share exchange offer to Naspers shareholders. The aim is to deliver immediate and also longer-term value creation for both Naspers and Prosus shareholders.

Prosus intends to acquire 45.4% of the issued Naspers N ordinary shares in exchange for newly issued Prosus ordinary shares N, which would take its overall interest in Naspers to 49.5%. The transaction would more than double the Prosus free float's effective economic interest in the group's underlying businesses to around 60%.

We expect the transaction will be value-creating for Naspers shareholders. It will lead to enhanced trading dynamics by almost halving Naspers's weighting on the JSE. This will give us headroom for future growth while remaining South Africa's most valuable company on the JSE. It is also expected to increase the value of the Prosus free float to +US$100bn and elevate Prosus to a top 20 EURO STOXX 50 Index company, with increased liquidity and index weighting and significantly enhanced trading dynamics.

The transaction is expected to be implemented in August 2021.

Looking forward

Looking forward, we will continue riding the wave of digital acceleration and growing our core segments. But we still have a long way to go, more to do, greater growth and value to realise.

India will remain a key focus. In addition, our newest segment, Edtech, holds much promise – the world wants and needs to learn, and we want to help; and, through Ventures, we will continue to explore the next big segment opportunities.

I look forward to working on all this with everyone in the group. Together we can realise the full potential of our purpose to improve everyday life for people around the world; and, in doing so, create greater long-term value for our shareholders and all our key stakeholders.

Bob van Dijk
Chief executive

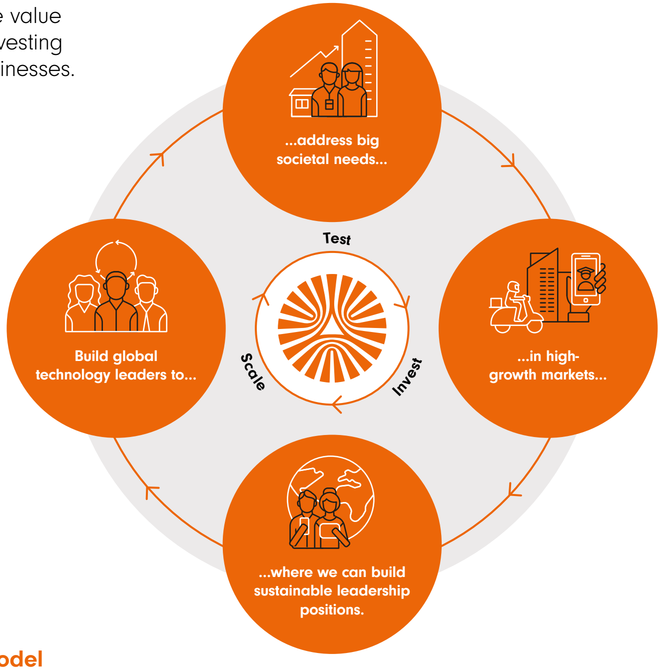
19 June 2021

Our strategy

We have a proven strategy for building long-term value.

Our goal
Create sustainable value by building and investing in high-growth businesses.

Our focus areas



Our operating model

Global outlook
Our global outlook and capabilities mean we can identify key trends and share resources, insights and best practice across our group at scale.

Local entrepreneurs
Great local entrepreneurs know better than anyone how to win in their markets.

Investor
We allocate capital with care for strong returns on investment.

Operator
We operate responsibly to create long-term sustainable value.

Our core approach

Active	Focused	Long-term focus	Disciplined	Responsible
Bring more than just money	Invest in a targeted way	Build sustainable businesses	Play to win, progressively	Do the right thing

A strong, differentiated strategy

We have a strong, differentiated strategy that has proven its worth and remains well suited to the future as we see it.

We partner with local entrepreneurs to build global technology leaders. We operate at the intersection of high-growth markets and technology to address major societal needs at scale. Above all, we pursue a simple goal: to build sustainable leadership positions. This is the key to reaching scale and profitability – most of our platforms are leaders in their markets.

We take a distinctive approach to building global technology leaders. We are **active** participants in our investments and operations. We believe that to be successful we have to bring much more than just money. We are **focused**. We invest where we can make a difference based on deep industry insights in areas that we know, rather than widely and wildly. We are **long-term** focused. We aim to build sustainable businesses, not driving for short-term liquidity events or paper-value increases. We are **disciplined**. We play to win, but progressively grow our capital commitments as we learn and scale. We are **responsible**. We take full responsibility – acting like owners and doing the right thing for the long term, for all stakeholders.

In addition, we combine our global presence and outlook with the dynamism and insights of local entrepreneurs. In building great companies that improve everyday life for people, we both invest and operate as we seek to create the greatest value long term.

An investor:

We take a disciplined and systematic approach to capital allocation

We test
First, we experiment and expand, building our understanding and presence:

- We explore promising trends and opportunities where new technologies have the potential to transform big societal needs in high-growth markets.
- We make initial investments to learn and explore further.
- We look for promising local players with strong founder-led teams.
- We build our stakes in the best opportunities and businesses.

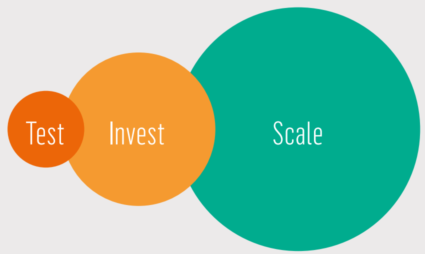
We invest
Over time, we deploy more capital and accelerate growth:

- We focus our investment on specific core segments.
- We look to create global category leaders, stepping up our investment to drive growth and gain market share.
- We extend core assets.
- We invest for the long term.

We scale
In our chosen focus areas, we continue organic and inorganic growth and drive profitability:

- We scale progressively – building lasting, leading businesses.
- At the right moment, we go all in, driving these businesses to profitability and cash generation.

Our systematic approach



Test
Experiment and expand

Invest
Deploy more capital and accelerate growth

Scale
Continue to grow and drive to profitability

Our strategy continued

An operator:

We have a responsible, long-term approach to operating
We take a long-term view as an operator. Our aim is to help, support and encourage entrepreneurs and businesses.

We actively share our groupwide insights and expertise, to help businesses create more value.

With our disciplined test, invest and scale approach, we are used to having a range of ownership stakes across different segments, varying our involvement appropriately.

Making a difference directly and indirectly
As a group we make a direct impact by allocating capital carefully in great companies that improve everyday life. We also support our group companies by sharing our cybersecurity, data-privacy and protection, and AI and ML expertise.

We have a good track record and will continue to allocate capital diligently, aiming for returns well above our cost of capital.

Over the past decade our internet portfolio has delivered over 20% IRR and we aim to sustain this going forward. The required returns depend on a range of factors such as scale, risk and profitability. For early-stage partnerships in new or high-growth markets, the risk profile is clearly high. In these cases, we look for venture-style IRRs well over 20%, understanding that operational success will determine the outcome. As our bigger businesses mature and we make larger investments that already are proven leaders in their field, the risks are reduced. In this case we can look for a commensurately lower IRR, one that generates more significant profit.

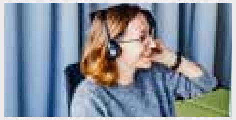
Across the group, we apply consistent governance policies and standards and implement best practice, while bearing in mind our varying levels of control and influence. At the holding company level, we set minimum standards and expectations while demonstrating best practice on topics that are material to our business and operations. With majority-stake, controlled companies we engage proactively to ensure they reflect our own best practice on topics that are material to their own business and operations. This is a journey that requires flexibility. Topics material to one segment are addressed within that segment, rather than across all segments. For example, challenges and opportunities of the gig economy are addressed by the food-delivery businesses. We encourage minority-stake, non-controlled companies to adopt best minimum standards that are aligned with our position on key ESG topics.

Future focus

Focusing on our core segments

Classifieds
Read more on page 32

Food Delivery
Read more on page 36



Payments and Fintech
Read more on page 42

Etail
Read more on page 46

The bulk of our capital will go into these core segments while we continue to explore new opportunities through Ventures.

Building these segments is a lever to reduce the discount.

We will strive for returns well above our cost of capital.

We are an active shareholder, not just a financial investor.

We are also now targeting a fifth core segment

Edtech
Read more on page 52

WE AIM TO BUILD BIG SEGMENTS

US$10-20bn

Increasing value across our segments

We aim to improve the competitiveness of our segments by:

- Building integrated ecosystems to deliver superior consumer value.
- Continuing to accelerate the use of AI across our businesses.
- Adopting and driving a data-first approach in and across segments.
- Acting as a responsible corporate citizen: take responsibility for all stakeholders and our customers in particular.
- Focusing on our users' experience and shaping the regulatory agenda accordingly.

Our business model

We are driven by our purpose

To improve everyday lives for millions of people

We prioritise our approach based on our material issues

BUSINESS

- Financial performance
- Responsible investments
- Customer centricity

ENVIRONMENT

- Climate action

SOCIETAL

- Business culture, ethics and integrity
- People
- Data privacy
- Digital inclusion

TECHNOLOGICAL

- AI
- Cyber-resilience
- Innovation

Read more on page 72

The resources we need

Financial
Financial funds and assets used to invest and develop our operations.

Human
Skills owned by our employees.

Manufacturing
All investments in facilities and technologies across the group.

Intellectual
Ideas, source code, domains, know-how and knowledge we create, own and protect.

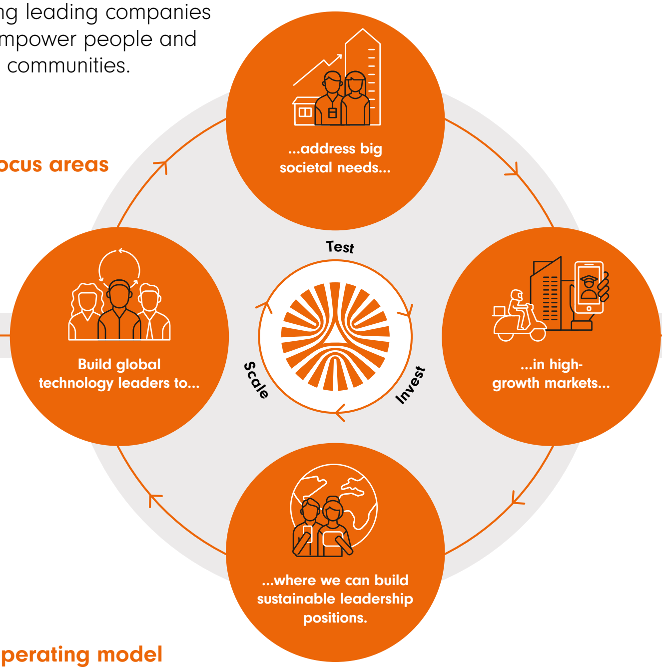
Social and relationship
Relationships we build with customers, communities and trade organisations.

Natural
Natural resources we have an impact on, such as energy, water and climate.

How we add value through our strategy

We pursue growth by building leading companies that empower people and enrich communities.

Our focus areas



Our operating model

Global outlook
Our global outlook and capabilities mean we can identify key trends and share resources, insights and best practice across our group at scale

Local entrepreneurs
Great local entrepreneurs know better than anyone how to win in their markets

Investor
We allocate capital with care for strong returns on investment

Operator
We operate responsibly to create long-term sustainable value

Our core approach

Active	Focused	Long-term focus	Disciplined	Responsible
Bring more than just money	Invest in a targeted way	Build sustainable businesses	Play to win, progressively	Do the right thing

The value we create

Financial
We deliver long-term shareholder value through disciplined capital allocation and robust financial performance.

Human
We create a working place with a fair and inclusive culture and development opportunities for all our employees.

Manufacturing
We provide innovative platforms and services to customers globally.

Intellectual
Through our intellectual property, we drive change and innovation within the industry.

Social and relationship
We treat our partners fairly and drive high social value in our operations.

Natural
We seek to minimise our impact on the environment and to play our part in addressing issues, including climate change and the responsible use of natural resources.

Measuring our impact

We create sustainable value for key stakeholders through our business model, drawing on our pool of six capitals and in line with the UN SDGs. In this section we measure our impact this year across our material issues.

Business

Material topics: Financial performance; Responsible investments; Customer centricity

KPIs

REVENUE[1]
US$29.6bn
2021: 29.6
2020: 22.1

TRADING PROFIT[1]
US$5.6bn
2021: 5.6
2020: 3.7

US$3.6bn in Prosus share purchase programme

R7.3bn total tax contribution

US$3.6bn invested in portfolio companies in the year

Helped many small and medium-sized businesses move online in Payments and Fintech, and Food Delivery

Ventures have invested a total of US$89.6m into 5 Edtech companies, excluding Churchill in 2021

UN SDGs group and business levels: 5 Gender equality; 8 Decent work and economic growth; 9 Industry, innovation and infrastructure; 16 Peace, justice and strong institutions; 17 Partnerships for the goals

Environment

Material topics: Climate action

SCOPE 1 CARBON EMISSIONS
11 282.48 tCO_2e

SCOPE 2 CARBON EMISSIONS
18 401.90 tCO_2e

Commitment to becoming carbon-neutral

20% of eMAG deliveries via Easybox network

OLX championing the circular economy

iFood reducing waste by using recyclable cutlery options

US$31.5m invested in Dott – supporting micromobility

Energy-saving and water-saving initiatives across many group companies

UN SDGs group and business levels: 12 Responsible consumption and production; 13 Climate action

Societal

Material topics: Business culture, ethics and integrity; People; Data privacy; Digital inclusion

MYACADEMY
41 000 hours of learning

~14 900 employees connecting to MyAcademy monthly

50 500 users

1 490 monthly active users

Code of conduct, anti-harassment policy and human rights statement available online

Read more on page 74

DIVERSITY
43% female employees

DATA PRIVACY
In our majority-owned companies, we increased the number of data privacy leaders across the group by 67% YoY and the number of data-support people by 30%

Number of privacy audits conducted across the group
7

We launched the Prosus Privacy Technologist Programme, to support our commitment to privacy by design

ARTIFICIAL INTELLIGENCE AND MACHINE LEARNING
>250 data scientists now part of the Prosus AI community

LEGAL COMPLIANCE
3 legal compliance officers appointed

5 incidents reported to group compliance

2 substantiated incidents (requiring remediation)

1 unsubstantiated incidents

2 cases ongoing

In FY21, no reports of serious injuries sustained by employees while on duty were reported

UN SDGs group and business levels: 3 Good health and well-being; 4 Quality education; 5 Gender equality; 8 Decent work and economic growth; 12 Responsible consumption and production; 17 Partnerships for the goals

Technological

Material topics: AI; Cyber-resilience; Innovation

INNOVATION
Many new products delivered for customers

AI PROGRAMMES LAUNCHED
Accelerating AI innovation, focus on fast-forwarding non-incremental AI-used cases and concepts, for example, AI-driven video-selling at OLX and the food-knowledge graph at iFood

AI For Impact training programme to support AI For Growth

Engineering training for ethical and responsible AI, delivered to the group's AI technical community

CYBER-RESILIENCE
From FY22, we will start monitoring technology risks through a number of KPIs:

1. Dedicated security functions in the businesses
2. A risk function capable of supporting the management of technology risks in the businesses
3. A responsible vulnerability disclosure programme across the businesses
4. Red team exercises (ethical hacks) at the businesses
5. Audit or advisory work at the businesses

UN SDGs group and business levels: 9 Industry, innovation and infrastructure; 16 Peace, justice and strong institutions

UN SDGs group level | UN SDGs business level

1 Presented on an economic-interest basis and from continuing operations.

The world around us

Despite the current great uncertainties and turmoil, if one looks at the broader picture, one could say Covid-19 has acted as an accelerator of underlying trends.

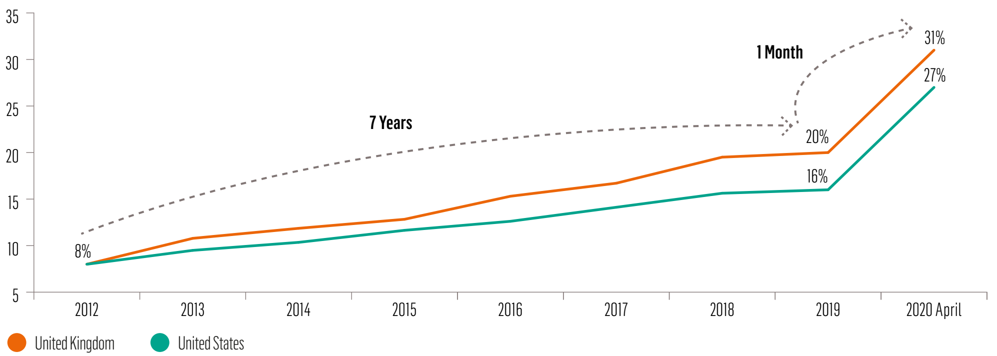
Take technology, for example. We are all working from home on Zoom (or a similar platform) these days, but many people were working this way before the pandemic. Food delivery was a reality pre-pandemic too; it is just a much bigger reality now. The world has moved online as never before, but it has been heading there for quite some time. This is where we focus – making the most of the potential of entrepreneurs and technology to build companies that improve everyday life for millions of people around the world.

Four key trends

Using our long lens, we see four key trends shaping the world around us:

1. **The ongoing rise of China in particular and Asia as a whole is shifting the centre of world power and innovation**
2. **The accelerating application of AI is transforming people's lives radically**
3. **The tide of investment is turning from growth-at-all-costs to sustainable profitability – playing to responsible long-term investors**
4. **The growing importance of responsible technology creates opportunities to make a positive difference for society**

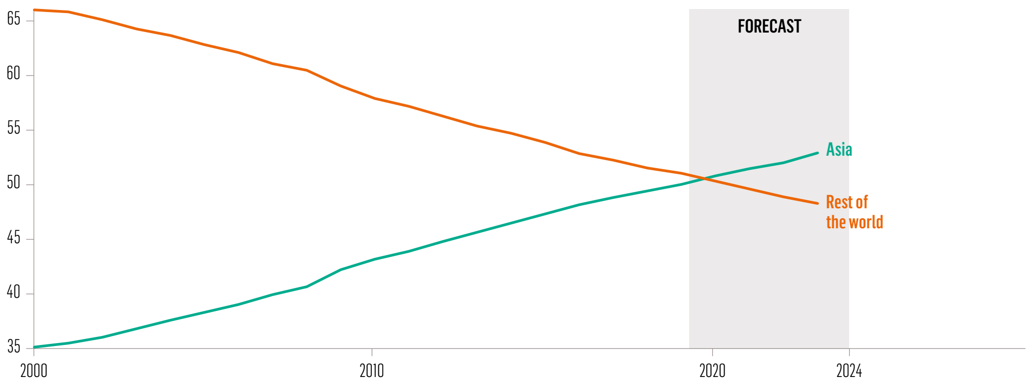
ONLINE SHARE OF RETAIL SALES
2012-2020 YTD



Source: Dealroom report, Online marketplaces entering the next phase (June 2020); data from ONS and US Department of Commerce for online share of retail; *Indexed to meal delivery January 2018 sales (=100).

The world around us continued

THE ASIA CENTURY IS ABOUT TO BEGIN
Share of world GDP at PPP US$, 2000-2024



UNCTAD definition of Asia Sources: IMF, @valentinaromei

1

The ongoing rise of China in particular and Asia as a whole is shifting the centre of world power and innovation

China's transformation

China really took off when it began to connect its economy to the rest of the world. But China has outgrown its role as "factory of the world" as it moves up the curve in the most complex production chains.

Online or ecommerce in China is already bigger than everywhere else combined. World-leading connectivity and scale helped nurture innovative business models that are now being copied.

At the same time, China continues to invest deeply in frontier technology, particularly in AI where its data scale could offer an enormous competitive advantage.

India's advance

Driven by population growth, urbanisation and a rising middle class, India is projected to be the world's third-largest economy in the next decade.

On many measures, India is also well on its way to becoming a digitally advanced country. With over 500 million internet subscribers, it is already the second-largest and fastest-growing market for digital consumers.

In the past decade, India has become the third-largest entrepreneurial ecosystem in the world, right after the US and China. India is also our second-largest market after China in capital allocation.

2

The accelerating application of AI is transforming people's lives radically

AI superpower

AI can be regarded as a platform superpower that is being fully integrated into society. Similar to the moving assembly line that enabled mass production of cars at low cost, AI is supercharging organisational decisions. What sets apart the most influential companies in the world, such as Microsoft, Facebook, Google, Amazon and Netflix, is that they have all mastered the art of applying AI.

Covid-19 has been the great accelerator of this exponential change. Technology is entering all our lives like never before and can be bigger than ever imagined.

Ecosystem advantage

In traditional industrial organisations, the value of scale eventually tapers off. Companies cannot really get much bigger because complexity sets in. This is not true for today's digital businesses. Once AI gains traction, it can accelerate exponentially and quickly overtake traditional firms.

The world around us continued

3

The tide of investment is turning from growth-at-all-costs to sustainable profitability – playing to responsible long-term investors

A more mature phase

On the investment front, we are seeing an increased shift of capital to leaders in mature and consolidating verticals. Investors are turning a critical eye on structurally challenging business models burning through cash, and increasingly seeing established big-tech players as safe havens.

A path to profitability

We appear to be entering a phase where it is not growth at all costs. Investors appear keener to see a path to profitability. They are looking at unit economics, margins and profitability more closely, with a bigger focus on more capital-efficient business models. The stress on capital-consuming businesses has been hugely amplified by the pandemic.

A new next big thing

This does not mean the end of venture investing. Instead, the venture capital focus will increasingly shift to look for the next big thing that will drive innovation and add further sustenance to the extraordinary technology revolution of the past two decades. Vast cash piles plus lower-for-longer interest rates are combining to drive investors towards deals with higher return potential – there are still many technology investors eager to bet on possible winners in the next big thing.

4

The growing importance of responsible technology creates big opportunities to make a positive difference for society

The urgency of responsibility

From the specific urgency on climate change to broader concerns addressed in the UN SDGs, the need for businesses to be truly responsible has never been more crucial. This has been brought into sharp focus by the pandemic.

The ethics of technology

Technology today has a big impact on people’s lives and with such power comes great responsibility. It raises ethical dilemmas across a range of issues, including privacy and transparency, the impact of automation, inequality, biases in decision automation and uses of the technology we build. It is a complex world where there are no easy answers, but we aim to play our part responsibly.

The rise of regulation

Governments are no longer assuming that the technology sector will find the right answers. This is not unusual. Every wave of new technology that changed the world eventually became regulated. Regulation is complicated and the issues facing technology are many and complex.

The call for technology for good

The world needs a more responsive, more inclusive type of corporation. One that lets entrepreneurs exploit new digital technologies but still holds them to account within the wider society. It is the responsibility of those at the cutting edge of innovation to listen. This more mature, regulated era creates substantial responsibilities and opportunities for leading global consumer internet companies that we are keen to take on and live up to.

Broad range of issues facing technology

Focus of accelerating global policy challenges

Market power	Consumer protection	Platform liability	Security and nationalism	Social compact
Antitrust	Privacy	Hate speech	Trade	Taxation
Data portability	Digital addictions	Censorship and bias	Supply chain integrity	Automation and inequality
IP	Data security	Contraband	Encryption	Diversity

Stakeholder engagement and materiality

To create sustainable value for our stakeholders, we actively engage with them to inform our direction and strategic choices. We value the input they provide and build constructive, long-term relationships to enable ongoing dialogue. This helps us map and prioritise areas that are of high importance to our stakeholders, as well as where we can have a positive impact within our business and operations. We then focus on these material areas and proactively communicate our position and performance on them.

Stakeholder relationships

To support the board in fulfilling its governance role, the social, ethics and sustainability committee retains oversight of stakeholder management across the group. In order to balance the needs, interests and expectations of a diverse group of stakeholders, we take an inclusive approach. More information can be found in the social, ethics and sustainability committee's report in the full 2021 governance report.

We provide an overview here of the underlying process and outcomes of our stakeholder engagement to identify material issues. We also provide links to the various sections of this report covering our response and impact.

We have the following key stakeholder groups:

1. **Customers and users** – We want to help customers and users improve their everyday lives.
2. **Employees** – Our employees are at the heart of our success. Their commitment and entrepreneurial drive make all the difference.
3. **Investors and shareholders** – We are a for-profit organisation committed to growing and increasing value for our investors.
4. **Business partners** – We aim to work closely with our business partners, including suppliers and consultants.
5. **Industry bodies** – We aim to be an industry leader, playing an active part in progress.
6. **Society** – We are committed to making a lasting positive impact for society and the world we live in.
7. **Media** – We report transparently and aim to build constructive relationships with the media.
8. **Government and regulators** – We recognise how important it is to work with governments and regulators, particularly given that many of our businesses have such a big impact on people's lives.

Materiality process phases

KEY TOPICS IDENTIFICATION

- Preliminary desktop review, including a peer analysis and a media analysis.
- Based on the insights gathered, a long list of topics is identified which will serve as basis.

INTERNAL PRIORITISATION

- The long list of topics is assessed against the inputs of an internal team, each member representing one of our stakeholder groups.
- This process drills down further to create a shortlist to test externally.

EXTERNAL PRIORITISATION

- The shortlist is sent to a wider external and internal group representing all key stakeholders.
- Importance is determined based on two dimensions: impact on and by Naspers and importance to stakeholders.

OUTCOME VALIDATION

- Inputs from each stakeholder group will be plotted on a matrix that will be validated with the core internal group.
- Material issues are then identified and embedded into decision-making and communications focus.

Focusing on material issues

This year, we conducted our first materiality assessment to help identify the issues that are of high importance to our stakeholders and that we can have the biggest impact on. This process was facilitated by an external expert agency, to ensure rigour and best practice.

The process

The first step was to conduct a preliminary desktop review, including a peer analysis and a media analysis to map the landscape of ESG issues. This included the most relevant macro-level risks benchmarked against the WEF Global Risk Report 2021.

Through this landscaping process we identified an initial long list of 18 issues that are of high relevance to our industry. The next step was to distil this list with the input of a key group of internal representatives through a materiality tool. This led to a further prioritisation within the 18 relevant issues to a shortlist of 11.

These 11 issues were presented to a wider group of internal and external stakeholders, including investors, customers, employees, regulators, key group executives and representatives of the wider community either directly or through a proxy representative of the stakeholders. They were asked to rank the issues on three parameters: importance and relevance to stakeholders, the level of impact the specific issue would have on our business and how it will be impacted by us.

The outcomes of the internal and external stakeholder prioritisation were validated in a session with key group executives.

Taking each issue in turn

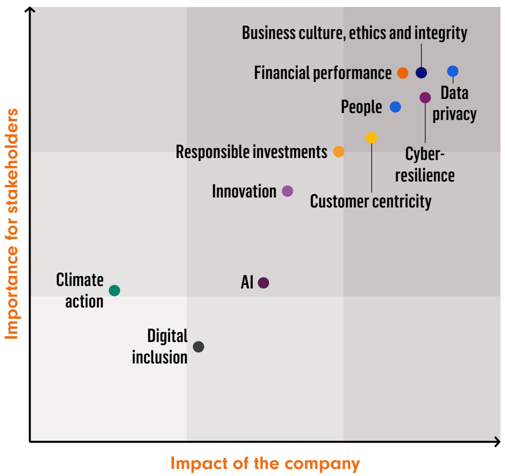
We share the broader definition of each of the followings issues, together with a guide to where more information on our position and performance can be found in this report.

Stakeholder engagement and materiality continued

Our 11 most material issues

The graph below plots the 11 most material issues:

Materiality results



Business
- Financial performance
- Responsible investments
- Customer centricity

Environment
- Climate action

Societal
- Business culture, ethics and integrity
- People
- Data privacy
- Digital inclusion

Technological
- AI
- Cyber-resilience
- Innovation

* The overview is calculated by weighing each stakeholder group's input the same.

Eight issues (those in the top right corner of this quadrant) were ranked as being very important, given that they are most material to our stakeholders, our business and operations.

Nevertheless, the other issues on this matrix remain on our priority list as they are either critical for all businesses to tackle (for example, climate action) or are of key importance, especially going forward, for a specific stakeholder group (for example, AI and digital inclusion).

Business:

Financial performance
Generating financial value by increasing our revenues and market shares. Detailed disclosure of our financial performance can be found on pages 144 to 173 of this report.

Responsible investments
Embedding ESG factors in the assessment process of our investments. Our Sustainability review on pages 72 to 97 provides a summary of how we view our role as an operator and an investor through the lens of our environmental and social impact. We continue to evolve our monitoring and reporting on sustainability, for example, by providing greater detail on our website.

Customer centricity
Putting the experience and satisfaction of customers at the heart of our development. Ensuring our customers' safety, including protecting people when using our products and platforms. This includes, for example, protecting customers against scams and protecting children on the internet. This is of fundamental importance for our licence to operate as a consumer internet group and we share how we address this on pages 25 to 28 of this report.

Environment:

Climate action
Reducing greenhouse gas (GHG) emissions, energy use and mitigating the effects of long-term changes in the earth's climate and its physical impacts on societies and business operations. Aligning our climate targets to those of the Paris Agreement (a landmark international accord that was adopted by nearly every nation in 2015 to address climate change and its negative impacts) by embedding environmental considerations within operations and investment decisions. We provide a detailed breakdown of our environmental footprint this year on page 88 of this report.

Societal:

Business culture, ethics and integrity
Communicating our purpose, goals and values effectively and embedding these in our activities, operations and engagement with our business partners. This includes governance on tax, competition and compliance, and ethics. Read more in the Governance section on page 98.

People
Enabling fair employment and having best practice standards for our own people management, including talent attraction and retention; diversity and inclusion (D&I); training and development; upskilling; labour management relations; and health, safety and wellbeing, including mental wellbeing. We sum up our approach and performance regarding our people on pages 81 of this report. Our human rights statement can be found on www.naspers.com/about/policies.

Data privacy
Setting up and adhering to the right policies and control frameworks to keep business, customers and employees' data safe. Read more about this on page 75. More information on our policies to safeguard the privacy of our customers and employees can also be found on www.naspers.com/about/policies.

Digital inclusion
Enabling equal access to critical digital networks and technology, between and within countries; overcoming the lack of necessary skills in the workforce, insufficient purchase power, government restrictions and/or cultural differences. Providing equitable access for individuals, businesses and states to critical digital networks and technology, and reducing the risk of discretionary pricing mechanisms, lack of impartial oversight, unequal private and/or public access. More information can be found on page 91.

Technological:

Artificial intelligence (AI)
Defining our position around the value of AI and communicating externally on the topic. Read more in the report on page 79.

Cyber-resilience
Protecting business, government and household cybersecurity infrastructure to prevent increasingly sophisticated and frequent cybercrimes that could result in economic disruption, financial loss, geopolitical tensions and/or social instability. Read more in the report on page 77.

Innovation
Promoting innovative technology to create new ways of conducting business and promoting solutions to societal needs. Innovation underpins our purpose of improving everyday life for people by backing outstanding companies and entrepreneurs for the long term. We are innovative in our capital allocation strategy – actively searching for new opportunities to partner with exceptional entrepreneurs who are using technology to address big societal needs. Businesses in our portfolio are continually innovating to meet the needs of individuals around the world. Read more in the Performance review on pages 30 to 61 of this report.

Next steps

Our materiality assessment has given us valuable insights into the key issues we should be focusing and reporting on. We will use this understanding to guide our thinking and help us apply our capabilities in the right way to the right areas to ensure we have the biggest possible sustainable impact for stakeholders.

Engaging our stakeholders

Engaging closely with our key stakeholder groups is a critical part of being a successful, responsible business. We engage with our stakeholders in various ways, depending on their needs and interests.

The Covid-19 pandemic inevitably shaped both the concerns of our stakeholders and the way we maintained our engagement. Overall, we increased the intensity of much of our engagement – making the best use of technology tools and continuing to gain and share views through virtual meetings and online communication.

Stakeholder engagement and materiality continued

Key issues
- Financial performance
- Responsible investments
- Customer centricity
- Climate action
- Business culture, ethics and integrity
- People
- Data privacy
- Digital inclusion
- AI
- Cyber-resilience
- Innovation

1

2

3

4

Customers and users

Main interests this year
- Continued access to products and services
- Positive experience – fast delivery, return and feedback
- Competitive pricing and range of products
- Content preference
- Trust
- Product safety
- Data privacy

How we engage
- Call centres, showrooms and client relationship managers (CRMs).
- Electronic communication (email, SMS, apps, web and social media platforms).
- Workshops and events.
- Surveys and market research.

Our response and impact
- We work to continuously improve our range of products and the customer experience, and ensure that we fairly price our offerings.
- Our businesses undertake a range of customer-focused initiatives from investing in and developing artificial intelligence and machine learning to improve convenience and safety to developing new services such as home delivery of groceries.
- Throughout the Covid-19 pandemic, our businesses have focused on ensuring the safety of customers while maintaining delivery of services. In many cases, they have increased the volume and variety of services to meet the needs of people locked down at home during the year.

Employees

Main interests this year
- Support for coping with the challenges of Covid-19, particularly ensuring health and safety, working from home and wellbeing
- Purpose – providing jobs with meaning and a sense of purpose, in a company committed to deploying technology to address big societal needs and enriching the communities in which we operate
- Talent – recruitment, retention and development
- Culture – including D&I, employee wellbeing and engagement

How we engage
- Maintaining a healthy employee relations environment, where ongoing dialogue with our people is embedded in our work practices.
- Various formal and informal channels to engage employees and encourage open communication, from leadership and CEO updates by email and video to face-to-face gatherings and online collaboration and content sharing.
- Promoting continuous learning and development through our online learning platform MyAcademy, and through live education programmes.
- Engaging formally through employee forums.
- Covid-19 response, including regular Bob videos, pulse surveys, particularly on wellbeing.

Our response and impact
- We undertake ongoing investment in developing our people, including creating and supporting professional development opportunities. We also recognise great work through fair and competitive rewards.
- We focus on building an inclusive and supportive culture.
- We are a diverse group of companies, but some issues are consistent for our people wherever we operate. These include our commitments to learning, D&I, engagement, and empowerment.
- We care for our people through various initiatives, recognising that a healthy and resilient workforce is key to supporting our business growth and success.

Investors and shareholders

Main interests this year
- Our response to Covid-19
- M&A: industry consolidation or bigger deals
- Competition across core segments
- Strategy for Food Delivery as well as Payments and Fintech segments, and how we are investing for growth
- Path to profitability and cash flow generation
- Our approach to ESG issues
- Holding company discount
- Internal rates of return
- Tax consequences of Naspers's ownership of Prosus, tax on distribution and tax due to sale of assets
- Capital allocation: further buybacks or investment in core assets
- Remuneration policy and disclosure

How we engage
- Investor meetings and teleconferences.
- Conference participation.
- Interim and integrated annual reports.
- Financial results presentations.
- Investor day.
- Press and stock exchange releases.
- Reporting via corporate website.
- Dedicated email address for inbound queries and distributing announcements.
- Instructive videos.

Our response and impact
- Management engages more often with shareholders and investors.
- Our reporting includes focused messaging on the path to profitability for our core segments.
- We provide biannual updates on our internal rate of return (IRR) for the total portfolio and for ecommerce.
- We are acting on measures to reduce the holding company discount.
- At the time of listing, the Prosus value unlock was around US$16bn by reducing the discount to the combined net asset value of Prosus and Naspers. In October 2020, the group announced Prosus would acquire up to US$5bn of Prosus and Naspers shares (up to US$1.4bn Prosus N ordinary shares and US$3.6bn Naspers N ordinary shares) on the market.

Business partners

Main interests this year
- Continued supply of products and services despite Covid-19
- Ensuring awareness on relevant developments in the business
- Understanding and recognising our partners' rights, specifically on changing procurement processes, pricing, content, platform use, privacy and security

How we engage
- Structured meetings, calls and electronic communication.
- Informal day-to-day communication.

Our response and impact
- We actively engage with our business partners, responding quickly and constructively as required.
- We have strong relationship management systems in place to ensure regular communication between key management and business representatives.
- Structured grievance processes ensure that, in the event of a dispute, there is timely action to find a resolution.
- Through active negotiations we ensure mandates clearly lay out the relationship and agreement terms and requirements.
- Business approaches are reviewed regularly to ensure they align with international norms.

Stakeholder engagement and materiality continued

Key issues
- Financial performance
- Responsible investments
- Customer centricity
- Climate action
- Business culture, ethics and integrity
- People
- Data privacy
- Digital inclusion
- AI
- Cyber-resilience
- Innovation

5 6 7 8

Industry bodies

Main interests this year
- Clear communication of material issues
- Engagement around increasing meaningful and positive impact
- How to ensure a positive sector experience, for example through the regulation and culture of the sectors

How we engage
- Membership of selected and appropriate bodies.
- Cooperating with selected partners on projects addressing legislative initiatives.

Our response and impact
- We take the lead in responding to industry consultations on proposed regulations and legislation.
- To build understanding and engagement across the industry, we share our approach and examples of action on specific topics, such as how we align to changing legislation.
- We produce thought leadership and position papers on material issues.

Society

Main interests this year
- The group's response to Covid-19 and support for communities
- Corporate investment to support meaningful impact
- Sound business operations to improve quality of life
- Minimising our environmental impact
- Local employment and value creation, including supporting local businesses
- Adherence to local laws and paying taxes due

How we engage
- Corporate social investment (CSI) programmes.
- Employment offering and service providers.
- Website content and public announcements on material issues.

Our response and impact
- Our businesses focus on maximising positive impact in local communities in the most appropriate ways. More information on our corporate social responsibility programmes can be found on pages 91 to 94.
- Our groupwide aim is to develop products and services that meet societal needs, for example, food delivery (iFood and Swiggy) and education (BYJU'S, Codecademy and Brainly).
- We contribute to enabling and encouraging conscious consumerism through our OLX online classifieds platform. This helps to extend the life of products, save water, energy materials (including conflict minerals) and lower carbon emissions.
- We focus on hiring local employees and growing local talent, including investing in local businesses.
- Our group legal compliance programme is tailored to the unique risks and local laws that apply to each business.
- Details of the board-approved group tax policy and tax disclosure appear on pages 95 to 97.

Media

Main interests this year
- Our response to Covid-19
- Our investment strategy and performance
- Requests for comment on rumour and speculation, notably on potential acquisitions and divestitures
- Requests for comment on reputational risk issues, such as cybersecurity and privacy
- Our focus on geographies, for example, Indian press interest in how we view that country
- Our view on key industry segments, such as classifieds, payments and fintech, and food delivery
- How we work across our group companies
- Requests for time with management, particularly at key points such as results announcements

How we engage
- Press releases, editorials and articles.
- Interviews and reactive comment.
- Reporting through company website.
- Events.

Our response and impact
- We invest time in regularly engaging with key journalists and editors to build relationships and understanding.
- We proactively schedule media interviews to provide briefings on strategic updates and significant news.
- We build announcement plans to maximise coverage of announcements.
- We respond to requests for comment in line with communications and investor relations policies.
- We are quick to correct inaccurate commentary or articles as appropriate.
- We attend and participate in various events in line with our communication strategy.

Governments and regulators

Main interests this year
- Sustainable development
- Innovation and entrepreneurship
- Competition policy
- Taxation
- Investments and international trade
- Data protection and privacy
- Private-public partnerships, international and other collaborations
- Intermediary liability
- Financial services legislation
- Copyright and intellectual property (IP)
- Tech policy, including ecommerce
- Societal contribution, including employment and social policy

How we engage
- Direct participation in advisory committees, meetings and public consultations.
- Formal one-on-one meetings and round tables.
- Response to sector and company-specific enquiries.
- Indirectly through sector and industry associations.
- Participation in international events, such as BRICS (Brazil, Russia, India, China and South Africa) summits or membership of the World Economic Forum in Davos.
- Site visits, including hosting official delegations.
- Integrated annual report.

Our response and impact
- We are transparent and have implemented a programme to ensure compliance with all applicable laws and regulations.
- We make formal representations and written submissions to express views.
- When invited, or where relevant, we provide information to policymakers in the form of expert advice, based on our global experience as well as technology and sector expertise.
- We invest in the group's capability and capacity to respond to enquiries and requests to share views on legislation and issues affecting the industry.
- We share our views through media engagement and public speeches at international events.

Our culture

Over the years we have built up a strong, distinctive culture across the group.

It's a culture that keeps us changing for the better and moving forward. Above all, it encourages us to keep learning and adapting – from how best to enhance AI across the group to where best to invest in the next wave. So we can continue developing, changing and growing together – finding new ways to improve everyday life for people around the world.

Our corporate values guide our culture:

- We aim to be useful in the communities we serve.
- We create an environment for entrepreneurs to succeed.
- We do business with integrity.
- We value diversity.
- We love to innovate.
- Above all, we solve problems for customers.

Our culture comes to life through the things we do and the way we do them, every day around the group.

We build

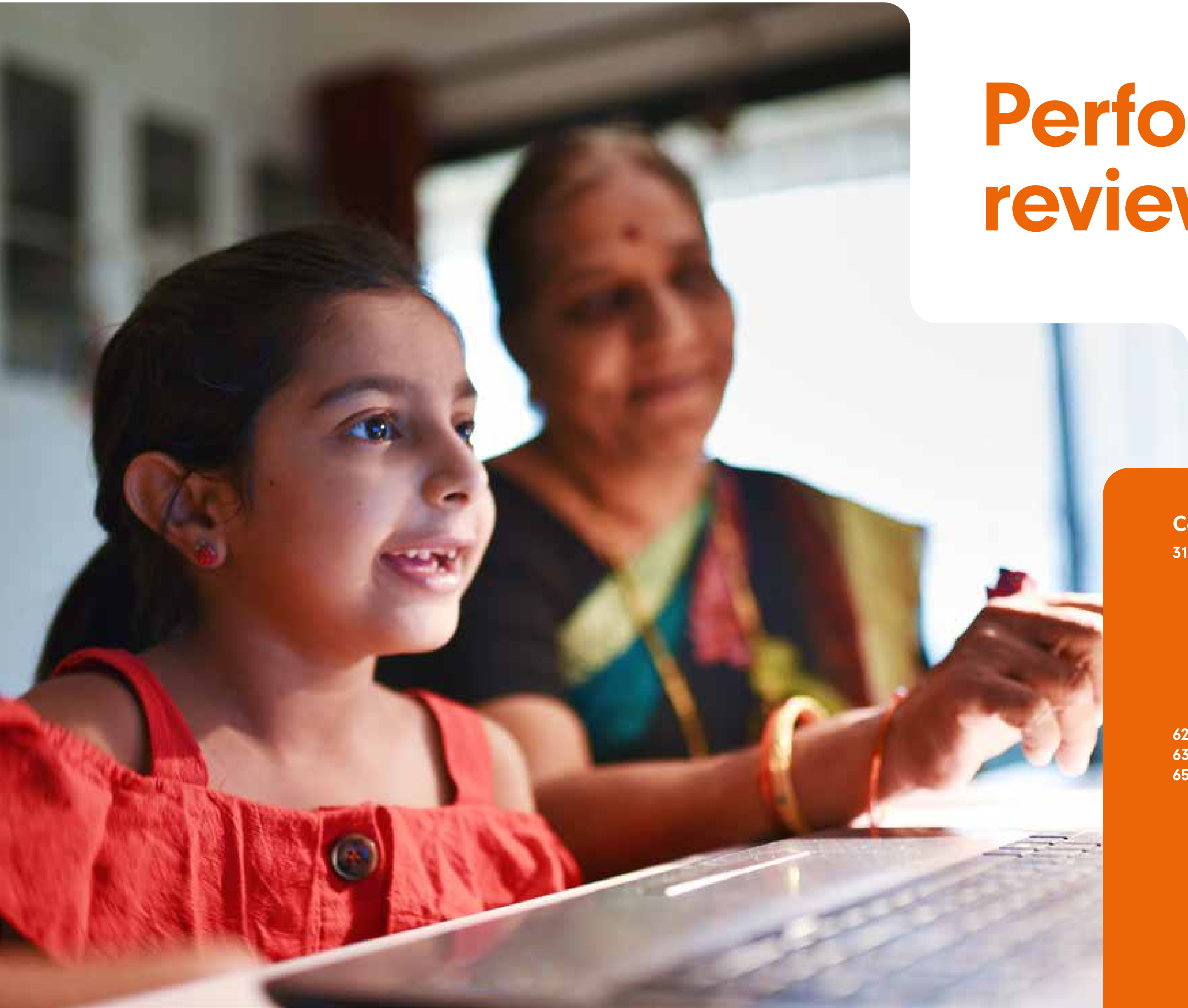
At heart, we're entrepreneurs. Together, we build leading companies that empower people and enrich communities.

We do the right thing

We matter to the communities we serve and wherever we operate we hold ourselves to high standards.

We empower

We back local teams and learn from each other. We encourage diversity in our teams and in our thinking.



Performance review

Contents

Our performance

We are building leading global businesses across our core segments of Classifieds, Food Delivery, Payments and Fintech, and Etail; and we are looking to capitalise on the next wave of growth through our Ventures arm. This year, we made strong progress on all fronts – growing our core businesses, taking advantage of new opportunities and, as ever, focusing on improving everyday life for millions of people around the world.

Highlights of the year

prosus

Ecommerce

MEDIA24

Classifieds

We made considerable progress in FY21, strengthening our strategic and financial position. Although the pandemic affected our business at the start of the year, we innovated to continue enabling trade, and ending the year stronger than expected on both revenue and trading profit.

OfferUp
OLX
Avito
OLX AUTOS

Read more on page 32

Food Delivery

Our core food delivery businesses continued to grow throughout the year. iFood performed strongly, growing gross merchandise value (GMV) by 148% and revenue 205% year on year (in local currency, excluding M&A), strengthening its position in Brazil.

Delivery Hero also had a strong year, reporting €12.4bn in GMV and €2 472m gross revenue from continuing operations for its year ended 31 December 2020.

ifood
Delivery Hero
SWIGGY

Read more on page 36

Payments and Fintech

Payments and Fintech reached a new level, driven by the pandemic-fuelled acceleration in the adoption and use of digital payments across our core markets. In Latin America, volumes grew 69% year on year. Poland and Romania were also very strong. In our core market of India, volumes grew 42% year on year (in local currency, excluding M&A).

Iyzico
PayU
Remitly
PaySense
rdp
wibmo

Read more on page 42

Etail

eMAG

eMAG continued to strengthen its position as a leading etailer in Central and Eastern Europe – growing revenues by 54% (in local currency, excluding M&A) and becoming profitable in terms of trading profit for the first time.

Takealot group

The Takealot group had a very strong year, accelerating growth in all its businesses. Takealot group revenue increased by 65% year on year (in local currency, excluding M&A) and negative trading margin was 0.1%. GMV grew 84% year on year (in local currency, excluding M&A). Takealot.com had its first profitable year.

eMAG
takealot.com

Read more on page 46

Ventures

Throughout the year, we continued to focus on our core areas of investment, notably Edtech, which became a new core segment for the group on 1 April 2021. In all, we invested US$163m in 18 transactions, including investments in Edtech and in India, another key focus area for Ventures.

ERUDITUS
Udemy
BRAINLY
SimilarWeb
codecademy
SOLOLEARN
honor
BYJU'S
movile
meesho

Read more on page 52

Social and Internet Platforms

Early in the development of our internet strategy we invested in leading social and internet platforms in two of our key high-growth markets, China and Russia. Tencent's fundamentals remain strong with excellent growth prospects in China, while Mail.ru continues to be the largest internet group in Russia.

Tencent 腾讯
mail.ru group

Read more on page 58

Media

Media24 is Africa's leading print and digital media group with interests in digital media and services, newspapers, magazines, ecommerce, book publishing and media logistics. It publishes several magazines and newspapers and reaches 1.5 million average daily unique browsers – up 45% year on year, generating 12.6 million average daily page views, across its digital platforms.

careers24
news24
Jonathan Ball Publishers
nb

Read more on page 60

Classifieds

Shaping the future of trade to unlock the hidden value in everything.

REVENUE[1] (US$'m)

TRADING PROFIT[1] (US$'m)

Performance highlights

We made considerable progress during the year and strengthened our strategic and financial position. The Covid-19 pandemic affected our business at the start of the year. However, we innovated to continue enabling trade and ended the year with strong momentum, with both revenue and trading profit exceeding initial expectations.

1 Presented on an economic-interest basis.

'In a year dominated by the Covid-19 pandemic and characterised by an accelerating shift to digital, the power of our purpose came to the fore.'

Lydia Paterson
CFO, Classifieds

The opportunity

Classifieds is a highly dynamic environment. Trends are accelerating, offering many opportunities and challenges. We see four key trends and are aligning OLX Group to capitalise on these. Firstly, user needs are evolving. Users are looking for more trust, more safety, more convenience, more help. They are expecting, and getting, seamless online-to-offline experiences, with more support along the transaction chain. Secondly, the competitive landscape is changing, with global digital players entering classifieds trade. Thirdly, artificial intelligence (AI) is becoming increasingly critical. AI can radically improve user experiences, automate or optimise tasks and enable new product features – it is truly transformative. Fourthly, sustainability is at the forefront now. Many believe that current global consumption patterns are unsustainable, with natural resources being depleted and most items only used once. We agree that the world needs a smarter model of consumption, where products and materials are used more effectively. This requires changing consumer behaviour and supporting circular business models and products. At OLX Group, we want to lead this change, to improve everyday life for people in a responsible, sustainable way.

Shaping the future

This year we sharpened OLX Group's purpose to better reflect our objectives and contribution to the world: ***We shape the future of trade to unlock the hidden value in everything.***

In a future dominated by digital, we will create customer journeys that are simple and seamless. This will facilitate trade in many ways, thereby helping consumers unlock value in the items they own, the businesses they run, and the means they have to improve their lives. This means goods will have multiple lives, extending the value of the world's limited resources.

In addition, we will unlock value in our people by investing in their development. We will also unlock enterprise value for our shareholders by being resourceful and identifying opportunities to solve even more customer problems.

Accelerating our growth

In the year we accelerated our move into the transaction space, and developed differentiated propositions for consumers, supporting our customers along their transaction journey.

Most car dealers and agents were facing little to no demand and inspection centres closed across Asia and Latin America due to the Covid-19 pandemic. We innovated to continue enabling trade, and came out of the year stronger than expected.

CAR AND REAL ESTATE REPRESENT KEY CATEGORIES IN REVENUE (%)

Cars	55%
Real estate	16%
Goods	9%
Jobs and services	11%
Advertising and other	9%

OLX GROUP

322m monthly active users

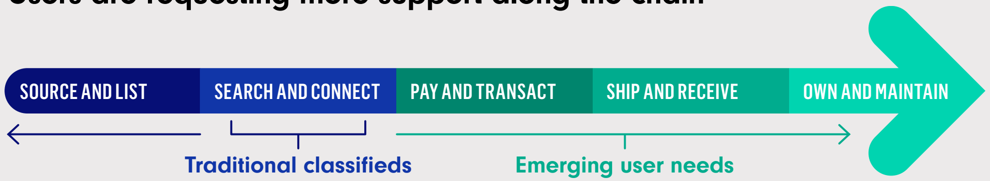
58m net new listings

116m monthly active app users

Present in **41** markets, leading positions in 24 countries

4.1m paying listers

Users are requesting more support along the chain



Partner with sellers:
- Tools and client relationship managers (CRMs)
- Ecosystem
- 828 relations

Service the transaction:
- Inspections
- Financing and insurance
- Instant cash offering

Facilitate the transfer:
- Delivery
- Support title transfer
- Warrantees and returns

Support maintenance
- Parts and repairs
- Moving and furnishing

Classifieds continued

OLX GROUP

Physical transactions of

>100 000

vehicles in a year

>520 000

monthly pay-and-ship transactions in Europe

Wide network of

6 250

dealers for vehicle transactions

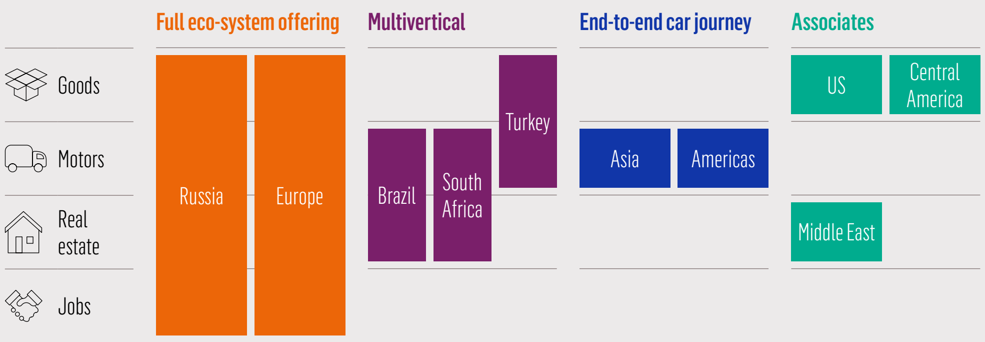
Lockdown restrictions accelerated the digitisation journey, with consumers completing more transaction steps online, and professionals using tools to facilitate more digital interactions.

Focusing on the customer experience

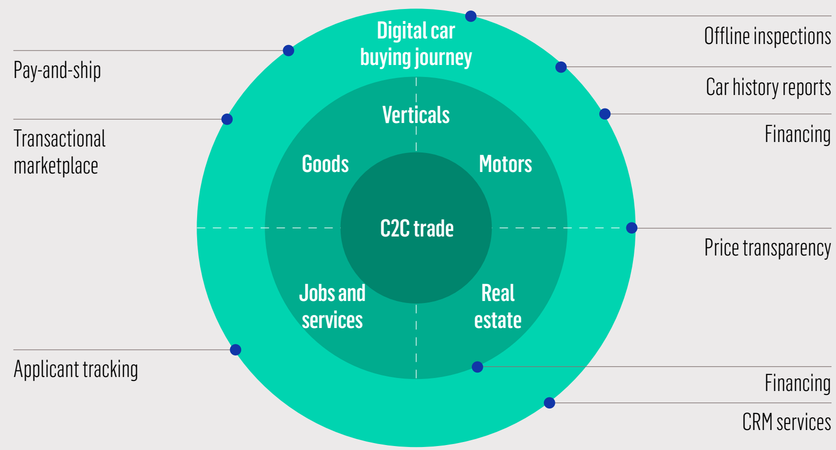
To further help our customers in these unprecedented times, we focused even more intensely on the customer experience. We want to bring new experiences to customers to make it easier, more intuitive and convenient to derive as much as possible from their most valuable assets, such as their car or their home.

For example, pandemic restrictions aside, we are making it possible for people to drive their car to one of our inspection centres, get a fair value assessment on the spot and, within 30 minutes, receive a cash offer for their car. Super quick, safe and convenient – this is transforming the way cars have traditionally been traded. In response to pandemic lockdowns, we developed a remote inspection process. From the comfort and safety of their own homes, people can use their smartphones to conduct a self-assessment using AI and other technologies to identify the vehicle, the make, model, year, different specifications, condition and quality. This is just one way we are shaping the future of trade.

Four options for the strategic direction applied in a market:



The multiple layers of our ecosystems



Building our full ecosystem

In Russia and Europe, we extended our full ecosystem by evolving towards a marketplace proposition, a customised experience where new and used goods can easily be compared, bought or sold. We expanded pay-and-ship to Poland, Romania and Brazil, in addition to Ukraine and Russia, so people could order and have goods delivered to their doors. We also developed a digitised car buying journey across Poland and Russia.

Launching an end-to-end experience

In Asia, Latin America and Turkey, we launched an end-to-end car-selling journey, where consumers can value their cars online to sell instantly at one of our centres. We complemented this with options to buy and finance inspected cars directly from us or on our platforms, creating a seamless buying journey.

Building our position

In Brazil, we further strengthened our multivertical offering by integrating with Zap+, creating a strong position in real estate and offering users a more comprehensive and accurate overview of the real estate market. We have also started offering real estate loans, via a fintech partnership.

Increasing our strengths through M&A

We merged our Middle East entities (Dubizzle in the UAE, and OLX in Pakistan, Lebanon and Egypt) with Emerging Markets Property Group (EMPG), a leading property portal in the region, retaining a minority stake of 39.07% in the combined entity.

letgo and OfferUp combined their respective US marketplaces, the main app first peer in the US, retaining a 39.54% stake in the combined entity.

In Central America, we merged with Encuentra24 in Panama, Costa Rica, El Salvador and Guatemala, keeping a 37.5% stake in the combined entity.

In Poland, we invested in the Carsmile online showroom, buying a majority stake in a dynamic automotive platform offering online new car rental and leasing. This created the most complete car ecosystem in the country, with a classifieds platform (OLX), a car marketplace (Otomoto), an offline car marketplace (321Sprzedane!), and now, rental and leasing (Carsmile). We also acquired Obido in Poland to enhance our offerings in real estate.

Classifieds continued

In Romania, we acquired KIWI Finance, the largest credit broker in the country, amplifying our ecosystem by adding finance-related services to our portfolio.

Continuing to make the most of artificial intelligence and machine learning (ML)

In Europe, we use AI and ML to solve customer problems and improve their experience, and to keep users safe, for example, by detecting fraud. During the year, our ML models had a substantial impact on our search, lead qualification, and trust and safety initiatives. This has enabled us to advance further in becoming a smart, convenient and trusted way for people to make big and small life choices.

Personalised recommendations using item2vec technology enable our products to make "smart" alternative suggestions to our users. Accurate job recommendations, as well as online price valuation in the motors category, are prime examples of offering transparency and peace of mind to our customers. Finally, automated content moderation keeps our platforms safe and trusted.

Avito introduced a new chatbot for quick and convenient resumé creation in the jobs category. Product innovation, focused on trust and safety, has enabled online car owner verification via ownership documents. In addition, Avito has developed a smart model for fraud prevention in chats.

OLX Autos is developing an AI-driven consumer self-inspection process, and offers auto-answer functionality online, initially available in English.

'The excitement of the journey is that hidden value is there to be discovered. We are trying to transform this idea of trade – to get closer to the customer to understand and solve their problems and, as we do, unlock hidden value. This is what drives us.'

Responding to the pandemic

Focusing on our people

Throughout the year, we maintained our focus on keeping our people safe. We quickly and effectively enabled working from home for all our teams globally, including at-home delivery of office equipment. Offices that have reopened are operating at reduced capacity and on a voluntary basis. Inspection centres, a core part of our automotive business, were originally closed under local government regulations. These have reopened as regulations and safety conditions permit.

Since the start of the pandemic, all employees have been provided with the appropriate PPE and safety protocols. We also offered our office-based employees the support they needed to work from home, including a special employee assistance programme focused on health and wellbeing.

Adapting quickly to customers' needs

We were quick to adapt to serve our customers' needs. Our automotive business, for example, organised car inspections and valuations at customers' homes, as well as virtual inspections to avoid unnecessary face-to-face contact.

We created local programmes that helped businesses move from offline to online, enabling people to keep trading safely.

In addition, many of our platforms took steps to offer practical financial assistance to business customers, including extended paid listings and discounted or free advertising packages.

We wanted to help as much as possible. Accordingly, we ran an internal innovation contest to find new ideas to help our customers. The winning idea was expanded into OLX Shop, and launched in all European markets.

Helping communities

Our platforms have always provided a way for people to connect, but this took on a whole new dimension in the pandemic.

In many countries, our platforms became a source of reliable information, linking to government and local health bodies, helping combat disinformation in turbulent times. Many of our platforms set up new product categories to collect donations or coordinate help for vulnerable groups. In India, for example, we organised the relief fund OLX Pledge with local non-governmental organisations (NGOs) to support the livelihoods of severely affected migrant workers.

In Portugal, the team partnered with an initiative to help find accommodation for healthcare professionals. Our team also promoted an app for volunteers to coordinate assistance for elderly people.

Fixly in Poland introduced a new category, neighbourly help, to connect people needing assistance in daily matters with those who could provide it.

Driving the circular economy

We place specific focus on driving the circular economy. In the year, we measured the impact of our platforms in eight categories: mobile phones, tablets, laptops, televisions, cars, motorcycles, books and fashion. The results were impressive. In the 2020 calendar year alone, our users potentially saved over:

- 5.5bn kilograms of materials
- 842m gigajoule-equivalent of energy
- 481m cubic metres of water, and
- 59m tonnes CO_2-equivalent emissions.

'Giving items second and third lives. Helping people get the most out of their budgets, whether it's for a place they want to rent, or their vehicle. Providing people the opportunity to be paid for their skills, and matching them with employers that need their services. These are things we are really proud of.'

Promoting health, safety and wellbeing

We launched a three-week mental health awareness campaign, offering resources and assistance for employees working from home. In addition, we ran programmes on working remotely: topics included parenting while working from home, managing remote teams and time management. We also ran listening sessions, after which some teams experimented with initiatives such as 'no Zoom Friday', encouraging walking time and setting clearer 'online times'. In our January 2021 wellbeing survey, 90% of employees believed the company was supporting them through the pandemic. The employee wellbeing score also improved by three percentage points compared to the prior survey.

Training and developing our people

We use MyAcademy and KnowBe4 as key parts of our training and professional development initiatives. KnowBe4 is used predominantly to train our employees on data-privacy and security issues – ensuring we fulfil our obligations under GDPR (the EU's general data protection regulation) and embed our groupwide privacy-by-design culture and skill set.

Classifieds continued

Increasing accessibility
We offer 'Dark Mode' for iOS users, following benchmark web content accessibility guidelines in helping people with full-vision disabilities. The Disability Employee Opportunity Centre in India named OLX as an easy app for people with disabilities to access.

OLX Romania has created a dedicated category on its platform for job seekers with disabilities, with job postings free of charge.

Promoting diversity and inclusion
We are committed to promoting diversity and inclusion (D&I) across the OLX Group, because we regard a diverse workforce and inclusive workplace as a strategic competitive advantage. We believe that solving customer problems and unlocking hidden value becomes much more possible when we have diverse opinions in an environment where people can speak up.

Accordingly, we incorporate D&I into senior management's annual goals. We are also proactive about improving diversity in our workforce, including hiring practices, employee development and rewards – ensuring we attract, hire, retain and reward our people without bias.

Looking forward
Our purpose guides and inspires us. We shape the future of trade to unlock the hidden value in everything. We will continue to help our customers get the most value out of what they have. We will also help our teams and our people unlock even more value in themselves and each other; we will also keep on extracting as much enterprise value as possible for our shareholders and stakeholders.

Focusing on data privacy and security training
Our goal is to train and certify at least 100 of our product and technology community members as privacy technologists. At the same time, we include general security and data privacy training for all employees in two annual compulsory training modules.

Focusing on artificial intelligence training
We place much emphasis on AI training, including AI translator training, AI activation workshops and AI nanodegrees.

In 2020, we launched the OLX Group leadership behaviours, offering 360 degree feedback based on this framework to the group management team and senior leaders.

Ensuring customer safety and wellbeing
We are a customer-centric organisation – putting our customers first to ensure they can transact on our platform in a trustworthy and safe way. As such, we are committed to continually improving moderation as well as trust and safety to ensure we combat illegal activity and hate speech on our sites.

In 2020, the resale of certain products via our platforms potentially saved:

2020 impact report (calendar year)

	Materials: kg	Energy (equivalent): GJ-eq	Water: m³	CO_2 emissions (equivalent): tonnes CO_2-eq
Mobile phones	2 455 456	1 812 883	1 892 960	124 413
Tablets	343 976	251 167	258 848	17 588
Laptops	3 632 578	3 657 653	6 698 814	232 332
Televisions	39 864 739	8 429 063	8 316 914	586 840
Cars	4 780 381 911	704 228 934	397 282 081	49 419 918
Motorcycles	674 553 004	124 047 226	58 591 408	8 623 397
Books	597 112	35 966	33 691	1 592
Fashion	1 928 359	325 602	8 161 473	24 633
Totals	5 503 757 135	842 788 494	481 236 189	59 030 713
Equivalents	**The weight of over 71 million washing machines**	**The yearly energy use of over 21 million US households**	**The yearly water use of over 1.1 million US households**	**Over 20 million passengers travelling by plane between AMS and LAX**

Note: The series looks at secondhand sales in the following categories: electronics (phones, tablets, laptops and televisions), fashion, vehicles (cars and motorcycles) and books. It's then calculated how much energy, materials, water, and emissions may have been saved through trading these secondhand products on our platforms, instead of buying new.

Food Delivery

Transforming the way people source, consume and experience food.

REVENUE[1] (US$'m)

TRADING LOSS[1] (US$'m)

Performance highlights

Our core food-delivery businesses continued to grow during the year. iFood performed well, growing GMV by 148% and revenue by 205% year on year (in local currency, excluding M&A), and strengthening its position in Brazil.

Delivery Hero also had a strong year, reporting €12.4bn in GMV and €2 472m revenue from continuing operations for its year ended 31 December 2020.

1 Presented on an economic-interest basis.

'We are building a global leader in food delivery, focused on providing the best possible experience for consumers, restaurants and delivery partners. We continue to enhance and innovate across our food-delivery platforms to lead in transforming the way people source, consume and experience food.'

Larry Illg
CEO, Food Delivery

The opportunity

Food delivery is an attractive sector for the group. It addresses a core societal need and is executed locally, which fits with our experience and expertise. It remains an attractive long-term investment with a global market potential of more than US$330bn[1] by 2022. This is especially true in the high-growth economies we focus on. In these markets, food accounts for a relatively high share of total consumer spending.

We expect even more growth beyond 2022 – the sector is in its early stages despite already being sizeable.

In addition, we are on the cusp of a tech-enabled shift in dining habits, with more meals being delivered rather than home-cooked or consumed in restaurants.

The hyperlocal nature of Food Delivery also fits well with our strengths and strategy of partnering with local entrepreneurs who understand their local markets.

This in turn makes the food-delivery market less susceptible to the potential entry of big-tech players.

As yet, there is no global leader. We see signs of potential for market consolidation and we want to be at the forefront of those developments.

In addition, food delivery has high customer engagement. Given its on-demand and high-frequency nature, food delivery exhibits higher retention rates than other verticals. This aligns well with our focus on increasing customer satisfaction at scale.

1 Source: Online food addressable market 2022E per Euromonitor International Limited, consumer Foodservice 2019

Building a global leader

We are a leading global investor and operator in food delivery, having invested around US$5.54bn in the sector with an internal rate of return (IRR) of over 57%, based on sell-side analyst valuations.

We are present in over 69 markets, via direct stakes in our three core companies – iFood, Swiggy and Delivery Hero – as well as Wolt and Oda and indirect investments that provide further insights on the sector. In all, we cover over half the global population and have recorded significant growth across our portfolio.

Our journey in food delivery began with a US$2m investment in iFood via Movile in early 2013. At that time, iFood Brazil's business was minuscule compared to today (800 restaurants compared to over 284 000 restaurants in some 1 200 cities). Similarly, we first invested in Swiggy in 2017 when it was present in only seven cities with 12 000 restaurants, compared to more than 155 000 restaurants in almost 500 cities today.

The evolving world of food delivery

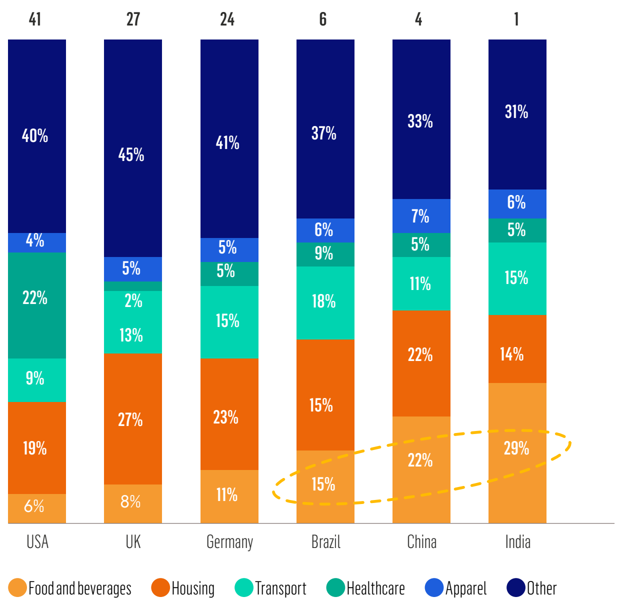
Food delivery has changed dramatically in recent years, and we believe it will continue to evolve.

In the early 2000s, food delivery started as a relatively simple marketplace business model (food 1.0). In recent years, own-delivery challengers expanded food platforms (food 2.0), increasing the selection of restaurants and raising consumers' expectations for service. But that is only the beginning. There are several exciting growth adjacencies, including groceries/convenience deliveries, cloud kitchens, private brands and restaurant software that could expand the growth profile and improve the ability of leading food platforms to compete successfully (food 3.0).

The increasing importance of the first-party model

Historically, the industry was dominated by the capital-light marketplace model (third party or 3P), where meals are delivered by restaurants.

FOOD VS OTHER VERTICALS: CONSUMER SPEND SHARE
TOTAL CONSUMPTION PER CAPITA BY TYPE (2018) (US$'000)



GLOBAL MARKET POTENTIAL

US$330bn
by 2022

Food Delivery continued

However, the 3P model does not address customer needs fully in terms of range of restaurants and delivery experience. Increasingly, the more capital-intensive own-delivery model (first party or 1P) has come to the fore, driven by the increased growth and value-creating opportunities it presents. Our food-delivery businesses are well positioned for 1P and they continue to build and invest in this capability.

Using artificial intelligence and machine learning
Another key advantage with 1P is that it creates greater touchpoints and opportunities for using data and applying AI and ML along the value chain. We are making the most of AI- and ML-enabled 1P across our food-delivery businesses to increase efficiency, make deliveries faster and more reliable – giving customers more choice and better service.

PERFORMANCE IN FY21

98%
year-on-year growth in revenue

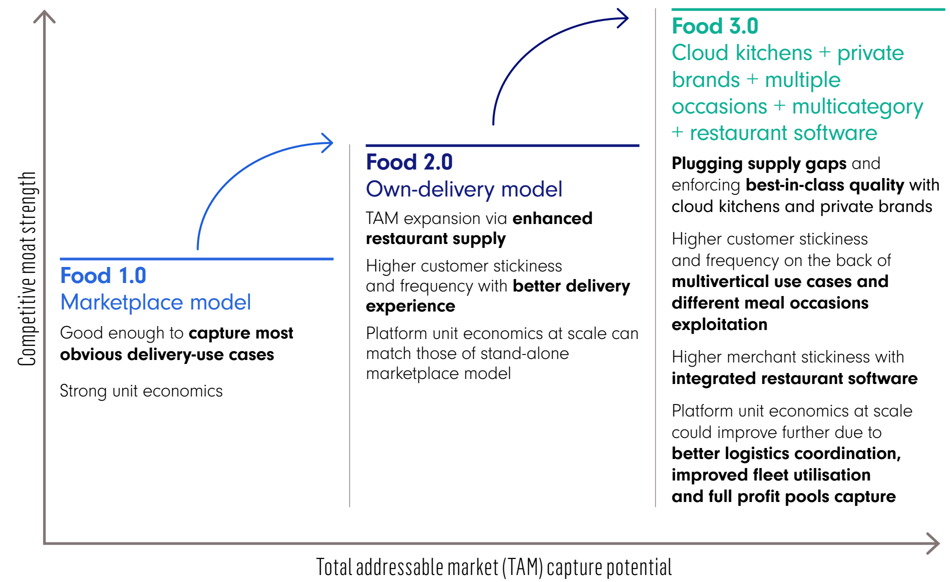
69
markets covering half of the global population

52%
year-on-year order growth

Invested a total of
US$5.5bn
in food delivery

Driving change
Having identified the need to invest in own-delivery capabilities early on, we have a long record of building leading businesses in some of the largest markets globally. We believe the opportunity in food delivery is to disrupt and transform across the supply chain, from how food is sourced to how it is prepared and consumed, and that the impact of this disruption is likely to have major societal impact. We aim to be at the forefront of this transformation.

FOOD PLATFORMS' EVOLUTION



iFood

Prosus has a 62.24% stake in iFood through Movile. As a leader in Brazil, iFood is one of the largest online food-delivery companies in Latin America and has a strong presence via a joint venture with Delivery Hero in Colombia.

Becoming part of people's lives
The Covid-19 pandemic was the catalyst for true transformation at iFood, changing it from a convenience service to an important service for restaurants and consumers. The focus became primarily about how iFood could take care of its community – delivery partners, restaurants, employees, customers and wider society.

This meant that business performance and social performance were fused, marking a step-change in iFood's commitment to positive long-term sustainable impact. In practice, business growth largely reflected the way iFood rose to the challenge of the pandemic by prioritising its social responsibilities as a leading corporate citizen.

By ensuring food delivery was safe all along the chain, throughout the community of participants – from customers to delivery partners to restaurants – and by increasing the awareness and sense that food delivery was safe, iFood created the foundation for orders to grow at an unprecedented rate. iFood entered the year with 34 million monthly orders, and ended the year with some 60 million monthly orders.

Responding to the pandemic
When Covid-19 hit, iFood immediately made it clear to the public that they could count on it to help them through the crisis. Health, wellbeing and taking care were at the centre of iFood's new strategy.

Taking care of customers
For customers, this involved protecting and informing people to ensure and emphasise the safety of food delivery. iFood developed contactless delivery and payment, and created a website within 24 hours to answer questions and reassure people.

iFOOD

~1 200
cities covered

~60m
monthly orders

35%
own-delivery orders

>280 000
restaurant partners

iFood order growth
100%
Brazil: order growth 100%, 60m monthly orders, to 9.4m unique buyers from 272 000 active restaurants in over 1 258 cities

1p
("logistics") business has grown to more than 23m orders per month

Food Delivery continued

Three pillars

iFood focused on three key pillars:

1. Feeding Brazil
2. Education programme
3. Sustainable delivery

Later in the year, iFood developed a communication platform, Opening the Kitchen. This enabled everyone to see and understand exactly how the iFood platform works, for example, how much delivery drivers are being paid. Being absolutely clear and upfront helps build trust and support with stakeholders.

In addition, iFood gave customers the option of using their company-provided meal vouchers (a common benefit in Brazil) on the app, so they could continue using this benefit while working from home.

During the year, many new customers joined the iFood platform, including older people ordering online for the first time.

Taking care of communities
iFood implemented a number of initiatives to help communities.

It introduced an in-app option to donate money to fight hunger in Brazil, as part of each food order. These donations support the NGO Ação da Cidadania, which offers basic food packages to socially vulnerable families in all Brazilian states. To date, this has benefited 160 000 recipients.

In addition, ready-made meals are donated to Central Única das Favelas (CUFA), a Brazilian organisation that helps the socially vulnerable in favelas, and to the Franciscan Solidarity Service (SEFRAS), which supports homeless people. More than 150 000 meals have already been distributed.

iFood also developed the "all at the table" initiative that partners with other corporations to donate food to individuals via organisations like SEFRAS, CUFA and InCor. More than 80 000 meals were donated in the most critical period of the pandemic in 2020.

Taking care of delivery partners
A tipping option in the app (not common practice in Brazil) has been optimised to suggest larger tipping amounts for riders.

iFood's commitment to delivery partners extends well beyond the immediate demands of Covid-19. The average hourly earnings for iFood delivery partners are significantly above the local minimum wage and above the individual living wage in Brazil.

iFood is leading its peers by offering education to delivery partners through online training modules. Available through the delivery partner app, they cover, for example, responsibility in traffic, work equipment, society and personal development, including financial literacy. Throughout the year, 54 000 drivers enrolled in the programme and 99% would recommend it to colleagues.

iFood also leads the way in offering other valuable benefits to delivery partners, through a programme known as Delivery of Advantages. Delivery partners are eligible for discounts with established partners for motorcycle repairs, spare parts replacement and mechanical support. iFood also offers discounts with established partners for insuring a motorcycle, mobile phone purchases and other electronic goods.

The iFood driver loyalty programme continues to grow, with more benefits offered to drivers who are loyal to the platform. Through this programme, drivers gain benefits linked to their vehicle, their education and the wellbeing of their family/dependants.

iFood Environmental, Social and Governance (ESG) initiatives

IN-APP DONATIONS:

>775 000 people in Brazil received food donations

1.93 tons donated in the form of basic food baskets

173 000 prepared meals donated

Avoided the use of **4m** plastic items

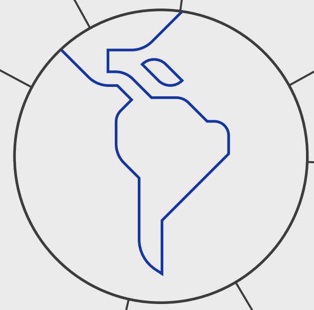
48 000 restaurants enrolled on management support course with 9.5 average rating

54 000 delivery workers enrolled on training course

173 000 people benefited from donation of loop meals to support homeless people and truck drivers without access to rest areas on the roads

580 000 people benefited from donations of basic food baskets

Todos a Mesa: support for **19 800** small restaurants



iFood provides health benefits to riders and their families/dependants, with discounted rates for medical appointments, online consultations, laboratory tests and medication (up to 80% discount of cost). The plan is free to join.

During the year, iFood focused on creating a new mindset and way of working with delivery partners – controlling the number of new drivers and planning fewer drivers per order so that existing drivers could enjoy a more stable, rewarding income. As a result, average driver earnings per available hour rose 40% and the number of average orders per driver nearly doubled. This has opened the way for stronger relationships that benefit all involved – drivers, restaurants, customers and the business.

Taking care of restaurants
iFood focused on supporting the financial health of restaurants during the pandemic. In particular, it looked for ways to help with all-important cash flow, by accelerating payments from 30 days to seven days, for example.

It also reduced its commissions charged to restaurants, supporting restaurants and local heroes specifically with around US$44m. In addition, it introduced a no-cost takeaway option.

In partnership with Escola Conquer, iFood offers a free online course to all restaurants on topics such as marketing and digital transformation, finance and consumer trends to help partner restaurants in difficult times.

Food Delivery continued

Collectively, this support has been key in helping thousands of restaurants to continue. In fact, during the year, traditional high-end restaurants discovered the benefits of iFood's platform, as have many smaller local restaurants across different parts of the country. Around 50% of iFood's growth in the year came from small- and medium-sized restaurants.

Taking care of employees
In response to the lockdown, iFood introduced a "work from anywhere" policy for employees. iFood already had a flexible hours policy, physical and mental wellbeing programmes, a "dog day" initiative (employees can bring their dogs to the office), and a range of in-office wellness services.

In addition, iFood introduced further flexibility in its benefits through a points programme, and offers a subsistence allowance for in-app meal orders and working-from-home costs.

The company also offers childcare assistance for mothers and fathers, with extended maternity/paternity leave. Appropriately, for a leading food-delivery company, it offers free breakfast, barista coffee, and fruits and snacks in the office throughout the day.

Taking care of society
As vaccines began to roll out globally, Brazil faced a shortage of vaccines to distribute to its population. As part of an initiative to help increase the quantity of vaccines available, iFood donated BRL5m to the São Paulo government for a factory to produce vaccines. iFood was one of the biggest donors, along with other Brazilian companies in different sectors. In addition, iFood donated BRL5m to the federal government to develop a vaccine production facility in Rio de Janeiro.

Innovating for everyone
iFood aims to innovate in ways that benefit everyone involved. For example, it is pioneering food deliveries by drones and robots to speed up time to customers. In addition, 300 iFood boxes have been installed in corporate and residential buildings to provide secure, convenient collection points for meals, groceries and other items. It also supports delivery partners in using electric or e-bikes through discounted rentals.

Improving environmental impact
iFood initiatives to improve its environmental impact include a reverse-logistics solution for its delivery bags and guaranteeing the environmentally correct disposal of obsolete bags. From 2020, all materials are reprocessed instead of going to landfill, either by powering energy plants or reusing the source material.

iFood has started to offer sustainable packaging in its iFood Shop (the materials-purchase service for restaurants) – plastic-free products made from renewable sources such as paper, sugar cane and cassava fibre. iFood Shop no longer sells disposable single-use plastic items such as cutlery, cups and plates.

In 2020, iFood started a pilot scheme for an opt-in/opt-out option that gave customers the choice not to receive unwanted disposable items like cutlery, straws and cups. This also helps restaurants to save money on purchases. Another pilot scheme gives customers the option to replace plastic packaging with biodegradable and other sustainable materials.

In addition, iFood is increasing recycling awareness and behaviour via WhatsApp and QR codes on packages. Users simply scan the code to initiate a WhatsApp conversation that explains how to properly discard each type of material.

Looking ahead, iFood plans to encourage best practices in restaurants, for example, by creating a green category on its app and a green restaurants list and/or label.

Supporting D&I
iFood supports D&I in several ways, including career-development programmes for minorities, affinity-group committees and financial support to transgender people for hormone treatment, surgery and legal support to change their names. To promote gender equality, iFood now offers a leadership accelerator programme for women.

The company has also introduced an AI training programme, in which half of all participants will be women, people of colour and driver participants.

'Our core business is about connecting hungry people with restaurants and restaurants with hungry people. We are mastering data, technology and logistics to make these connections in ways that work well for everyone involved.'

Fabricio Bloisi
CEO, iFood

Food Delivery continued

Swiggy

Prosus has a 41.19% stake in Swiggy – a leading food-delivery platform in India, with an ambition to become India's "everything app". Since our initial investment in 2017, Swiggy has grown rapidly – building its core 1P food-delivery business by expanding to almost 500 cities; growing its supply base to more than 155 000 restaurants; unlocking the middle-class segment with curated low average order value (AOV) offerings and subscription/loyalty innovations such as Swiggy POP, Swiggy Daily, Droppt and Swiggy Super; and heavily investing in 1P infrastructure, vouchers, marketing, product and tech.

Swiggy currently delivers food from more than 155 000 restaurant partners leveraging the network of more than 160 000 couriers.

Navigating the pandemic

Apart from the economic impact, the pandemic and national lockdown affected the business in several ways:

- Diminished restaurant supply due to government policies and supply-chain disruptions.
- Shortage of restaurant workers and delivery partners due to migrant workers returning to their home villages.
- Higher percentage of customers relying on home-prepared meals.

Swiggy is, however, operating at pre-Covid-19 levels in many respects, and above those levels in several key areas. It has also improved unit economics throughout the year.

SWIGGY

~500
cities covered, adding a new city every two days

160 000
own-delivery partners

Part of everyone's everyday

Swiggy: Long-term consumer value proposition – transforming consumers' lifestyles in unimaginable ways

- **07:00** Milk, freshly baked bread, diapers, cold pressed juice ordered from previous night
- **09:10** Swiggy Bike-Taxi when running late for meeting at 09:30
- **13:00** Working lunch with Bowl Company
- **16:00** Daily fruit salad from Swiggy Daily
- **19:00** Special birthday dinner for Swiggy One customers
- **22:00** Night snacks – Swiggy Store or Dark Pods for last-minute convenience (eg chips, ice-cream, beverages)
- **23:00** Remember meal subscription

Food Delivery continued

Delivery Hero

Prosus has a 21.1% stake in Delivery Hero, the leading multibrand food-delivery platform with a presence in 53 markets.

From January 2021, Delivery Hero became carbon neutral for its Latin American operations. Delivery Hero aims to offset 100% of the carbon footprint generated by its operations worldwide by the end of 2021. Since the start of its carbon neutrality initiative, Delivery Hero has offset 215 378 tonnes of CO_2-equivalent by supporting a range of environmental projects across the globe.

Expanding into grocery

Online grocery presents a large growth opportunity, where structural category dynamics are attractive (high frequency and average order value) but online penetration is low compared to other ecommerce categories. We have seen a significant switch over the past year, with the market's transition to online accelerated by the pandemic.

Grocery is second only to housing in global spend – at an annual US$6.1tn, this is more than double the total addressable market for restaurants. Online penetration for grocery is still low – ranging from a high of 9% in South Korea to 1–2% in the US, Canada, Germany and Italy. However, growth is increasingly rapid. There are strong synergies with our existing food-delivery businesses, reflected by Delivery Hero, Swiggy and iFood expanding into grocery.

DELIVERY HERO

Present in
>50
markets

603
Dmarts across

215 378
tonnes of CO_2-equivalent offset

37
countries

Prosus in grocery delivery

- Delivery Hero is expanding aggressively into grocery through its wholly owned Dmarts. It had 603 Dmarts across 37 countries by 31 March 2021. Also, in August 2020, Delivery Hero acquired 100% of InstaShop, an Instacart type business in the Middle East and North Africa (MENA).
- In 2020, Swiggy launched grocery-delivery services under the Instamart brand. Services are currently available in Gurgaon and Bangalore, with plans for expansion.
- The acquisition of SiteMercado in late 2020 helped establish grocery delivery as an integral piece of the iFood ecosystem and allows the company to make progress against its vision of being a leading food destination platform in Latin America.
- Just days after FY21 ended, Prosus invested €100m in Oda, the leading online grocery operator in Norway, currently serving 50% of the country's population in and around Oslo with next-day delivery. The company offers freshly baked goods and flowers, in addition to fresh and processed foods, with its own last-mile delivery service operating alongside 3P providers. Oda is preparing an organic launch into Finland in 2021, and expansion to Germany in 2022.

Looking forward

We will continue to grow our core food-delivery markets and build adjacencies – local food-service brands, grocery and convenience delivery, and more. To drive growth, we will innovate with new services and experiences. For example, we are exploring dark stores – giving people an easy way to order online and quickly receive everyday convenience items at their door. We want to play an ever-increasing part in leading the food-delivery revolution for consumers, restaurants and delivery partners around the world.

The Covid-19 pandemic has provided a significant boost to the use of food delivery and online grocery/convenience delivery during 2020 and 2021. More people than ever before are now using online delivery options for food. This is likely to boost continued growth going forward. While the ultimate impact of that boost is uncertain, what seems clear is that early movers are the likely winners.

Payments and Fintech

Building a world without financial borders where everybody can prosper.

REVENUE[1] (US$'m)

2021	577
2020	428

TRADING LOSS[1] (US$'m)

2021	(68)
2020	(67)

Performance highlights

Payments and Fintech reached a new level, driven by the pandemic-fuelled acceleration in the adoption and use of digital payments across our core markets. In Latin America, volumes grew 69% year on year. Poland and Romania were also very strong. In our core market of India, volumes grew 42% year on year (in local currency, excluding M&A).

1 Presented on an economic-interest basis.

'The world of payments and credit is becoming increasingly digital and we are proud to be leading in this transformation by connecting consumers and merchants online – quickly, securely, seamlessly – across high-growth markets around the world. Our mission is to build a world without financial borders where everybody can prosper.'

Laurent Le Moal
CEO, PayU

The opportunity

Payments is one of the most important and fastest-growing areas in financial services worldwide. Global payments revenues have grown from US$1.9tn in 2018 to a projected US$2.7tn by 2023, with 60% of relative growth coming from emerging markets. In addition, online payments are expected to increase at double the rate of offline payments.

Five fundamental trends are shaping the payments industry:

1 Increasing growth driven by emerging markets and the shift from cash to digital payments

The shift to digital payments is driven by high-growth markets where cash use (currently over 90% of transactions) is gradually being displaced.

PayU has a presence in five of the top 10 fastest-growing markets, with very strong positions in India and Turkey.

2 Increasing use of alternative payment methods

In high-growth markets alternative payment methods (APMs) such as bank transfers, cash-on-delivery, wallets and local debit cards are becoming the most common ways to pay and are expected to command an 80% share of transactions online and offline.

3 Accelerating consolidation to create global players at scale

The payment industry remains fragmented but is moving towards consolidation, enabling key players to reach scale faster and establish global positions.

4 Rise of "buy now pay later" as a new credit category

2020 saw the "buy now pay later" (BNPL) credit category becoming mainstream. This product targets the underserved category of millennials by providing them with easy instalments while merchants benefit from increased conversion rates. Global BNPL transaction volume is estimated to grow 10–15 times to US$650bn–1tn by 2025.

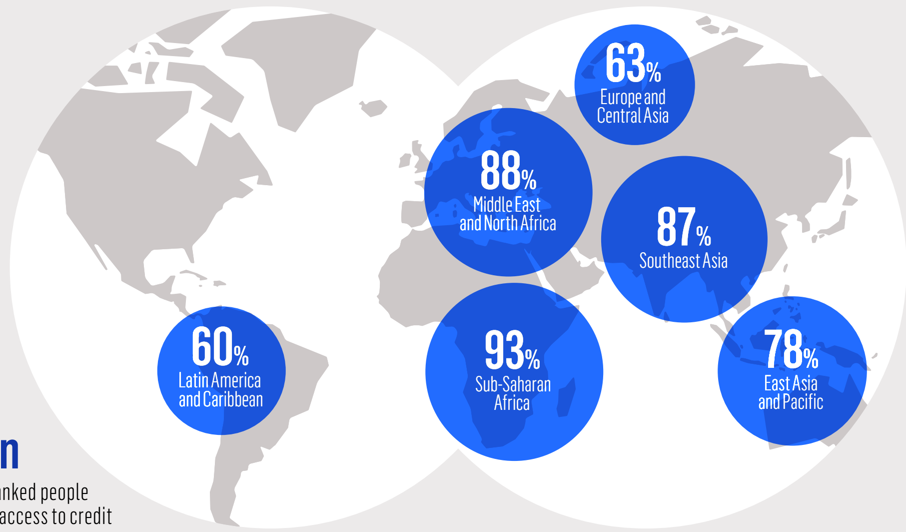
KEY TRENDS IN PAYMENTS

PayU operates in **20** high-growth markets, five of which are in the top 10 growing markets

Digital payments are expected to overtake cash payments by **2022** in India

Global payments revenue to reach **US$1.8tn** in 2024

Adults without credit bureau coverage – regional % of population



2bn underbanked people with no access to credit

Key trends in payments

1 Increasing growth driven by emerging markets and the shift from cash to digital payments

2 Increasing use of alternative payment methods (APMs)

3 Accelerating consolidation to create global players at scale

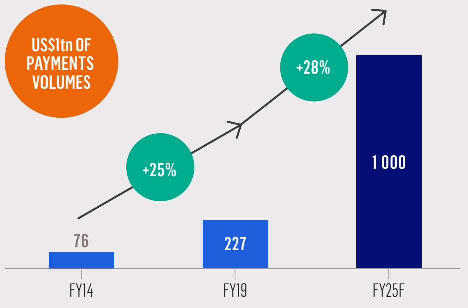
4 Rise of 'buy now pay later' as a new credit category

5 Data-enabling new services

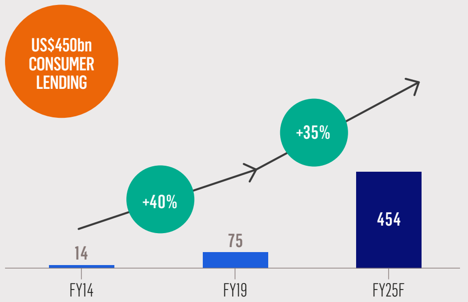
Payments and Fintech continued

India offers a large opportunity in payments and credit

INDIA DIGITAL PAYMENTS[1] EXPECTED TO REACH US$1tn…



…AND INDIA DIGITAL LENDING[2] TO GROW TO US$450bn



Source: Research BCG-Google Digital Lending Report
1 Digital payments include cards, net-banking, UPI and wallets.
2 Digital lending includes loans disbursed digitally at both online and offline channels.

5 Data-enabling new services

We believe the next wave of growth and innovation in payments will be driven by new services built around alternative data sources and proprietary models. By responsibly combining transaction data with other data sets such as mobile, social, government, and applying AI and ML capabilities, we can develop new revenue models and increase margins.

Our strategic priorities

To capitalise on these trends, our priorities are to:

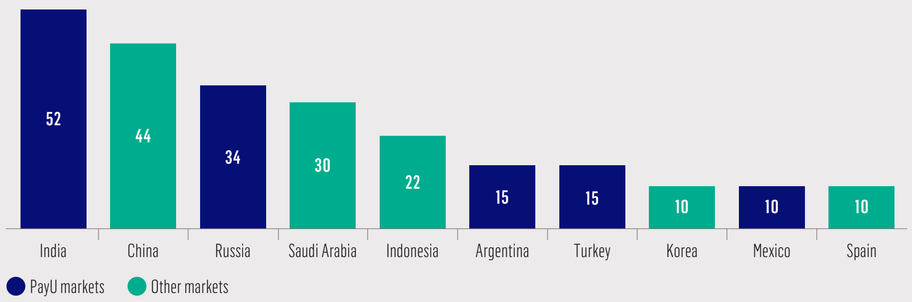
- Double-down on India and build a financial ecosystem around our payments and credit franchise.
- Unlock value in our core payments business.
- Invest across fintech adjacencies and AI.

Building a financial ecosystem in India

India is a priority market for PayU, driven by the strong macroeconomic environment, solid growth in digital financial services and our leading position in online payments. Around half of India's 1.4 billion people are under the age of 30. Over the next decade, more than 100 million young, digitally savvy Indians will join the country's workforce and consumer pool. Smartphone penetration, key technology for payments, is estimated to reach 700 million in 2023. India's digital payments industry is expected to reach US$1tn in 2025, while digital lending is expected to grow from US$75bn at present to US$454bn by 2025.

PayU is in five of the top 10 fastest-growing payments markets

GROWTH OF DIGITAL PAYMENT TRANSACTIONS (CAGR 2015-2018)



Focusing on payments in India

PayU currently has a strong presence in the ecommerce vertical and has doubled volumes in the past two years to ~US$26.6bn. By making the most of our position in ecommerce, we aim to expand and establish leadership across all digital payment segments in India, piloting omnichannel solutions and focusing on serving consumers and banks as well.

Focusing on credit in India

In India, we process more than 800 million payment transactions with a total value of US$26.6bn, while capturing more than 3 billion data fields on 100 million unique customers. Using this data, we aim to scale our credit business. We have set the ambitious goal of building a US$1.5bn loan book and a profitable combined credit entity over the next five years by combining PaySense and LazyPay. This would make us the largest digital lender in the country.

Unlocking value in our core payments business

Our core differentiation stems from our positioning in fast-growing digital payments markets. Our competitive advantage relies on providing access to all local alternative payment methods and higher conversion rates through our local platforms.

Last year, our broad geographic footprint and focus on pure online payments worked to our advantage as we benefited from a boost in digital payments amid lockdown restrictions. Our core markets of Latin America and Turkey grew 69% and 45% respectively, based on volumes in local currency terms.

To accelerate our growth, we look for targeted acquisitions to integrate into our platforms and deliver scale and efficiencies. Last year, for example, we acquired Iyzico for US$134m, to consolidate our position in Turkey's high-growth ecommerce market. We also completed the majority acquisition of Red Dot Payments, for US$48m, to expand our presence across the dynamic Southeast Asia region. This transaction gives us access to local payment processing capabilities in the region and unique payment solutions for the hotel and hospitality segment. We are integrating Red Dot Payments into our global hub to offer all existing merchants access to the Southeast Asia market.

Both these transactions are at the heart of what we are building at PayU – powering global merchants through regional platforms. We will continue to scan our current markets to identify local champions that can bring us growth, profitable revenues and great teams. We will explore opportunities for global consolidation.

PERFORMANCE IN FY21

>US$55bn processed payment volume, up 51% year on year (in local currency, excluding M&A), 48% contributed by India

>10bn data fields captured

>1.7bn transactions, up 38%, excluding Wibmo

>2.4m loan transactions in FY21

Payments and Fintech continued

Investing across fintech adjacencies and artificial intelligence

While over 70% of our capital investment has been in our core business of payments and credit, we will continue to invest in other fast-growing fintech segments and AI-driven innovative companies.

We will look for leaders in their spaces that fit well with our strategy. Our minority stake (24.12%) in remittances pioneer Remitly, illustrates this approach. We will invest selectively to build an ecosystem in India by targeting leaders in key fintech consumer segments, such as wealth management, insurance, robo-advisory and card-issuing services. This execution approach is aligned with our past investments into Fisdom and DotPe, two leading companies respectively in the wealth management and omnichannel spaces in India. We will build a common distribution and data platform to strengthen our access to alternative data sources and build new products that are not just transactional, for example, credit scores. We will also continue to look for the right partner in the digital banking sector. In addition, we will invest in AI-led companies with unique data access and capabilities.

A transformative year

With the challenges and changes resulting from the Covid-19 pandemic, it was a transformative year for the digital payments industry. There was a big acceleration in adoption and growth across the industry as a whole and we saw significant growth across the majority of our markets. In Latin America volume grew 69% year on year. Poland and Romania were also strong. With the hard lockdown in India early in the year, we initially saw a 35% decline in volumes, then a sizeable recovery, and we achieved a 42% increase (in local currency, excluding M&A).

We believe this step-change in adoption of digital payments is here to stay, and we are looking to capitalise fully on it in line with our mission to create a world without financial borders where everybody can prosper.

Helping businesses move online

The pandemic triggered the need to support the accelerated transition from offline to digital. Faced with hard lockdowns, many businesses had to move online to survive. Partnering with companies such as Shopify, we conducted targeted campaigns to enable small- and medium-sized enterprises (SMEs) to move online. We developed initiatives to educate SME merchants on how best to digitise their business, and ensured our onboarding process was seamless to get them started online quickly.

This has been especially successful in Latin America and India. During the year, we helped around 70 000 SMEs begin trading online for the first time in India, Colombia and Poland.

Collecting donations during the pandemic

We implemented a number of initiatives to provide much-needed support for those in need during the pandemic:

- We collected online donations for non-governmental organisations (NGOs) supporting Covid-19 relief projects, doing the online processing at no cost.
- In our Matching May campaign, PayU matched any employee donation to double the support.
- The PayU Twenty challenge combined feeling good and doing good. To promote employee wellness with social investment, PayU donated every time an employee completed a Twenty challenge of their choice, such as 20 minutes of physical exercise or a 20-mile run.

Innovating for customers

The pandemic changed consumer behaviour in many ways. For example, even when people went offline to make payments, they preferred not to use cash. In India, this translated into increased use of our omnichannel solution.

Continuing to focus on credit

We managed our credit business carefully during the year, navigating the challenges of the pandemic and hard lockdowns in India. Our priority was taking a responsible approach to lending, for the business and our customers. As such, we continued to offer short-term transactional loans, while curtailing our new instalment loans. We used that time to revamp our credit offer – particularly the entire user experience and expanding our product range. As a result, we relaunched with an enhanced offer, including an updated app and new products like BNPL.

Going from strength to strength in Turkey

Our acquisition of Iyzico in 2020 has been a success, with this company's technology and platform proving to be the right solution at the right time for the market. As planned, we are strengthening our position in Turkey's high-growth ecommerce market, which has recorded a compound annual growth rate (CAGR) of 30% from 2014 to 2017. Turkey has a large contingent of global merchants and is now our second-largest market in the Europe, Middle East and Africa (EMEA) region. By integrating Iyzico with PayU, we are able to leverage existing relationships with global merchants and Iyzico's product capabilities to drive cross-border volume.

Analysing the whole system

We have significantly enhanced fraud detection and prevention – going from analysing a selection of data points to now using ML to quickly and effectively analyse the whole system. Quicker, better fraud detection means improved security, peace of mind and trust for consumers and merchants, which is good news for us.

Innovative, responsible use of technology and data

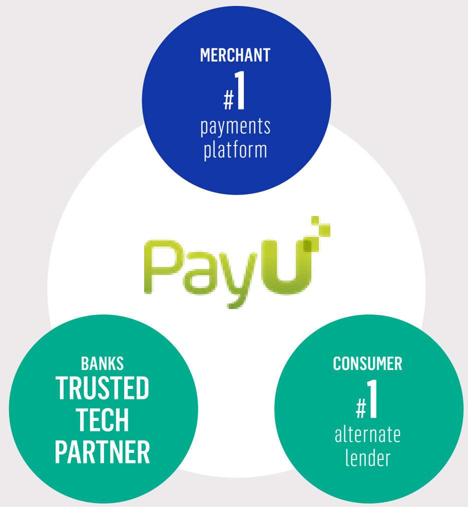
Innovative use of technology and data, especially in the growing credit business in India, lies at the heart of our focus on removing financial borders and enabling digital inclusion. At the same time, the responsible and ethical use of data and underlying decision models is paramount. PayU has instituted a formal responsible AI framework, with experts in data, credit, privacy and risk working closely together on this as a cross-functional team.

We have added to the breadth and depth of skills and capabilities in AI and ML across both payments and credit, and are constantly looking to leverage data and AI to keep our platforms, merchants and customers safe and our ecosystem running as efficiently as possible. We look for ways to optimise data internally, for example, by increasing the effectiveness of fraud detection and prevention or improving the customer experience. We also look to optimise it externally, to help merchants target and serve their customers more effectively, for example. Accordingly, our data team now takes care of both payments and credit requirements, so that we leverage the data present in both businesses. To underpin this coordinated approach, we are working on a global data hub that will standardise available data from all our businesses to apply the best possible AI and ML.

Supporting D&I

PayU is actively driving D&I, and has further developed associated programmes. This started with gender diversity and we have made good progress on four pillars: creating awareness and breaking stereotypes; refining the talent acquisition process; focus on developing and retaining female talent; and improving infrastructure to support our employees.

Building an ecosystem for merchants, banks and lenders



Payments and Fintech continued

Financial prosperity barometer – key findings

Over 75% of respondents believe that financial services can help people plan for future prosperity

60% of respondents feel financial services have already helped them to become more prosperous

50% of people in the countries surveyed believe you cannot be prosperous without access to financial services

For over 30% of respondents 'being happy with your life' and 'good health for friends and family' are the key characteristics for defining 'prosperity'

Only 25% of respondents feel that 'being wealthy' in itself is necessary for prosperity

Nearly one in 10 (9%) respondents declare that they don't have access to any major financial service

During the year, we extended this focus to make PayU fully accessible to people with disabilities, both employees and customers. We are also partnering with the Prosus social impact challenge for accessibility (SICA) in India to mentor start-ups developing innovative solutions to help people with disabilities.

Focusing on employee wellness
We introduced Uthrive – an online wellness initiative for employees with a special focus on Covid-19-related needs. This comprehensive programme includes training and awareness components provided through digital channels. Other initiatives include advice and support in improving work-life balance, and an employee assistance programme that offers free counselling, legal and financial consultation, and crisis-intervention services to all our employees and their dependants.

Improving employee engagement and satisfaction
Targeted actions in recent years have improved employee engagement and satisfaction. Participation rates in our global employee survey have increased year on year, to 92% in FY21. Our engagement score for the year improved to 74% (2020: 69%).

Training and developing our people
All our training moved online due to lockdowns, so we used MyAcademy as much as possible. This included introductory AI sessions and developing the PayU leadership framework.

Investing in social projects
We were particularly active with social projects in Latin America during the year. Supported initiatives included Proyecto Guajira, helping children from indigenous communities in the north of Colombia to go to school; Fundación Ecosueños, sheltering immigrant children; and Fundación sin Limites where volunteers help children to improve their school performance.

Undertaking environmental initiatives
During the year, PayU businesses undertook multiple environmental initiatives. In India, for example, PayU sustainability champions are leading measures such as switching off artificial lights and using natural light; choosing energy-efficient light bulbs; switching off equipment when not in use; printing only when necessary; and controlling heating and cooling.

Waste-reduction initiatives include using ceramic instead of plastic plates; looking for partners to remove food waste; using fewer rubbish bags; and wherever possible, buying second-hand equipment or leasing equipment rather than replacing it frequently.

Looking forward

Our strategy is focused on realising our mission to build a world without financial borders where everybody can prosper.

Accordingly, we will continue to establish PayU as a leading, full financial services provider in India. We aim to be the number one payments and digital credit provider in this vibrant fast-growing country. To underpin our leadership, we will position our data platform at the centre of India's fintech ecosystem.

We will also focus on being the number one payments company in our other growth markets, consolidating payments in existing markets, and expanding into new growth markets.

At the same time, we will continue to invest across fintech adjacencies and AI to build an ecosystem.

Etail – eMAG

Giving customers across Central and Eastern Europe the best etail experience.

REVENUE[1] (US$'m)

2021	2 248
2020	1 362

TRADING PROFIT/(LOSS)[1] (US$'m)

2021	80
2020	(17)

Performance highlights

eMAG continued to strengthen its position as a leading etailer in Central and Eastern Europe, growing revenues 54% (in local currency, excluding M&A) and becoming profitable in terms of trading profit for the first time.

1 Presented on an economic-interest basis.

'We focus on providing our customers with a best-in-class experience in selection, value and convenience. This deep customer commitment is at the heart of our strategy to build the largest ecosystem of technology and hybrid (1P/3P) ecommerce platform in Central and Eastern Europe. It drives us to keep delivering, innovating and growing for our customers.'

Iulian Stanciu
CEO, eMAG

The opportunity

The etail opportunity across Central and Eastern Europe is substantial. eMAG's geographies promise robust growth. These broader growth trends combine with a relatively low level of etailing. Ecommerce penetration in Romania is just 7% compared to 15% in the US and 26% in China. Rates in Hungary (5%) and Bulgaria (3%) are similarly low. The ecommerce sector is expected to grow by 15% annually in Romania, 8% in Bulgaria and 12% in Hungary.

An ecommerce leader in Central and Eastern Europe

eMAG is dedicated to becoming Central and Eastern Europe's leading online retailer. The company operates a first-party/third-party (1P/3P) business-to-consumer (B2C) ecommerce platform in Romania, Hungary and Bulgaria under the eMAG brand, and a leading fashion-shopping destination in Romania under the Fashion Days brand. In addition, eMAG operates Sameday (courier delivery), PC Garage (specialised online retailer focused on gamers), Depanero (repair service) and Conversion Marketing (performance marketing). In 2019, it acquired a 54% stake in EuCeMananc, a food-delivery platform in Romania, rebranding this as Tazz by eMAG in 2020.

Growing profitably

eMAG had an excellent year, with growth in all business units and group revenues growing by 54% to record eMAG's maiden profit. Demand increased sharply following lockdown in March 2020 and the quality and scalability of its operations enabled it to respond rapidly and effectively.

eMAG had laid the foundations for success well ahead of the pandemic. It had started to broaden its product lines as part of its strategy to compete across all general merchandise categories. So, alongside its traditional strengths in technology and consumer electronics, eMAG was accelerating in, for example, home and garden as well as consumables. Demand for products across all categories increased over the year, while eMAG added new categories to meet demand: dry food, beverages and medical products.

Donating face masks to frontline workers

In eMAG's core market of Romania, there was huge demand for face masks and other medical products as the pandemic hit. eMAG rose to the challenge by quickly sourcing and bringing these items into the country. Working with partners, the eMAG Foundation donated more than four million masks and other PPE to frontline workers in Romania.

Sourcing and selling face masks at cost

In the early uncertain days of the pandemic, prices for face masks rose sharply. eMAG responded by making high-quality masks available on its platform at cost.

Continuing to improve the customer experience

eMAG aims to keep improving the customer experience through three strategic initiatives: enhancing its own delivery courier business (Sameday) with a network of Easybox – automated parcel lockers; expanding its Fulfilment by eMAG model; and expanding its showrooms.

OPPORTUNITY

7%
Ecommerce penetration in Romania is just 7% vs 15% in the US and 26% in China. Rates in Hungary (5%) and Bulgaria (3%) are similarly low

15%
Ecommerce expected to grow by 15% annually in Romania, 8% in Bulgaria and 12% in Hungary

Etail – eMAG continued

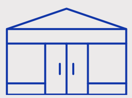
Improving the customer experience even further through:

Same-day courier business

Automated parcel machines (lockers) roll out

Fulfilment by eMAG model

Showrooms



Increasing Sameday deliveries
eMAG continued to build its Sameday courier business, which aims for a 99% on-time delivery rate. During the year, Sameday grew 148%, meeting increased demand for deliveries from eMAG and other businesses. We also expanded Sameday into Hungary.

Non-contact delivery for Sameday was one of a number of measures introduced to ensure the safety of customers and couriers in the Covid-19 era.

Growing the Easybox network
To ensure customers have a full suite of delivery options, Sameday is deploying automated lockers (Easybox), giving customers 24/7 service, pick-up flexibility and over 99% on-time delivery rates. These lockers have cost advantages and are more environmentally friendly by reducing the need to deliver to multiple individual addresses.

Sameday continued to expand the Easybox network in Romania, from 300 to 1 000 lockers by the end of the financial year. They also started an Easybox network in Hungary, which already has 100 lockers. Currently, around 20% of eMAG deliveries go via Easybox, and that percentage will continue to increase, enhancing customer convenience and business efficiency while reducing environmental impact.

As well as expanding the network, eMAG continued to enhance the service, for example, by introducing customer returns via lockers. Customers can return items when they like and, the moment they close the locker door, their money is electronically refunded. Called 'magic return', this is quicker, safer and greener – a good example of improving everyday life.

Fulfilling orders for third-party partners
The company has doubled down on its Fulfilment by eMAG model, where it manages delivery logistics for 3P partners. This enables eMAG to ensure delivery quality for customers and deepen relationships with merchants.

Expanding in food delivery
In 2019, eMAG bought 54% of food-delivery platform EuCeManânc. To meet the rapid pandemic-driven rise in demand for food delivery in the 2020 calendar year, eMAG accelerated its expansion plans by two years. The business was rebranded, becoming Tazz by eMAG, and the range expanded beyond food to include supermarket and other deliveries. Tazz by eMAG has quickly become one of the leading food-delivery operations in Romania.

eMAG PERFORMANCE IN 2021

Revenues grew

54%

and became profitable for the first time

1 000

eMAG lockers throughout Romania

Etail – eMAG continued

Innovating for customers
To help the many fashion businesses facing the pressures of lockdown, eMAG opened up its Fashion Days platform to make it easy for offline businesses to move online fast. This included creating a dedicated channel for Romanian designers.

eMAG also launched Genius, its premium subscription service for customers. With Genius, customers can order as late as midnight for next-day delivery.

Building a next-generation warehouse
To further strengthen its distribution and fulfilment capabilities, eMAG has invested in a next-generation warehouse at its regional hub in Joița, Romania. The new warehouse will open in the second half of the 2021 calendar year. Featuring state-of-the-art technology, the new facility will increase the speed and efficiency of handling the broad range of products eMAG now offers.

Going green
The new warehouse will be fully powered by green energy, via its rooftop 1.5MW solar panel grid. eMAG has opted for a 100% green energy contract for its other warehouse – reducing carbon emissions from purchased electricity.

As part of developing the new warehouse, eMAG constructed a connection to the highway that will benefit the whole community. In addition, it will carry out an afforestation project on a 10-hectare area to improve air quality for employees and the community living close to the new warehouse.

Sameday continued to invest in its green delivery fleet, replacing conventional fuel vehicles with electric ones to achieve its goal of having 100 e-vehicles by the end of the 2021 calendar year.

Reducing waste
To reduce waste, eMAG replaced cardboard boxes with metal cages to transport parcels in bulk. Pallets are now being reused and, when possible, orders from vendors are consolidated. In addition, eMAG further increased the use of recycled paper instead of plastic (bubble) packing material, to protect customers' items in transit in an environmentally friendly way.

Learning and development
From functional development programmes designed for each team in eMAG to leadership and talent growth initiatives, the company is constantly developing new ways to meet learning needs. During the year, eMAG launched the third edition of Future25, a Yale executive programme for its top 50 leaders, a new leadership development programme, an internal trainers' community, a new mentoring programme and two career-coaching events.

Supporting diversity, equity and inclusion
At 43% compared to 25%, eMAG's gender diversity score is above that of the digital industry, and has increased 1.2% year on year. In its technology teams, eMAG is above the market benchmark, at 31% versus 22% for the Romanian technology industry.

To improve diversity further, eMAG partnered with an organisation facilitating Romania's digital transformation to empower women who choose a career in the digital field. The company targets an increase of women in management roles from 31% to 40%. This initiative includes more diversity metrics in recruitment funnels to better track progress.

Focusing on health and safety
eMAG's intensified focus on health and safety was driven by Covid-19. Couriers are given masks and sanitiser, and customers are encouraged to have their products delivered using cashless payment. Around 40% of transactions in Romania are now prepaid online, a significant increase from previous years. eMAG and Sameday also used their websites and YouTube channels to improve awareness of safety issues such as using masks correctly.

Investing in the eMAG Foundation
eMAG continues to invest in its foundation to support its social responsibility initiatives. The foundation focuses on three pillars: community support for teachers and students; the We Care About programme for children at risk of dropping out of school; and the 140 Beats per Minute programme to encourage physical activity for children. For the 2020/21 school year, We Care About established 46 after-school centres, and reached over 1 228 students and 194 teachers.

Donating in response to the pandemic
In response to the Covid-19 crisis, eMAG and its partners started the #DonateForFirstLine initiative to encourage support across Romania for frontline healthcare workers. eMAG donated several million lei, and donated IT equipment to the national centre tasked with Covid-19 crisis management in Romania.

Looking forward
eMAG aims to continue developing at pace by developing existing businesses. Through its new eMAG Ventures, it will also explore support for promising start-ups – investing and sharing its experience and know-how. Through existing businesses, eMAG aims to excel as the leading ecommerce platform in Central and Eastern Europe.

Etail – Takealot group

Now a closely integrated platform of three leading ecommerce businesses continuing to grow and innovate in South Africa.

REVENUE[1] (US$'m)

TRADING LOSS[1] (US$'m)

Performance highlights

The Takealot group had a very strong year, accelerating growth in all its businesses. Takealot group revenue increased by 65% year on year and negative trading margin was 1.2% in 2021, compared to 11% in 2020. GMV grew 84% year on year (in local currency, excluding M&A). Takealot.com, the general ecommerce business, had its first profitable year.

1 Presented on an economic-interest basis.

'Although the pandemic brought about significant operational challenges, all three businesses have performed remarkably well while ensuring the safety of both employees and customers. We believe that the shift towards online is a permanent one, accelerating the development of all our businesses by up to three years. We have an enabling platform that contributes to the South African economy and we are proud to do so.'

Kim Reid
Founder and CEO, Takealot

The opportunity

South Africa's ecommerce sector continues to show considerable promise and momentum. Although the sector has grown significantly throughout the year, South Africa remains one of the lowest-penetrated of the top 50 retail markets in the world when measuring ecommerce as a percentage of total retail. Today, online retail makes up just 2.6% of total retail compared to territories like China and South Korea that have already exceeded 30%. The ongoing potential for growth in online retail remains apparent.

South Africa's leading etailer

The Takealot group in South Africa includes three major businesses: Takealot.com (general online retail), Superbalist.com (apparel, footwear and homeware) and Mr D Food (food-delivery business). The group remains focused on placing the customer at the centre of its universe.

Providing essentials

When South Africa went into full lockdown from late March 2020, Takealot began delivering essentials through its Takealot.com and Mr D Food (Mr D) businesses. This involved running warehouse and logistics infrastructures safely and effectively in the uncertain, highly pressured early days of the pandemic and throughout the year.

The foremost priority, then as now, was to protect staff and customers as Takealot continued to deliver the essentials people needed. Measures ranged from providing all staff with PPE to regular testing, nurses on site and implementing contactless deliveries. During the year, the Takealot group distributed over 7 000 surgical masks, 19 000 cloth masks and 50 000 litres of hand sanitiser for free to all drivers. This was in addition to our support for country initiatives and PPE provided to those directly employed by the group.

Working remotely

Takealot also had to switch to remote working, notably enabling its 600 call centre staff to continue supporting customers from home. This was a major task, carried out successfully. Beyond the pandemic, it has laid the foundation for continued expansion without having to invest in the same level of office space for call centre staff traditionally required.

Supporting the country

To support the country during the pandemic, Naspers donated R1bn of PPE. Takealot participated in sourcing and executing local delivery of this PPE to hospitals, government institutions and frontline workers.

Handling increased volumes

With people locked down and buying from home, business accelerated. May 2020 was Takealot's record month at the time, and set the tone for the rest of the year. The business went from being geared primarily for seasonal peak volumes in October, November and December to handling growth month after month. All the businesses have been brought forward by two to three years in terms of growth.

Takealot grew 80% year on year, Mr D Food 117% and Superbalist 45%.

Improving customer service and satisfaction

As well as handling the substantial increase in volumes, Takealot improved operational performance, with November and December 2020 being record peak-season months operationally. Takealot measures business on a number of fronts, including on-time delivery and Net Promoter Score (NPS).

In December 2019, for example, Takealot recorded 4.5% late deliveries to customers, while in December 2020 this was down to 1.3%. Its NPS score for the year increased from 73 to 77.

Increasing click-and-collect

Takealot expanded its network of click-and-collect points during the year from 45 to over 80. Combining convenience and safety, this is an attractive option for customers.

Strengthening Mr D's leadership

Mr D consolidated its position as South Africa's leading food-delivery business, growing orders by 117%. Some of this growth came from expanding beyond food deliveries, for example, to deliver essentials such as medication from pharmacies, and everyday items from convenience stores and petrol station forecourts.

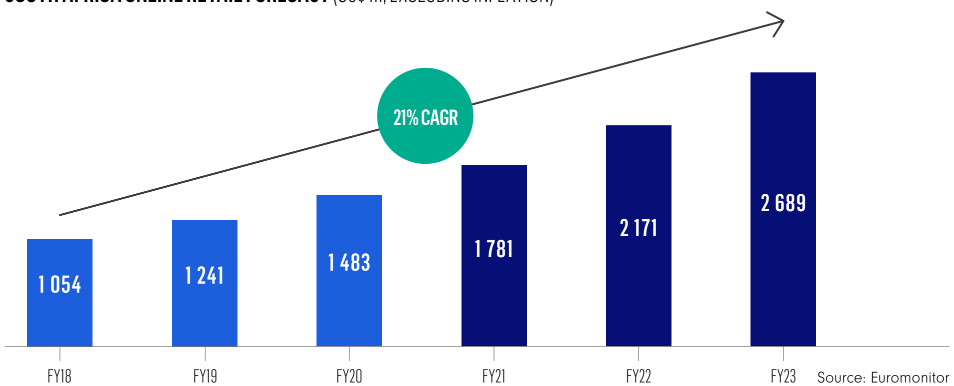
OPPORTUNITY

63%
South Africa's low rates of internet penetration (63%*), and online retail penetration (1.4%*) leave considerable scope for consumers to migrate from offline to online

21%
From 2019 to 2023, this migration is expected to drive 21% annual growth in online retail.

*In 2019 according to Euromonitor

SOUTH AFRICA ONLINE RETAIL FORECAST (US$'m, EXCLUDING INFLATION)



Source: Euromonitor

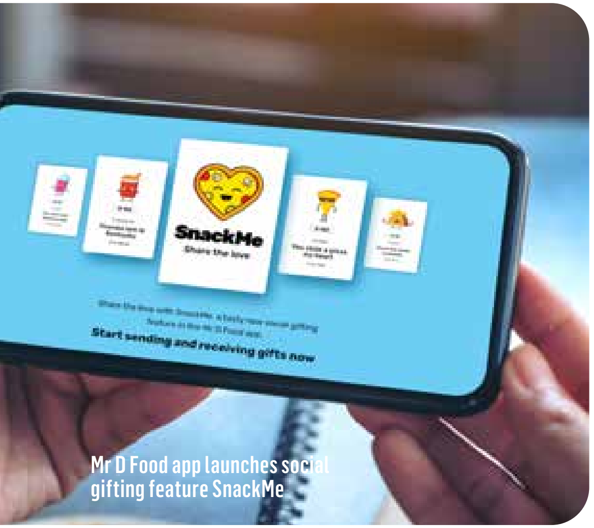
Etail – Takealot group continued

Restaurant deliveries were inevitably affected by the full lockdown. In these difficult times, Mr D supported many of its restaurant partners by lowering its commissions, and raising over R4.1m for restaurants through the novel Covid-19 contribution feature in the Mr D Food app.

The general culture of ordering online for home delivery in South Africa has undoubtedly been boosted by the pandemic, and Mr D is well placed to continue meeting this growth in demand.

SnackMe

During the year, Mr D launched an innovative social food-gifting service, SnackMe. An instant hit with customers, SnackMe allows them to send and receive food gifts (vouchers) with quirky personalised messages, redeemable at any restaurant on the Mr D app. Mr D users can also send gifts to non-users. Users can invite friends and accept friend requests. And a social-gifting feed allows users to see which of their friends are gifting each other. This is a popular new way for people to share their love of food, and friends.



Mr D Food app launches social gifting feature SnackMe

Continuing to grow Superbalist

Superbalist had a strong year, delivering substantial growth. The expansion of its private label portfolio remains a key focus, with an ongoing drive to source from local suppliers.

Hiring more employees

While many companies in South Africa buckled under the impact of the pandemic – retrenching or restructuring operations, employing fewer people – Takealot continued hiring over the year, providing security of employment for more people and continuing to contribute to the South African economy and job creation.

Supporting drivers

Driver numbers doubled to almost 10 000 during the year. In tough times, Takealot provided a valuable source of work. It also provided financial support when lockdown prevented drivers from working. A dedicated fund made payments to drivers during the initial hard lockdown, from March to April 2020, to replace lost income. After restaurants were allowed to reopen, the fund remained in place for the benefit of drivers who could not work because they had contracted Covid-19 or were self-isolating after potential exposure. Over the year, R13.8m was paid to support drivers.

TAKEALOT PERFORMANCE IN 2020

3P GMV accounts for

46%

of total GMV

R8.5m

customer donations facilitated by Takealot at checkout to Beautiful Gate, an organisation dedicated to helping family welfare, based in Cape Town

Takealot prioritises the welfare and safety of drivers. For example, it has always monitored driver earnings in the franchise network to ensure these are fair. Currently, drivers who contract to the franchise network full-time, on average earn significantly above the minimum wage after taking drivers' costs into account.

Drivers are given high-visibility safety vests and helmets at heavily subsidised prices. In addition, during extreme or unsafe weather conditions, delivery areas are deactivated until conditions stabilise and drivers are not expected to make deliveries during this time. Similarly, if there are any non-weather-related threats to driver safety, delivery areas are also deactivated.

Personal injury, death or disability insurance is in place for all drivers performing deliveries for the Takealot group. The insurance benefits include lump-sum payments and coverage of medical costs where applicable.

Takealot's franchise network offers drivers access to a rent-to-own bike scheme, enabling those without transport to lease subsidised bikes. There are currently 600 drivers signed up to this scheme and they will own their bikes after three years.

Helping businesses

The Takealot.com marketplace allows sellers to enable themselves digitally. During lockdown, this marketplace provided an easy route for many small- and medium-sized businesses to continue trading and growing. The Takealot.com marketplace remains one of the many available routes to market for any business wanting to digitally enable itself and an easy go-to market channel for those struggling to list products in conventional retail.

Continuing to focus on AI and ML

Takealot expanded its AI team over the year. The focus is on consolidating the team to undertake centralised AI and ML projects across the businesses. A new head of data is working closely with the AI team to organise data so it can be better used for AI and ML in the future.

AI and ML are being used to increase efficiencies and enhance customer service and satisfaction. During the year, for example, Takealot implemented review moderation (to ensure content is relevant and suitable) using AI models to automate and speed up the review process. Reviews that used to take 14 days can now be completed in less than a day.

Takealot has also implemented personalised restaurant recommendation models on Mr D, increasing conversion and engagement.

Investing in local businesses and people

Takealot undertakes various broad-based black economic empowerment (BBBEE) initiatives. For FY21, these included bursaries to 10 software engineering students; R1.3m in funding to three Takealot delivery-team franchisees to expand their operations; and sponsored learnerships for 90 participants, including 30 people with disabilities.

Etail – Takealot group continued

Donating to Naspers Labs

Takealot donated R1m of laptops, USB dongles and other learning equipment to Naspers Labs to help disadvantaged young South Africans continue with their learning through the pandemic, and gain the skills they need for the futures they deserve.

Making it easy for people to donate

Takealot has a long-standing relationship with Beautiful Gate, which supports the welfare of underprivileged families in Cape Town. Whenever someone checks out on the Takealot site, they have the option to donate to Beautiful Gate. Around R100 000 was donated in the first year of the partnership, rising to R4.8m in FY20. In FY21, this almost doubled to R8.5m.

Ongoing environmental initiatives

Environmental initiatives include using 100% recyclable packaging, with paper not plastic voids. An updated transport fleet of newer, larger, more energy-efficient vehicles also saves money and is better for the environment.

More energy-efficient LED lighting is being introduced in distribution centres. In addition, where possible, Takealot uses seafreight rather than airfreight, which is more cost efficient and environmentally friendly.

Looking forward

All three Takealot group businesses have shifted to a new level. The aim is to grow, continuing to build in a market that is now significantly more attuned to ecommerce. Total South African online retail sales are currently 2.6% of the total retail market. Takealot now predicts that to grow to 11% over the next 10 years.

To make the most of this opportunity, Takealot is concentrating on its logistics platform to ensure that more and more packages are delivered through this platform, known as the Takealot delivery team. Currently, Takealot completes 89% of deliveries through its own systems and network, rather than using third-party couriers. The aim is to continually increase this percentage as it has proven the most reliable and efficient means of delivery for the group.

Takealot.com will continue to expand into a greater range of product categories, including deeper selection in auto, home goods and DIY, offering customers more of what they seek online.

Takealot.com will also expand its marketplace and improve its offer for third-party merchants. Currently, around 46% of the company's GMV is through third-party merchants, and the aim is to increase this to over 50%. As such, Takealot will provide additional tools and services to merchants to enable them to manage their businesses more easily and effectively on its platform.

In the year ahead, Superbalist will focus on expanding its private label offering, building on its inhouse fashion design and manufacturing capability.

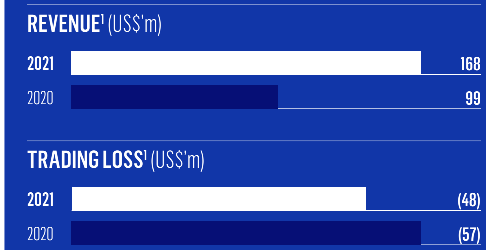
Mr D will continue to scale its core food-delivery business and offer an expanding range of other home-delivery options for customers.

'We have an enabling platform that contributes to the South African economy and we are proud to do so.'

Kim Reid
Founder and CEO, Takealot

Ventures

Identifying and investing in the next waves of group growth.



Performance highlights

During the year, we continued to focus on our core areas of investment, notably Edtech, the group's new core segment with effect from 1 April 2021, and India. In all, we invested US$89.6m in five edtech companies in FY21.

1 Presented on an economic-interest basis.

'We focus on identifying the waves of innovation that are tackling big societal needs enabled by technology. To this end, we make carefully considered and targeted risk-adjusted investments, and enable the waves to get bigger.'

Martin Tschopp
CEO, Ventures

The opportunity

There are many opportunities for technology to improve everyday life for people around the world and we focus on two key factors when evaluating where we partner with innovative businesses. One, we focus on the countries and markets where these opportunities are biggest, such as India, Southeast Asia or Mexico, which have large fast-growing populations and a rising middle class. Two, we narrow in on the sectors where technology has the greatest opportunity to transform consumer behaviour for the better. Exciting examples of this are educational and agricultural technology. Education is essential for progress and people need to eat; there is great scope to revolutionise how both these basic human needs are met through today's fast-advancing, data-driven AI- and ML-enabled technology.

Identifying and building the next wave for the group

Ventures partners with entrepreneurs around the world to build leading technology companies in high-growth markets. Our goal is to identify the next phase of growth for the group, by identifying trends, technologies, themes and geographies to select investments with the potential to experience significant growth in the coming decades.

By 31 March 2021, we invested a total of US$1bn into 25 companies worldwide, across education, health, agriculture, elder care, blockchain, logistics, mobility and more.

In keeping with our role of cultivating future core group segments, we split out the Ventures companies focused on education into a formal Edtech segment on 1 April 2021, similar to graduating Food Delivery from Ventures as a core segment in 2019.

Targeting winners

Each year, we formally meet hundreds of companies, but invest only in a select few. This highly discretionary approach helps us target the next generation of outstanding entrepreneurs and businesses.

Key investment criteria

With Ventures, as with all our investments across the group, we look for three key things:

1. A great idea addressing a big societal need
2. A strong tech angle
3. Outstanding founders with the ambition and ability to grow their businesses into global leaders

Creating the next core segment – Edtech

Education has been a key focus area for us for a number of years. It is a US$10tn global market that is still fairly untouched by technology. We are galvanised by the opportunity to make great education universally accessible to everybody.

Edtech promises great improvements in accessibility, personalisation, impact and enjoyment. Not everybody learns at the same pace or time, or wants to learn the same content in the same way. Edtech can cater to these differences, transform how much people can learn, improve the experience and efficacy of learning, and increase the number of people able to learn. All of which can only be good for a world where being knowledgeable and skilled is critical in the information age.

In recent years, we have been progressively growing our portfolio of companies focused on education. In April 2021, we split these out of Ventures into a formal group segment, Edtech.

In FY21, we invested a total of US$89.6m into five Edtech companies.

Our edtech investments include Brainly, the world's largest social learning community; BYJU'S, India's leading personalised kindergarten to 12th grade learning platform; Codecademy, an online coding education platform where millions of people have learned to code; Eruditus, an online platform using technology and curriculum innovation to offer professional education courses in collaboration with top-ranked universities globally; SoloLearn, the world's largest community of mobile code learners; and Udemy, the leading global marketplace for learning and instruction.

Ventures continued

EDUCATION

Making learning accessible to all

US$10tn
Edtech market opportunity by 2030 (source: HolonIQ)

>US$1bn
committed to invest in Edtech companies

Key Edtech investments

ERUDITUS EXECUTIVE EDUCATION	100 programmes in partnership with 30 universities
BRAINLY	350m students, parents and teachers in over 35 countries
BYJU'S The Learning App	180% growth in students from March to September 2020
codecademy	56% year-on-year growth in paying subscribers
Udemy	425% increase in learner enrolments during the pandemic
SOLOLEARN	19.84% our stake in SoloLearn

BYJU'S
BYJU'S learning app is the leader in personalised learning programmes for school students in India, catering for kindergarten to 12th grade as well as competitive exams such as JEE, NEET, CAT, IAS, GRE and GMAT. Delivering world-class learning experiences, the app merges videos and interactive content to bring concepts to life. It also adapts to the unique learning style of every student, adjusting to the pace and style of their learning. BYJU'S has over 80 million users who have downloaded its learning app, with an average daily engagement of 71 minutes per student. BYJU'S became profitable in 2019.

During the pandemic, BYJU'S offered its service free to users for several months to help students who were out of school due to lockdowns.

BYJU'S recorded over 180% growth in new students from March to September 2020.

We invested US$383m in BYJU'S in December 2018. As at 31 March 2021, our stake in BYJU'S was 10.57%. In April 2021, we purchased additional shares for some US$153m in BYJU'S. This investment enabled Prosus to remain above an 11% effective interest in the company.

Brainly
Brainly is the world's leading social-learning platform, serving more than 350 million students, parents and teachers in over 35 countries. Students use Brainly to strengthen their skills across core subjects such as maths, history, science and social studies. The platform allows them to connect with their peers, subject-matter experts and professional educators to discuss subjects and seek answers to tricky questions.

Brainly more than doubled its user base in 2020, adding 164 million users globally.

During the pandemic, Brainly offered its premium service free to users and was highlighted by the Polish government as an approved free resource during school closures.

We first invested in Brainly in April 2016. We invested an additional US$16.1m in FY21 in primary and secondary transactions. To date, we have invested US$63.5m, with a current stake of 40.06%.

Codecademy
Codecademy is a leading online interactive platform for coding education that has taught over 50 million people globally to code.

During the pandemic, Codecademy launched a scholarship programme with the goal of giving away 10 000 Codecademy Pro scholarships to students affected by the crisis. To date, Codecademy has awarded over 100 000 Pro scholarships to students at 15 000 institutions in 147 countries.

Codecademy recorded 56% growth year on year in paying subscribers in the 2020 calendar year.

We have invested US$23m in Codecademy since 2016. Our current stake is 20.94%.

BYJU'S

80m
registered users

Average daily engagement of
71
minutes per student

CODECADEMY

50m
people globally taught to code

200 000
Pro scholarships awarded to date

Ventures continued

Eruditus
Eruditus provides executive education and short private online courses globally in partnership with the world's leading universities. The company makes high-quality education more accessible by offering over 100 programmes in partnership with 30 universities to a global audience covering the US, Latin America, Asia, the MENA region and Europe.

During the pandemic, Eruditus recorded significant growth in course bookings.

We invested US$60m in Eruditus in October 2020. Our current stake is 8.83%.

SoloLearn
SoloLearn is a leading mobile-first knowledge-sharing community where students can learn, create and share programming content.

We have invested US$4.4m since 2018. Our current stake is 19.84%.

UDEMY

70 000
instructors teaching in over 65 languages

80%
of Fortune 100 companies use Udemy for Business to build the skills of their employees

SKILLSOFT

45m
learners globally

Udemy
Udemy is a global education marketplace for lifelong learners. With around 70 000 instructors teaching in over 65 languages, it offers more than 155 000 courses and serves over 480 million course enrolments in 150 countries. Udemy also has over 7 000 enterprise customers and 80% of Fortune 100 companies use Udemy for Business to build the skills of their employees.

Early during the pandemic, Udemy recorded a 425% increase in learner enrolments, and an 80% increase in learning from corporate customers.

We first invested in Udemy in 2016 and, to date, have invested a total of US$121m. Our current stake is 13.98%.

Skillsoft
In October 2020, Churchill Capital Corp II and Skillsoft, a global leader in digital learning and talent management solutions, announced they had entered into a definitive agreement to merge. Churchill also announced it had entered into a definitive agreement to acquire Global Knowledge Training LLC, a worldwide leader in IT and professional skills development. Churchill will merge with Skillsoft in a transaction valued at some US$1.3bn, and the combined company will acquire Global Knowledge for around US$233m, putting the total cost of the transactions at US$1.5bn.

Prosus subscribed for 10 million newly issued shares of Churchill Class A common stock.

In November 2020, Prosus exercised an option to subscribe for an additional 40 million shares of Churchill Class A common stock.

The transaction closed in June 2021.

Focusing on India
India remains a high-focus area for us, given the vast opportunity for growth in that market across a number of sectors. Despite the challenges of the pandemic, our Ventures portfolio in India performed well, with most businesses quickly recovering after the strict lockdowns and growing significantly year on year.

During the year, we invested over US$78m in agricultural technology, ecommerce, edtech and more in India.

New investments in India
Notable investments in 2021 are summarised alongside:

DeHaat
We invested US$15m in DeHaat in January 2021 and currently own a 10.40% stake. DeHaat is a technology-based platform offering full-stack (end-to-end) agricultural services to farmers, including distribution of high-quality agricultural inputs, customised farm advisories, access to financial services and market linkages for selling produce.

API Holdings
We invested US$191m into API Holdings in April 2021 and currently own a 16.3% stake. API Holdings owns India's largest integrated digital healthcare platforms. The company's platforms empower and connect over 60 000 brick-and-mortar pharmacies and 4 000 doctors in 16 000 zip codes across India. API Holdings also owns the largest consumer digital healthcare platform, PharmEasy, which touches the lives of two million patients each month by providing access to genuine products at affordable prices in the convenience of their home.

Ventures continued

‘We continue to focus on making the most of opportunities to back existing new ventures in India.’

Ongoing investments in India

We continued to support our existing investments in India throughout the year.

Meesho

Meesho is a social selling platform that acts as a marketplace for suppliers and resellers. It has so far helped to create over 10 million entrepreneurs across India by enabling individuals to build their own small businesses. Homemakers and women on career breaks make up more than 70% of these entrepreneurs. Meesho provides these entrepreneurs with products, logistics and payment tools to start and grow their business, and invests heavily in training and mentoring these entrepreneurs. The company has also created online and offline communities that allow these entrepreneurs to connect, share and learn with their peers.

We first invested in Meesho in August 2019 and recently participated in another round of investment in April 2021. We have invested US$146m to date. Our stake at year-end is 12.36%.

ElasticRun

ElasticRun is the kirana commerce platform, enabling businesses to reach small kirana stores in the deep rural parts of India. The company acts as an extended arm of FMCG companies’ direct distribution networks in the rural area to provide a set of net new customers to the FMCG companies. ElasticRun also helps ecommerce companies reach their customers in far-flung areas through its network of rural kirana stores and brings banks and financial institutions closer to a new set of underserviced SME customers from its rural kirana network.

We first invested US$30m in ElasticRun in October 2019 and recently co-led another round of investment in April 2021, bringing our total investment to US$60m. Our stake at year-end is 20.57%.

Exploring new markets

During the year, we made our first investments in a number of new markets where we see strong growth opportunities, including Indonesia, Pakistan and Mexico.

Shipper

Shipper is a tech-enabled logistics platform in Indonesia offering a one-stop logistics solution, from a multi-courier shipping platform to distribution warehousing and a fulfilment network. Despite the massive size of the logistics market in Indonesia, it is still extremely inefficient. In tier-2 and tier-3 cities, shipping costs can often add up to 40% of ecommerce basket sizes, becoming a major barrier to mass ecommerce adoption in the country. Shipper aims to solve three major problems in Indonesia’s logistics: a confusing plethora of different warehousing and shipping options; lack of price transparency; and below-average trackability.

We first invested US$8m in Shipper in 2020 with an additional US$12.7m in March 2021. We currently own a 15.89% stake.

Bykea

Bykea is an on-demand app in Pakistan that connects people in urban areas for transport, logistics and payment services. Public transportation is underserved in all three major cities in Pakistan, but these urban centres drive the economy of the fifth-most populous country in the world. The expected growth of Pakistan’s middle class in the coming decade provides immense opportunity for companies like Bykea that are transforming the way big societal needs such as transportation, logistics and payments are met, through a technology-enabled platform.

We invested US$10.4m in Bykea in 2020 and currently own a 22.33% stake.

Klar

Klar is a 100% digital, transparent, free and secure alternative to traditional debit and credit services in Mexico. Ageing, archaic architecture has made it difficult for traditional banks to serve the needs of the growing middle class in that country, with only 10% of adults owning credit cards. Klar has built a new banking infrastructure core that aligns with the financial needs of consumers and allows it to service a massive segment of the population in Mexico that previously did not have access to financial services.

We invested US$7.7m in Klar in 2020 and currently own a 15.91% stake.

Focusing on blockchain

Blockchain is beginning to disrupt and revolutionise a number of key industries. To tap into and explore this opportunity, we have invested in three blockchain companies: Immutable, DappRadar and our newest investment, Republic.

Republic is a leading investment platform that provides access to start-up, real estate, crypto and gaming investments for both retail and accredited investors. We acquired US$2.6m worth of the Republic Note, a profit-sharing digital security meant to align the incentives of the community with activity on the Republic platform.

Ventures continued

Immutable builds video games with player-owned assets. We invested US$6m in September 2019 and currently own an 11.11% stake.

DappRadar is a leading global platform for discovering and analysing blockchain-based decentralised applications (dapps). We have invested a total of US$5m in the company, with the most recent investment closing in March 2021, and we currently own a 31.28% stake.

Backing a home-care pioneer

Founded in 2014, **Honor** combines workforce management and technology expertise with high-touch, personalised care to improve the in-home care experience. Since launching the Honor Care Network in 2017, it has partnered with a growing roster of independently owned home-care agencies to deliver reliable, high-quality care with greater transparency.

We have invested US$56m in Honor since 2018 and currently own a 15.83% stake.

Investing in the future of micro-mobility

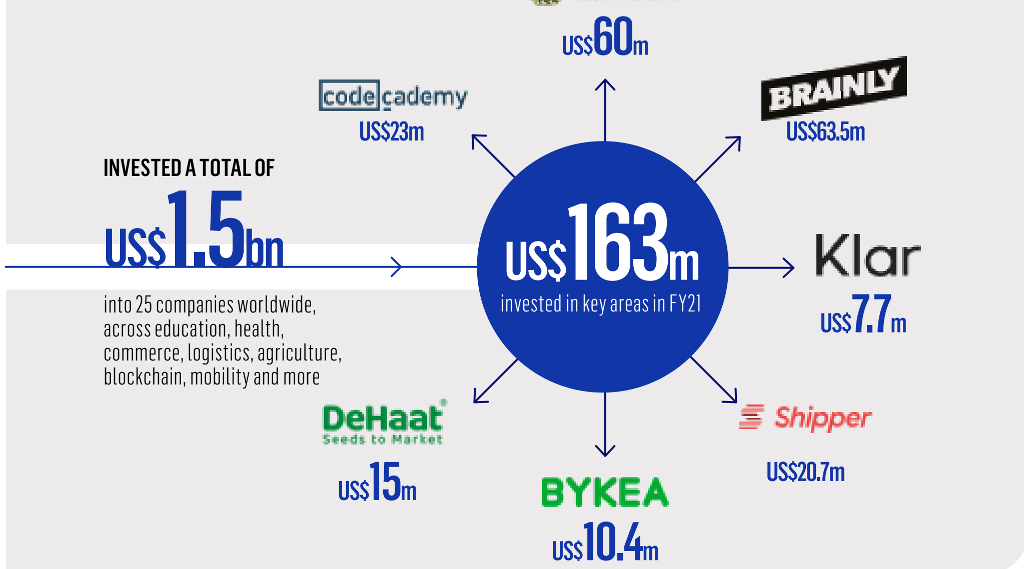
Dott is a European micro-mobility company focused on investing in the future by transforming the way people travel around their city. Dott won a highly competitive tender to operate its e-scooters in Paris, Lyon and London. It also won a licence to operate e-bikes in two boroughs in London.

We have invested US$31.5m in Dott since 2018 and currently own a 19.70% stake after our recent investment in April 2021.

Looking forward

We will continue to nurture and develop our portfolio of investments. At the same time, we will maintain our focus on identifying trends, technologies, segments and geographies with significant growth opportunities and invest in the best opportunities.

Key investment areas



'From home-care to micro-mobility, we are exploring the next wave of tech-enabled innovation and entrepreneurship to improve people's lives.'

Martin Tschopp
CEO, Ventures

Naspers Foundry

Investing in South Africa's early-stage tech sector through our investment vehicle, Naspers Foundry.

Performance highlights
Since its launch at the start of the 2019 calendar year, Naspers Foundry has invested in four growing South Africa-focused tech companies, with another two investments in the last quarter of FY21. Naspers Foundry has a solid investment pipeline.

'We are looking to boost the development of South Africa's early-stage tech ecosystem, to have a lasting impact on the broader South African economy. The best way to achieve that is to create success stories. So, at Naspers Foundry, we focus on finding, investing in and helping to grow the next big South African tech success stories.'

Fabian Whate
Head, Naspers Foundry

Boosting South Africa's growing tech ecosystem
Through our early-stage tech investment initiative Naspers Foundry, we are focusing on helping talented and ambitious South African tech entrepreneurs develop and grow businesses that improve people's lives.

Focusing on early-stage tech investment
Naspers Foundry is a R1.4bn South Africa-focused early-stage investment vehicle that aims to boost the development of the country's venture capital and tech ecosystem by investing in and supporting high-potential businesses that address societal needs.

Backing founders
Naspers Foundry backs founders who operate high-potential and highly scalable businesses. Its sector focus is broadly aligned with the group's core strategic segments, such as Food Delivery, Payments and Fintech, and Edtech. In line with the group's Ventures segment, Naspers Foundry also looks to invest in other sectors that address societal needs, including agriculture and health technology.

Taking a long-term view
Again in line with the group, Naspers Foundry takes a long-term view – backing businesses and helping them grow and succeed through a highly collaborative approach and active portfolio management. Naspers Foundry draws on the considerable experience, expertise and resources of the group, for example, to help portfolio companies with governance, legal or regulatory issues.

Having a broader impact
Naspers Foundry is the largest South Africa-focused early-stage tech investor. As such, it plays a key role for the companies in which it invests and helps to grow the wider early-stage tech ecosystem, for example, by encouraging more investment from other investors.

To date, Naspers Foundry has invested R200m across four South African early-stage technology businesses:

Aerobotics
In May 2020, Naspers Foundry invested R100m (US$6m) in Aerobotics, alongside current investors and new international investors. This investment formed part of Aerobotics' series B fundraise, which closed in December 2020 at R253m.

The company provides drone and satellite-enabled AI technology for tree crop management and yield intelligence. Focusing mainly on citrus and macadamia nut markets, it is rapidly expanding in South Africa as well as the US, Europe and Australia.

'It's huge from a validation perspective; just getting that belief that someone else buys into you and backs you as a founder and early-stage company is great. Also buying you the headspace to focus on building value and focusing on your customers is huge.'

Benji Meltzer
Co-founder and chief technology officer, Aerobotics

The Student Hub
In November 2020, Naspers Foundry invested R45m (US$3m) in The Student Hub.

The Student Hub partners with public technical and vocational education training (TVET) colleges to overcome their physical infrastructure constraints by digitising course material and providing an online alternative for students who would otherwise not have been able to attend the colleges.

The Student Hub makes TVET education more cost effective and accessible. It also enhances outcomes, with a marked increase in pass rates.

In addition, its marketplace brings students and potential employers together, so students can find the job they are looking for and employers can find suitably qualified people.

'The Foundry team was the first to come and say, "Look, we see the vision, we see the potential. We're investing in the team. Great potential, we're going for it." That mindset was groundbreaking for us.'

Hertzy Kabeya
Founder and managing director, The Student Hub

Food Supply Network
In September 2020, Naspers Foundry invested in Food Supply Network, an independent food marketplace platform that links the ordering systems of manufacturers, distributors and buyers in a marketplace to provide price and stock transparency and logistical efficiency in the food supply chain. The company's solution has drawn interest from some of the world's largest food manufacturers and is being used by many manufacturers and distributors in South Africa, Angola, Namibia and Zambia.

'Running a tech start-up in a developing country, you have to punch above your weight to succeed. We weren't actually looking for investors, we were looking for partners. We picked Naspers because of that partnership fit.'

Gert Steyn
Co-founder and CEO, Food Supply Network

SweepSouth
In June 2019, Naspers Foundry made its first investment – R30m in SweepSouth, Africa's first online home-cleaning-services marketplace, which connects clients to vetted domestic cleaners who are able to work flexibly and receive fair pay. SweepSouth has 5 000 domestic cleaners on its platform and has provided employment opportunities for over 20 000 women to date.

During the year, Naspers Foundry helped SweepSouth navigate the pandemic and raise additional capital.

Looking forward
Naspers Foundry is increasing its focus on portfolio management in the year ahead. The aim is to increase and formalise initiatives to help investee companies grow further and create greater value. At the same time, Naspers Foundry will continue to find new early-stage businesses to invest in – contributing to a rapidly growing South Africa tech ecosystem.

Social and Internet Platforms

Connecting people in everyday life through innovative technology.

REVENUE[1] (US$'m)

2021	22 526
2020	17 189

TRADING PROFIT[1] (US$'m)

2021	6 154
2020	4 699

Performance highlights

Early in the development of our internet strategy, we invested in leading social and internet platforms in two of our key high-growth markets, China and Russia. Tencent's fundamentals remain strong with excellent growth prospects in China, and Mail.ru continues to be the largest internet group in Russia while expanding into new areas.

1 Presented on an economic-interest basis.

Tencent

The opportunity

Amid the global downturn, China achieved 2% annual gross domestic product (GDP) growth in 2020. The World Bank estimates China's GDP will grow at 8.1%[1] in 2021. Rising incomes, increased connectivity and a growing middle class in a population of 1.4 billion – the opportunity in China for innovative social and internet platform leaders remains vast.

China is the world's largest consumer internet market and continues to grow ahead of many other large internet markets. Chinese internet businesses continue to innovate at a rapid pace. There were 989 million internet users in China in December 2020 (904 million in March 2020), 99.6% of whom were mobile users. The China internet industry recorded healthy growth in 2020 – with online advertising, ecommerce, entertainment content subscription, smart retail and online payments all posting decent growth. The pandemic accentuated certain structural trends in the internet industry, including online healthcare, online education, enterprise communication and remote productivity, ecommerce (particularly groceries) and online entertainment. This will have a lasting impact and further accelerate China's digital transformation. These themes underline the conviction in Tencent's prospects.

Performing well

Tencent performed well through the pandemic, thanks to the strength of its diversified portfolio of products, businesses and investments, and the leadership team's prompt and focused response to a fast-changing environment.

Continuing to lead

Tencent remains the largest internet company by market capitalisation in China, leading with 10 of the top 20 mobile apps. Weixin, the largest mobile community in China, continues to meet the digital needs of over 1.2 billion users via transformative innovation to enhance its platforms with a focus on user experience.

1 Based on latest East Asia and Pacific Economic Update by the World Bank.

For the year ended 31 December 2020, Tencent's revenues of RMB482bn were up 28% on the prior year. Combined monthly active users (MAU) of Weixin and WeChat increased 5% to 1.23 billion. Weixin launched video accounts that enabled public sharing of informative and educational content in video format, enhanced user engagement and drove enterprise transaction. The Weixin Mini Program ecosystem became increasingly vibrant, with daily active users (DAU) passing 400 million and annual transaction volume more than doubling on the prior year.

QQ increased stickiness (retention) among young users by enriching interactive experience and catering to their entertainment and online or e-learning needs. QQ smart devices' DAU, however, declined 8% to 595 million as Tencent proactively cleaned up spamming and bot accounts.

Tencent extended its domestic game-industry leadership, with six of the top 10 mobile games by DAU. The launch of Call of Duty Mobile in China drew players with a fast-paced and competitive first-person experience, complementing Peacekeeper Elite and CrossFire Mobile. The release of Moonlight Blade Mobile demonstrated Tencent's capabilities in the MMORPG (massively multiplayer online role-playing game) genre. The partnership with Nintendo extended its home-entertainment offerings to consoles, with more than one 1 million Switch consoles distributed and over 10 popular Switch titles published by the end of 2020.

Tencent has strengthened its global leadership in online games via self-developed franchises and intellectual property (IP) collaboration with partners and investee companies. In 2020, Honour of Kings was the top-grossing mobile game worldwide, while PUBG Mobile ranked as the most popular mobile game in international markets by MAU. Supercell's Brawl Stars was one of the best-performing original IP mobile titles in 2020, with its lifetime gross revenue exceeding US$1bn.

TENCENT

China's internet population grew by 9% since March 2020 to

989m

with 985m mobile users

Among the top 100 mobile apps in China, Tencent accounts for

56%

of all time spent online by Chinese users

Tencent continued

Despite the challenging economic environment, Tencent achieved robust advertising revenue growth by progressively integrating its advertising platforms and expanding its mobile ad network. It also strengthened its recommendation algorithms and analytic services to increase user acquisition efficiency and sales conversion for advertisers. Subscriptions for fee-based registered value-added services grew some 22% in 2020 to 219.5 million. Tencent remained the leader in long-form video with 123 million subscriptions.

Tencent's mobile payment platform 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 deliver compliant fintech products. Aggregated customer assets under wealth management service grew robustly year on year.

The group has been working to facilitate the structural shift to remote work via product innovation. Tencent Meeting has become the largest stand-alone app for cloud conferencing in China, while the new enterprise version penetrated the energy, healthcare and education industries. WeCom, the enterprise version of Weixin, has become an integral communications tool for remote workplaces, serving over 5.5 million enterprise customers, connecting them internally and to over 400 million Weixin users.

Tencent views sustainability as vital to the development of its strategy and operations, and has committed to move to carbon-neutrality. It also strives to integrate social responsibility into its products and services, in areas such as data security, balanced online use, business continuity and rural vitalisation.

Looking forward

Based on its vision Value for Users, Tech for Good, Tencent will continue to focus on user value and harness the power of technology to develop innovative products and services, and create value for all stakeholders.

Tencent is listed on the stock exchange of Hong Kong. Further information is available on its website at www.tencent.com.

Mail.ru

The opportunity

Russia is Europe's largest internet market, with 96 million users, 71% of whom are mobile users.

Mail.ru is the largest internet group in Russia

Despite increasing competition, Mail.ru remains the leading internet group in Russia by users, reaching 95% of the country's internet users across its platforms. It continues to innovate and expand into new areas such as ecommerce, mobility, foodtech, fintech, cloud and AI.

For the year ended 31 December 2020, Mail.ru's revenues grew 21% to RUB107.4bn. This was driven primarily by growth in massively multiplayer online games revenue (+29%) and new revenue streams in Edtech and location-based marketplaces (+97%).

VKontakte (VK), the most popular mobile messaging and social networking app in Russia, continued to perform well. Total MAU increased 4.5% to 73.4 million, reaching some 48% of Russian internet users daily. The VK Mini Apps platform expanded rapidly, currently offering over 25 000 active Mini Apps, with MAU increasing 67% year on year. VK Connect was introduced in 2020 to allow users to access the full Mail.ru ecosystem via a single ID.

Mail.ru's online games segment also continued to perform well, with solid performance in established titles – including Warface, Hustle Castle and War Robots – and newly acquired titles such as Grand Hotel Mania. International revenues accounted for 75% of total online games revenue. MY.GAMES Cloud was introduced in 2020 to enable PC access to high-quality games via streaming, which is expected to expand to mobile and smart TV in 2021.

Mail.ru is expanding into social ecommerce and online-to-offline (O2O) verticals that complement its user experience. The O2O joint venture with SberBank recorded strong growth. Delivery Club emerged as the leader in ready-to-eat food delivery and expanded to the rapidly growing e-grocery segment. Its number of active customers, vendors and cities of presence grew by almost 2x, 3x and 5x respectively. Samokat (express e-grocery brand), LocalKitchen (express food-delivery brand) and Citymobil (ride-sharing service) grew orders by 12x, 3x and 2x respectively over the year.

Driven by continuous improvement in logistics and customer service, AliExpress Russia continued to scale, with 29.1 million MAU and 8.8 million DAU. Local businesses accounted for 25% of GMV.

Mail.ru has offered support and services to help its users and partners in Russia mitigate the impacts of the pandemic. Marketing, technological and service solutions were launched for people to study, work, purchase, entertain and stay informed during quarantine and self-isolation. A task force was established to roll out a RUB1bn support initiative to assist SMEs to conduct their business online and find staff remotely.

The pandemic has cultivated new online habits and accelerated digitalisation of broader segments of the Russian economy and its population. Mail.ru is proactively expanding its capabilities to capitalise on this trend.

In July 2020, Mail.ru's global depositary receipts started trading on the Moscow Exchange. In October 2020, Prosus, Tencent and other major strategic investors participated in Mail.ru's issuance of US$600m global depositary receipts and convertible bonds.

Looking forward

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.

Mail.ru's global depositary receipts are listed on the London Stock Exchange. Further information is available at www.corp.mail.ru.

Media – Media24

Building a smaller, more profitable South African media business with a significant investment in ecommerce.

REVENUE[1] (US$'m)

2021	211
2020	272

TRADING (LOSS)/PROFIT[1] (US$'m)

2021	(8)
2020	8

Performance highlights

Media24 is Africa's leading print and digital media group with interests in digital media and services, newspapers, magazines, ecommerce, book publishing and media logistics. It publishes several magazines and newspapers and reaches 1.5 million average daily unique browsers – up 45% year on year, generating 12.6 million average daily page views, across its digital platforms.

1 Presented on an economic-interest basis.

'We have built a strong foundation for the next phase of our journey of sustainable profitability in an increasingly digital world.'

Ishmet Davidson
CEO, Media24

The opportunity

The media industry remains challenging, with pressures on revenues and growth in the print media sector. However, there are opportunities to deliver sustainable profitability through careful cost management, targeted investment in digital operations (including paywalls) and technology, reigniting diverse revenue projects beyond live events and growing external revenues in media logistics. Ecommerce opportunities in South Africa are significant after the surge in online shopping ignited by the pandemic.

Performance

After a dismal start to FY21, which saw Media24 bearing the full brunt of the pandemic as revenues plummeted in our already-fragile print business, performance improved significantly from the third quarter – albeit still down considerably against the prior year.

This turnaround over the past six months was underpinned by several highlights, including:

- Reaping the benefits of our timely response to the impact of the pandemic – including the major restructure of our print media operations.
- First-rate news reporting to a country hungry for information it can trust, resulting in strong growth in digital audiences and subscriptions, as well as advertising. By the end of March, our year-on-year performance on digital metrics included:
  - News24 average daily unique browsers grew 45% year on year to 1.5 million
  - Netwerk24 subscribers grew 29% year on year to 77 500
  - the News24 paywall attracted almost 31 200 subscribers since its launch in August 2020, and
  - digital advertising grew 10% year on year.
- Our print portfolio – newspapers and magazines:
  - Recovering faster and much better than expected, boosted by trimmed costs and new publishing models.
  - Solid returns on our investment in ecommerce.
  - Fulfilment volumes at Contract Logistics more than doubled as this sector continued its unprecedented growth since the early days of the pandemic.

- Excellent schoolbook orders and higher general book sales after the hard lockdown.
- Significant gains in external revenue at On the Dot, our media logistics operations.

As a result, revenue contracted 19% from the prior year, much less than expected. Revenue from the media business (news, magazines, distribution and TV) declined by 21% over the year and that of the books business by 7%, while revenue from the ecommerce portfolio (Contract Logistics and Careers24) increased 51% compared to the past year on significant growth in ecommerce volumes. Supported by the much-leaner cost base and new operational models implemented in the second quarter, combined with stringent cost management, the trading loss was limited to R8m, compared with a prior-year profit of R8m.

Responding to the pandemic

From the earliest days of the pandemic in South Africa, we have focused on two main priorities – the health and safety of our people and business continuity. However, the pandemic has accelerated the pre-existing and long-term structural decline in print media, resulting in a devastating impact on our own already-fragile print media operations.

Even with a return to pre-Covid-19 economic levels, the impact of the pandemic on the print media operations has been unrecoverable. This part of the business contributed 60% of Media24's revenues and in addition to the early interventions to mitigate losses – ranging from operational adjustments and not awarding salary increases, to a freeze on non-essential hires – we also initiated a major restructure in July 2020. This included the closure of eight magazines and four newspapers, going digital-only with two newspapers and one magazine, outsourcing the editorial production, and reducing the frequency of the remaining monthly magazines, and reducing staff in related support services and corporate departments. This resulted in cutting nearly 610 positions and retrenching about 510 people out of a total staff complement of 2 697.

At the same time, Media24 implemented its business continuity plans and was able to serve record digital audiences and produce newspapers and magazines with almost no one being in the office. Additional safety measures were implemented for our journalists working in the field, as well as for logistics and warehousing staff responsible for the distribution of our own and third-party printed publications and processing ecommerce fulfilment orders.

We will continue to align our plans and strategies to the post-pandemic realities as they emerge.

Media – Media24 continued

Applying AI and ML
As we continue to reposition and transition Media24 for a sustainable future in an increasingly digital landscape, we are taking great care with the level and scope of our operational investments in AI and ML. We make good use of multiple technologies and models at News24 and Netwerk24, focused on issues such as predictive analytics of articles for digital newsrooms, content recommendations, customer subscription and churn prediction. In addition, 24.com combines the power of ad technology and analytics for more impactful behavioural profiling and targeting. This includes profiling readers according to content consumption and assigning them to interest segments. These segments are integrated into the ad-serving solution to enhance targeting.

The home of quality journalism
We are proud to keep Media24 the home of quality journalism and publishing. The long list of industry awards and accolades includes: News24 being named by the Reuters Institute as the most-trusted news brand in the country for the second year in a row; four Sikuvile and 14 regional Vodacom journalism awards; two WAN-IFRA African Digital Media awards; six ATKV Mediaveertjies; 26 finalists and two winners in the Forum of Community Journalists excellence awards; two South African Film and Television awards; and six South African Literary Awards for authors at NB Publishers. Media24 also received the South African Graduate Employers Association award for the best place to work in the media for the fifth consecutive year.

Environmental commitment
In line with our commitment to the environment, we currently measure scope 1 and scope 2 greenhouse gas emissions – from next year, also scope 3 – and our carbon footprint decreased by 28% year on year to 8 766 tonnes of CO_2e (2020: 12 326 tonnes of CO_2e). We seek to use technological innovation to create solutions that minimise our impact on the environment. We also perform regular risk assessments to identify operations where our direct impact on the environment is most significant. This year, we also conducted data gathering and collection to determine our scope 3 emissions and going forward we will enhance this reporting process.

We have several energy-efficiency initiatives, including movement-activated and energy-efficient lighting, energy-efficient air conditioning, power-factor corrections and load balancing. As South Africa remains a water-scarce country, we continue to apply water-saving measures, even in provinces no longer suffering from the severe drought of recent years.

We also recycle to limit our impact on the environment. For example, we recycle unsold newspapers and magazines, and we use responsible service providers to dispose of electronic waste.

Investing for positive social impact
We undertake a range of social investments and initiatives. These include policies to encourage procurement from small black-owned businesses; providing training to learners at ThisAbility – an NGO that publishes a newspaper with content by people with disabilities and offers tertiary bursaries to promising black journalism and computer-science students; and supporting enterprise development in the education sector through donations and time.

The emphasis is on encouraging business units to lead in social investments. Our proud tradition of enriching lives beyond our media business is well established through our Volunteers24 programme and its spin-off, the #1000ActsofKindness campaign. All staff members are entitled to three days' paid leave per year for charity work and their contributions are acknowledged in performance reviews.

However, in the 2020 calendar year, Covid-19 regulations and an erratic school calendar have severely hampered our staff's efforts, most of which are closely linked to physical events (such as festivals and fundraising drives) and structured activities (for example, education, including the donation of school textbook and reading material to operating schools in underserved communities). Instead, we shifted the emphasis to offering free advertising and marketing support for charity drives and fundraising in the education sector, for feeding schemes and for poverty-relief initiatives. Fortunately, most of the education-support projects for school learners could continue online.

We contributed R1m to the South African government's Solidarity Fund in FY20. This year, our main financial contributions were to the Botswana government's Covid-19 relief fund (R0.8m, through our subsidiary Collegium Publishers) and seed funding of R0.5m for the Eat Out Relief Fund. This fund was founded by subsidiary New Media to support a feeding scheme run by the restaurant industry, which has been affected severely by lockdowns, and pay the salaries of restaurant staff from funds raised. All our publications/platforms supported this fund with free advertising calling for donations. By 31 March 2021, the fund had paid out R1.9m in relief funding to 55 restaurants countrywide, providing 1.2 million meals to feeding schemes.

In addition, we ran campaigns offering struggling small-business clients free advertising and the opportunity to incorporate ecommerce into their operations, as well as supporting calls for donations to and applications for business-relief funding.

Looking ahead
We continue to build on our smaller, more profitable media business and to capitalise on our ecommerce and media logistics strengths and opportunities.

PERFORMANCE IN FY21

Digital audience up **45%** year on year

News24 launched a paywall in August 2020 and attracted **31 200** subscribers by 31 March

Netwerk24 subscriptions up **29%** year on year

News24: most-trusted digital news brand in South Africa for second year running (Reuters Institute)

Ecommerce fulfilment volumes more than doubled year on year

Exceptional school textbook orders in South Africa and in Botswana

Media24 television launched a second channel on DStv HONEY is a pan-African lifestyle channel, commissioned by MultiChoice

Staff engagement increased 2% year on year to a record high of **79%**

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$720m 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 further strengthened our 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[1], 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.

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, notably:

In Classifieds, we merged letgo and OfferUp into a business with national reach across the United States (US), 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 commitment of US$500m in Skillsoft via Churchill Capital Corp II's special-purpose acquisition company which closed in June 2021. The transaction creates 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 summarised 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 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.

1 Free cash flow represents cash generated from operations, plus dividends received, minus capital expenditure, capital lease repayments and cash taxation paid.

Managing risks and opportunities

At heart, we are entrepreneurs. We seek to create sustainable value by investing in and operating leading technological companies that enrich communities.

Our success is driven by our culture in which people are empowered to promptly respond to business opportunities while keeping risks within defined acceptable levels.

We are committed to applying principles of good governance, as well as complying with laws and regulations as applicable in the territories in which we operate and as dictated by the listing requirements of relevant securities exchanges. Our governance structures, policies and processes are designed to accomplish this.

How we consider opportunities and govern risks

To create stakeholder value in the broadest sense and in a sustainable manner, the six capitals transformation model is considered useful to analyse business opportunities and risks.

In setting our strategy, we evaluate strategic opportunities and select objectives that either drive performance directly or strengthen our business – or that may achieve both at the same time. We select those objectives that we consider to be the greatest drivers of value for our stakeholders and aim to achieve an overall net positive value in capitals transformation through our strategy execution.

We proactively manage broader sustainability risks from both an investor and an operator perspective. Our policies, governance guidelines and statements on ESG-related issues, responsible investment considerations and human rights are guiding principles that govern our practices.

We expect our businesses to apply a methodical approach to analyse risk and opportunities, while ensuring sustainability aspects are included.

The various risks thus identified present themselves as either overconsumption of any of the six capitals (higher input than intended) or underproduction (lower output than intended). We may also identify opportunities for increased efficiency (lower input than anticipated) or more effective production (higher output than anticipated) in any of the capitals and, therefore, exceed against our original objectives.

The parameters to create value for our stakeholders are set and monitored by our board of directors and supporting governance committees (refer to governance structure on page 101). These parameters include policies that govern our risk management and compliance processes, and relevant tolerance levels for individually identified risks.

Key risks are evaluated at the appropriate level and reported to the board. The risk committee assists the board to ensure that risks and opportunities are governed as intended and achieve desired outcomes.

Roles and responsibilities

Management and the board are accountable for the choices and decisions we make, how we execute these and for delivering value in its broadest definition – within the parameters of the risk profile the board deems acceptable.

As the group continues to evolve and invest in companies that operate at different maturity levels, risk tolerance levels are set topdown, and management of the business segments is accountable to manage risk within these levels.

Analysing and responding to different risks

Our businesses are expected to apply a defined, structured approach to identifying, assessing, analysing and responding to risk and opportunities within tolerance levels set by the board.,

Identify → Assess → Analyse → Respond

Our risk analysis focuses on the impact of risk on our objectives without losing sight of any opportunities that may arise.

For risks we are not prepared to accept, we act to reduce our vulnerability.

Depending on the importance of the risk in relation to tolerance levels, active management of the risk takes various forms and varies in extent.

1 Controls to prevent and detect risk – We operate or implement enhanced control and monitoring measures that either prevent or detect the materialisation of a risk at the earliest stage.

2 Spread risk – We take measures that mitigate any material consequences and, on a portfolio basis, we spread uncorrelated risks.

3 Share or transfer risk – Where we can, we explore ways to share or transfer risk.

4 Mitigate risk – We enhance our resilience to risk where possible and run adequate insurance programmes to mitigate the risk of sudden losses caused by the materialisation of insurable risk.

5 Exit strategy – Wherever we find a risk we cannot manage within or mitigate to acceptable levels, we consider ways to avoid the risk altogether, for example by entering into an exit strategy.

Increasing risk

Managing risks and opportunities continued

The responsibility for managing risk lies with the owner of risk: in most cases operational management, assisted by the finance function and, where considered useful in our businesses, specialised risk management and risk support functions.

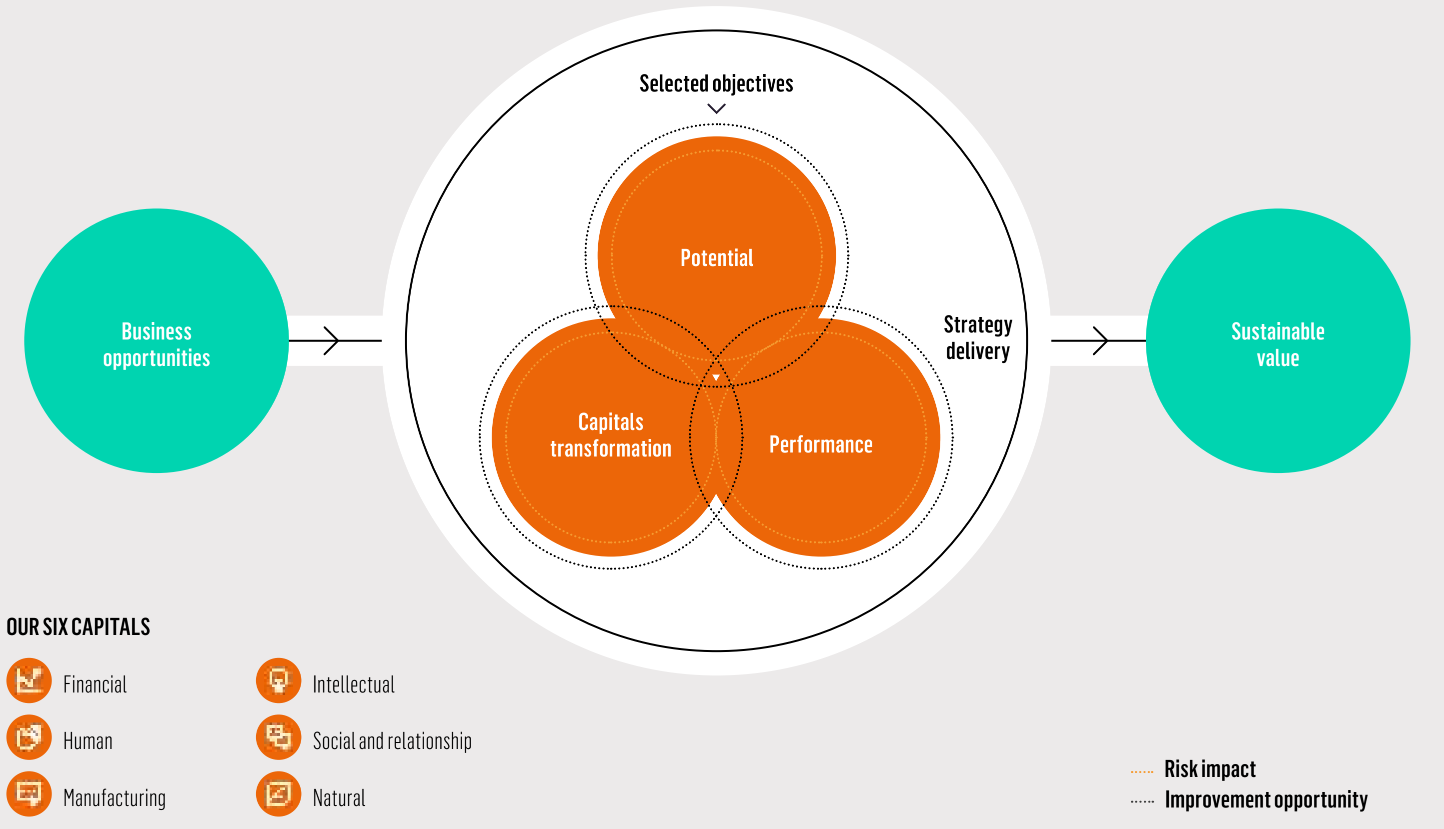
The group's internal audit and risk function assesses the effectiveness of the system of risk management and internal control and may assist and guide the business in this respect.

Monitoring of key risks

The board, assisted by its committees as applicable, periodically reviews and monitors the risk profile of the group and any developments thereto. This is to determine that the profile remains in line with the overall risk appetite and, for individual key risks at the consolidated level, within stated risk tolerance levels. The key risks that are considered to determine the overall profile are linked to the six capitals.

For this purpose, the businesses, assisted by the various support functions, submit regular reports on the key risks and any changes in the business.

Objective-driven dynamic approach



Key areas of focus in the year from an opportunity and risk perspective

1. During the year we have pursued opportunities and invested in:
- Growing and strengthening our businesses in the various segments, through further financing of organic growth and acquisitions.
- Product and technology development, supported by development of ML and AI.
- Business resilience through investing in infrastructure and cloud solutions and enhancement of cybersecurity.
- Talent management.

2. Capital allocation:
- We have been prudent to allocate capital to stay within our return on investments (ROI) targets.
- We have initiated a US$5bn share buyback programme.

3. Sustainability:
- Enhanced integration of sustainability aspects into our strategy setting, execution and reporting.
- We continue to develop our integrated annual report to improve non-financial information disclosure.
- Enhanced data governance and ensuring compliance with data privacy regulation around the world.
- We have strengthened our legal compliance teams and processes.
- Reduce our carbon footprint, by zero-rating the group travel emissions by way of partnering with climate-neutral organisations.

4. Responding to the global Covid-19 pandemic outbreak:
- We deemed Covid-19 a global crisis in early February 2020 and have been implementing protocols globally and locally since then (refer to pages 81 and 83).
- Our work includes scenario planning for how Covid-19 could evolve, the impact this could have on the countries we live and work in and the businesses we operate and invest in.
- We are assessing key business risks across our core segments and putting in place mitigation plans.

Monitoring of key risks

Capital	We aim to	Key risks	Measures to respond to opportunities and manage risk	Changes to risk to be considered
Financial capital				
At heart, we are entrepreneurs. Within the parameters set by the board, we continuously pursue growth and set ourselves ambitious goals that create sustainable value for our stakeholders. We actively seek opportunities to improve and strive to preserve the value created within our existing businesses.	• Focus on investments in business models and technologies that hold promise for future growth and have potential to scale globally and align with global sustainable development agendas. • Benefit the countries we operate in by creating business for local suppliers, employing people and giving governments their dues via taxes and levies. • Manage our assets and liabilities with regard to the interests of our investors and other stakeholders and in accordance with board-approved risk appetite. • Comply with relevant company law and securities exchanges regulations. • Report accurately on our financial position and performance in accordance with applicable accounting standards and regulated disclosure requirements. • Avoid obsolescence of products and services. • Minimise our investments in working capital.	• Global and political market disruptions. • Insufficient funding to realise our ambitions. • Unexpected changes in the value of our assets. • Currency exchange fluctuations as well as navigating applicable exchange controls. • Failing to compete effectively. • Credit and counterparty risk. • Fraud-related crimes and theft. • Financial misstatement and/or failure to accurately disclose in our public reports. • Most of our businesses are subject to extensive laws and regulations: legal or regulatory developments, including changes in tax laws, may have an adverse impact on our businesses. A number of new laws and regulations around consumer protection and privacy have been passed globally. • In recent years investors' awareness of ESG issues, such as climate change, pushes them to invest in funds that benefit society in addition to generating returns. The continued focus on ESG performance scores will mean that businesses that do not meet certain ESG base criteria will not attract investment. • Our capital allocation disciplines underlying our investment strategy may not deliver the (above-average) sustainable return our investors seek in return for the risk they appreciate. We may not find investment opportunities that fit our strategy and deliver an expected return more than our cost of capital. Portfolio risk may prove to be higher than we assumed to accept, which could negatively impact IRR and lead to a decline in the valuation of Prosus and/or Naspers.	• We do not tolerate risk levels that impose an immediate threat to the group as a going concern. We tolerate currency translation risk as it is uncontrollable and, while short- and mid-term movements may be volatile, in the long run they are expected to be less impactful. • We promote the operation of an effective internal control environment (no major failings have occurred to the knowledge of the directors) in our businesses and the audit committee oversees that the overall assurance sourced from various providers is sufficient to base upon the board's assessment of key risks in the overall risk profile. • We develop and use AI, inter alia, to counter fraud and platform abuse. • We have strong inhouse teams to monitor global and social/political developments, including legal, tax and regulatory, and adjust quickly. We invest in diversified markets. • We allocate significant resources to analyse market developments and invest in early-stage opportunities to stay ahead. • We act early to ensure we have the funds and resources to realise our ambitions over the longer term and we manage the balance sheet conservatively. We currently have a large cash position and spread the maturity of debt facilities. • We invest funds and manage our cash and currencies in accordance with our group treasury policy which, inter alia, sets minimum standards to mitigate risk of counterparty default. • In exercising our business strategy, we perform regular country and business reviews. We periodically perform and report on impairment of our investments. • We operate a legal compliance programme, focusing, inter alia, on bribery and corruption and anti-money-laundering. We implement specific controls, such as diligent know-your-customer (KYC) processes and fraud detection. • Leading advisers are used for reviewing markets or businesses, including due diligence processes, and legal and/or compliance-related risks are managed in consultation with external lawyers and specialist advisers within specific legal jurisdictions. • We perform regular reviews of tax compliance and specific risk areas and apply responsible corporate citizenship as taxpayers while operating within tax control frameworks. • We execute on a communication strategy for our shareholders and other stakeholders. Published segmental results enable the investment community to form an opinion of the valuation of the individual businesses in the group. • We comply with IFRS accounting standards. • The audit committee and PwC rigorously apply regulations around audit independence. Regular reviews of the effectiveness of auditors and their independence are performed. • Both at group level and at individual business level, we operate insurance programmes for various classes of risk and place cover with reputable underwriters. • We engage with investors and ESG analysts on our ESG ratings and investor expectations and focus on enhancing our ESG performance. • Any investments we make are carefully considered and significant ones require board approval in accordance with delegation of authorities. • Corrective action is taken if an investment deviates materially from the business plan and financial targets, including options to divest.	Global market disruptions, mainly as a result of the global Covid-19 pandemic outbreak on top of heightened political and international trade tensions may impact on our ability to grow our businesses and deliver returns for our capital providers.

Monitoring of key risks continued

Capital	We aim to	Key risks	Measures to respond to opportunities and manage risk	Changes to risk to be considered
Human capital				
We acknowledge that our employees' competencies, capabilities and experience, as well as their drive and engagement, are key to our success.	• Attract and retain high-calibre individuals to execute on strategy and build sustainable businesses. • Back entrepreneurs and local teams by providing them with resources to accelerate growth. • Provide our employees with focused career development and training. • Benefit the economies and societies in which we operate by creating employment opportunities. • Protect our employees and promote social cohesion. • Foster a safe and healthy working environment where people feel cared for, heard and supported in their ambitions. • Reinforce the leadership pipeline and accelerate the growth of top talent. • Support the ongoing development and growth of our businesses and equip our people with new skills for tomorrow. • Develop core business skills in the segments we invest in. • Be fair and responsible in our remuneration practices and have a pay-for-performance remuneration strategy. • Encourage diversity in our teams and thinking, and build inclusive workplaces. • Comply with relevant labour laws in the countries where we operate.	• Human rights violation, including unfair treatment and remuneration, or engaging in practices that may adversely affect humans in any of the six capitals. • Global shortage of high-calibre (digital) talent. • Employees are actively seeking out employers that reflect a higher sense of purpose and choose to be part of a company that contributes positively to society. • Non-compliance with applicable occupational health and safety (OHS), and labour and economic empowerment laws. • Our food-delivery businesses use a large pool of drivers that in many cases are also external contractors. Due to shifting public opinion and/or regulation our businesses are increasingly expected to take responsibility for safety of drivers (and the general public) and provide increased benefits. • Societal restrictions related to the Covid-19 pandemic have lasted for more than a year, and these create additional challenges: reduced social contact and extended working from home manifest in additional stresses on the mental health of employee populations. Those in family situations are faced with the additional responsibilities of childcare and home schooling over and above work performance priorities. Employees working in customer-facing roles have concerns about their potential exposure to the virus.	• We unequivocally respect human rights and protect the fundamental dignity of our workforce. We are committed to providing a respectful, safe and secure environment that is free from any form of human rights abuse. We expect everyone to behave in a way that supports this commitment wherever they work and in all situations directly related to work. • This commitment extends to the board and all people who work at Prosus and Naspers, including temporary and permanent employees, contractors, consultants, agents, trainees and/or job applicants. Where an individual is employed by an operating company, this group commitment supports any local policies that may be in place. • Our food-delivery businesses apply specific procedures to the hiring and monitoring of independent contractors. • Strategies to develop employees and attract talent to meet the business's objectives, including learning and development initiatives, training and employee wellness initiatives across the group. A global talent function focuses on attracting, retaining, developing and engaging people with key skills and rewarding exceptional performance. • We prepare and table succession plans annually to the human resources and remuneration committee. • Our global human resources function focuses on attracting, retaining, developing and engaging people with key skills and rewarding exceptional performance. • We benchmark our remuneration practices and structure them to attract and retain critical talent necessary to achieve our objectives. These practices are overseen by the human resources and remuneration committee. • Human resources policies and procedures to address talent attraction, management and retention, development, succession planning, fair and responsible remuneration, working conditions, grievance procedures and diversity, inter alia, to protect employees from human rights violations. We monitor labour legislation in the various countries we operate in and ensure we comply. • Our businesses increasingly put insurance programmes in place to cover relevant drivers' (health) liabilities. The insurance markets are, however, still in development in this respect. Our businesses are closely monitoring the development of regulations and our compliance with them. **Covid-19** • During the pandemic, our priority has been to maintain the health and safety of our people and to act responsibly. • Our relatively strong financial position, with good short-term liquidity and our online business models place us in a comparatively better position than most during pandemics. • We have managed risks and adhere to government requirements by moving knowledge workers to work predominantly from home, closing offices where required and limiting occupancy where offices remain open. • Support materials have been provided to people managers and individuals on working effectively from home. • We have put restrictions on business travel. • Employees working in frontline and/or customer-facing roles (eg etail warehouses, vehicle inspection centres, media distribution) have been supplied with PPE, and social distancing protocols have been maintained. • Through our employee assistance programme, our people and their families have access to confidential support/counselling for emotional, legal and financial problems. • Our business continuity protocols have proved effective during the current pandemic and we have meaningfully limited negative business impact.	Increasing as a result of shortages of necessary talent and the effect of the global Covid-19 pandemic outbreak. Food delivery is enabled by a high number of drivers who, in the main, are independent contractors but our businesses are increasingly expected to take responsibility for safety of drivers (and the general public) and provide increased benefits.

Monitoring of key risks continued

Capital	We aim to	Key risks	Measures to respond to opportunities and manage risk	Changes to risk to be considered
Manufacturing capital				
Manufacturing capital is key to our services and operations. Across the group, manufacturing capital may include: • Office, service centre and warehouse buildings and equipment. • Information and technology infrastructure and equipment. • Distribution networks (such as customer service centres, retail outlets and courier services). • Public infrastructure such as roads for delivering goods. • Vehicles. • Inventory/stock.	• Ensure that office buildings, warehouses, retail outlets, vehicles and equipment are efficient, well maintained and adequately insured against relevant risks. • Maintain and/or occupy buildings and facilities with low carbon impact and green-certified where possible. • Ensure our operations do not negatively impact on the societies in which we operate. • Operate and/or source green fleet solutions. • Operate a secure and resilient technological infrastructure. • Manage our outsource partners to deliver on agreed service levels. • Avoid obsolescence of products and services held for sale by procurement and inventory management.	• Natural or human-induced disaster and political risk. • Most of our businesses have buildings (eg offices, outlets, warehouses) and various types of IT equipment, office furniture, vehicles and other. Failure to operate these assets efficiently and/or to maintain these adequately could result in service interruption or write-offs and affect profitability. Furthermore, such assets are subject to potential theft and damage, which could result in losses should they not be appropriately insured. • Service-availability risks such as failure of software, systems or infrastructure (eg due to technical failures or cyber-attacks) could disrupt continuous services to our customers, affecting satisfaction. The risk is higher in some of the countries that we operate in, where the energy grid infrastructure may fail to provide consistent and reliable levels of power supply. • Certain business segments operate in locations that are likely to be impacted by physical climate-related hazards such as floods and sea level rise in the longer term (eg in Mumbai). As was witnessed in recent years, operations in South Africa are vulnerable to disruption by the impact of increased water stress and drought. More broadly, logistics (upstream from suppliers and downstream to customers) of some of our companies might be impacted due to storms and localised risks. Our South African businesses in particular may suffer from power shortages. • Some of our businesses, especially in the B2C segment, carry significant inventory. Our Classifieds segment engages in car trading and may hold meaningful investments in cars for sale at points in time. Such inventory is subject to a wide range of risks, such as obsolescence, shrinkage and theft (including robbery of warehouse premises) and damage.	• The group's subsidiaries are required to act in line with the group's good governance guidelines, which, inter alia, aim to ensure effective management of IT- (and cyber-) related risks across the group. This includes risks of data/information security breach and business interruption, for instance by implementing and testing disaster recovery plans as part of their overall business continuity planning. • Robust business planning, including working capital. • We maintain adequate short-term insurance cover for our assets and loss of income due to business interruption. • Asset maintenance programmes. • Contracting with and regular performance evaluations of our service providers (including service-level agreements with outsourcing parties). • We run SAP in most of our B2C businesses and invest in other support systems to optimise our inventory planning and management and to ensure efficient warehouse operations. • Our warehouse operations and procedures include strict access control, separate storage of high-value goods, camera observation and other security measures. • As part of their overall business continuity planning, in territories where continuous power supply is a risk, our businesses have contingency backup in the form of generators. • We conducted a groupwide assessment of climate-related transition and physical risks to help assess vulnerabilities and be better prepared to respond. The outcome was that most of these risks are located in specific operations and countries and are unlikely to disrupt the operations of businesses as a whole.	Moving our IT operations to the cloud makes us asset lighter and more resilient against cyber-attacks, but increases our dependency on outsourced services suppliers. Cybercrime remains and requires significant focus and investment to protect our data and manage cybersecurity risks. The global Covid-19 pandemic outbreak may impact on the net realisable value of components of the inventory held by our businesses.

Monitoring of key risks continued

Capital	We aim to	Key risks	Measures to respond to opportunities and manage risk	Changes to risk to be considered
Intellectual capital				
Intellectual capital (knowledge-based intangibles) includes intellectual property (IP) such as patents, copyrights, trademarks, domain names, confidential information, as well as institutional knowledge, systems, procedures and culture.	• Use intellectual capital to drive customer-focused development and innovation strategies. • Strategically protect our intellectual capital and take reasonable steps to avoid infringing or misappropriating third-party rights. • Produce and acquire valuable content for consumption by our customers through our various platforms (in Media). • Cultivate positive, innovative, ethical cultures within the group, including measures like adoption of groupwide IP guidelines and open-source software guidelines to educate employees on appropriate protection and use of IP rights. • Build intellectual capital through continuous investment in our people and knowledge-sharing programmes throughout the group. • Maintain adequate cybersecurity programmes commensurate to business size and workforce.	• Cybersecurity risks: Our systems and the data they store are subject to various IT security threats, which target sensitive information, integrity and continuity of our services and the reputation of our businesses. • Data privacy risks: A failure in or breach of our operational or security systems or those of third parties with which we do business could disrupt our businesses, result in the disclosure or misuse of personal, confidential, or proprietary information, damage our reputation, increase our costs and cause losses. • Failure to properly protect and enforce our businesses' IP rights against any unauthorised use or infringement by third parties may lead to loss of market share, revenue opportunities and reputation. • Ineffective response, including insufficient innovation, to meet our customers' changing demands and consumption patterns.	• Consistent with the Risk Management Policy, the group's Information and Technology Governance Charter and the Cybersecurity Policy, individual businesses directly manage cybersecurity risk and IT operations. Chief technical officers (CTOs) or chief information security officers (CISOs) or chief information officers (CIOs) establish an appropriate risk management framework and relevant policies and procedures aligned with in-country legislation. Management teams ensure cyber-risk resilience is on their agenda, that adequate crisis (and communication) plans are implemented and tested and that disaster recovery plans are in place. Annually, CEO/CFO's sign off on this. • The group, through the risk and audit function, periodically checks the security fitness of the businesses and requires semi-annual and security status reports from the risk function, the CTOs and heads of security. The reports are aggregated and shared with the group executives and the risk committee. • The group expects the business to procure adequate cyber-insurance, which is in place for our larger segments and at corporate level. • Legal functions provide legal advice on cybersecurity and data privacy, communicates legal requirements to internal stakeholders and establish a privacy framework and relevant policies for implementation. • Through risk and audit working together with human resources and through businesses' own initiatives, around the group we run security awareness programmes (eg by way of phishing awareness campaigns) and deploy training sessions on security in the workplace. • Our businesses comply with in-country data protection laws and, where applicable, Payment Card Industry – DIGITAL Security Standards form part of management's responsibilities. • Our policy on data privacy governance sets out the responsibilities, principles and programmes to manage data privacy across the group. • The group's policy on data privacy governance defines how data privacy is managed in the group, as an element of information and technology (I&T) governance described in King IV, promotes best practice with respect to the processing of personal data within the group; accommodating diversity with respect to business models, resources, culture and legal requirements; and supporting trust in our businesses' products and services. • We have appointed a group head of data privacy, who has implemented a data protection privacy programme that incorporates incident response, training and assigning responsibilities to resources within the businesses to ensure capacity to report and coordinate on incidents with relevant regulatory bodies. • We have appointed a group head of IP, who developed our IP strategy designed to provide freedom to operate and grow our businesses. • The strategy focuses on the creation of critical IP assets – trademarks, domain names, patents and copyrights – to protect what we know and what we create. • Any relationships with employees, consultants or third parties where intellectual property is created or used – our business agreements include terms to ensure ownership of or licences to any necessary IP rights for our companies. • We extensively monitor internet and social media platforms for infringement of our trademarks and copyrights that may be an indication of competitors attempting to unfairly trade on our companies' goodwill to develop their own business or bad actors attempting to misuse the trust our businesses have earned for dishonest or illegal purposes. • When we discover third-party use of our IP rights that is deemed to be improper or unauthorised, we quickly take remedial measures such as initiating a takedown of the infringing activity by working with the platform operator. In the case of bad actors who carry out organised and widespread infringement of our brands for criminal purposes (eg phishing), we work with the authorities to determine whether they can eliminate the threat at the source. • Research and development spend strategies are linked to value creation. We hold regular strategy and operations reviews, also to assess product and service development.	Increasing as we need to increase our investment in data-driven technologies and run heightened risk of technology obsolescence or falling short in building AI/ML solutions towards our service and product offering.

Monitoring of key risks continued

Capital	We aim to	Key risks	Measures to respond to opportunities and manage risk	Changes to risk to be considered
Social and relationship capital				
We acknowledge that we are required to act in line with our values and code of business ethics and conduct, and carefully manage both internal and a wide array of external stakeholder relationships.	• Respect human rights. • Cultivate an ethical culture. • Comply with relevant company and other applicable laws. • Meet the requirements of regulatory and financial authorities (including securities exchanges) and participate in the development of policies beneficial to societies and markets in which we operate. • Build trust and maintain the businesses' licences to operate, our brands and reputation. • Engage with our stakeholders and respond to legitimate and reasonable issues raised. • Benefit the countries we operate in by investing in local entrepreneurs, creating business for local suppliers, employing people and giving governments their dues via taxes and levies. • Focus on hiring local employees and growing local talent. • Give our people meaningful jobs with the opportunity to learn and grow professionally, in a purpose-driven environment where they are recognised for a job well done and are paid fairly in line with personal and company performance. • Create a diverse and inclusive workplace. We promote safe reporting of feedback or issues with our people, processes and practices. • Safeguard the health, safety and wellness of our people. • Sustain corporate social initiatives focused, targeted and linked to business strategy.	• Infringement on human rights contrary to the group's human rights statement. • Unethical behaviour in breach of our code of business ethics and conduct. • Loss of consumer trust, for example, failing to deliver on our service promise, data-security breaches, non-compliance and inferior product offerings. • A breach in customer-, employee- or business partner-sensitive data resulting in identity theft, discrimination or possible financial losses. • Non-compliance with laws and regulations in the countries where we operate, specifically, but not limited to company law, data privacy, anti-bribery and anti-corruption, taxes and duties, licence conditions, consumer protection, anti-money laundering and international sanctions. • Non-compliance with the rules of the Euronext Amsterdam, JSE, LSE, A2X Markets stock exchanges could result in the suspension of Prosus and Naspers shares and bonds from trading. • Negative impact as a result of our business operations or products in societies in which we operate. • Infectious diseases affecting societies in which we operate.	• Our associates and investees (non-controlled entities) are required to comply with applicable laws and regulations. • Mindful of the opportunity that we have to influence our supply chain partners through our supplier and purchase decisions, we expect a commitment to minimum human rights standards, that is compatible with our own commitments, by companies who seek to qualify as a supplier to Prosus and Naspers. • Management is committed to setting the right tone at the top and we communicate our values as per our code of business ethics and conduct and through ethics awareness initiatives. • Anti-bribery and anti-corruption training and programmes as part of the legal compliance programme. • We make our OpenLine whistleblower facility available for employees to report suspected unethical behaviour. • Measuring and monitoring strength of customer relationships (such as Net Promoter Score) and strategy to ensure customer satisfaction. • The group actively manages stakeholder relationships and responds to legitimate and reasonable issues raised by major stakeholders. We strive to provide increasing transparency, primarily through our integrated annual report and various stakeholder meetings, presentations and leadership interviews throughout the year. • We continue to strengthen our public policy teams, increase engagement with regulators and invest in corporate affairs, government relations and communication while operating a robust legal compliance programme. • Adopting measures to protect customers (including frameworks and policies in place, and training and awareness) and ensuring customer privacy and data security are managed and monitored. This includes measures to protect against cyberthreats. • Data privacy is managed by our data privacy team and measures are taken to protect all sensitive data, including compliance with laws per territory. We further ensure our platforms conform to data privacy requirements. • Corporate social investment programmes that benefit the community and the business, such as providing learning and internship opportunities to students, contributing to the community and improving employment in the country, but also contributing to the human, intellectual and financial capitals of the business in the long term. We have a number of social responsibility and social impact projects that aim to uplift communities in which we operate – these projects are based on the needs identified per territory. An example is Naspers Labs in South Africa. • The company secretary manages compliance with stock exchanges' rules where Naspers securities are traded, including required submissions of reports and updates. • The social, ethics and sustainability committee monitors compliance with BBBEE and similar industry charters in place for the South African businesses as well as other matters stipulated in the South African Companies Act. • The group's tax department proactively engages with tax authorities and has developed a tax control framework to enhance transparency and respond to increased scrutiny from tax authorities. • We periodically survey employee engagement and take corrective action where needed. • Selection, onboarding and evaluation of drivers and running safety (awareness) programmes. • Management of our businesses that run crisis-simulation exercises from time to time. • Internal audit periodically assesses the risk culture of selected entities. Results are indicative of the company's control environment and are discussed with segment and local management.	No change.

Monitoring of key risks continued

Capital	We aim to	Key risks	Measures to respond to opportunities and manage risk	Changes to risk to be considered
Social and relationship capital continued				
		• Regulatory requirements in relation to governance are well established globally and regulation of environmental and social topics is on the rise. In Europe, Prosus is required to comply with the European Non-Financial Reporting Directive and faces further regulation in the coming years such as further revisions to the EU directive, the EU's taxonomy regulation and the draft EU regulation on human rights and environmental impacts. Further, certain countries (such as South Africa) have introduced carbon tax and other countries are expected to do so in the future. • A listed company is expected to demonstrate responsible business conduct in line with stakeholder expectations of its ability to impact and be impacted by material issues. Lack of transparency and information in the public domain on topics important to stakeholders can lead to reputational damage. • Digital inclusion is a global risk and prevalent in the countries in which we operate. As a global technology investor and operator, we are exposed to markets where information, and communication and technology (ICT) is slow to develop, and uptake as well, due to specific in-country constraints.	• The sustainability team monitors applicable requirements and assists businesses where required – for example measurement of footprint and carbon tax assessment. • We proactively engage with stakeholders to identify topics that are important to them that can have an impact on and be impacted by our business and strategy. • Our sustainability policy provides the guidelines for responsible business conduct in our role as an investor and as an operator, allowing for the diversity of business models, resources, culture and legal and regulatory requirements across the group. • Proactively addressing climate-related issues, including by setting and publicly communicating strategy and progress made for the company, as well as majority-owned businesses. • Our business models are aligned with promoting digital inclusion, by virtue of using our products and services. • All entities in our group currently fall below the threshold of a carbon tax and tend to be relatively low impact in terms of the carbon footprint of their direct operations. However, if the world is to meet its 2050 climate targets, eventually some of our businesses may be affected	No change.

Monitoring of key risks continued

Capital	We aim to	Key risks	Measures to respond to opportunities and manage risk	Changes to risk to be considered
Natural capital				
We acknowledge that we are required to act in an environmentally responsible way. As a technology investor, the group has a relatively low impact on natural resources. Our businesses consider the extent to which natural capital may significantly affect current or future operations; trigger legal or regulatory processes or fees, such as emission fees; have a financial impact, eg on insurance conditions; and affect company image or relationships with stakeholders, eg changing customer and employee preferences. Each business's responses to mitigate key risks and pursue opportunities will differ depending on the unique risks and opportunities in its operating environments.	• Minimise our impact on the environment and address critical issues, including climate change and the responsible use of natural resources, specifically energy and water usage. • Comply with laws and regulations that relate to the environment. • To be useful to the communities we serve, acknowledging that environmentally responsible behaviour is part of this. • Take advantage of opportunities to reduce our environmental footprint. • Invest in high-growth markets and credible sustainable products and services that may offer new revenue streams.	• Despite our sustainability commitments, we may not be successful in achieving our own goals and ambitions towards minimising our ecological footprint. As our stakeholders increase their focus on responsible environmental behaviour and carbon emissions, we are at risk to be seen (rated) unfavourably in such respect, which may affect our reputation and ability to attract investors. • Worldwide extreme climate changes. • Rise in consumption of energy due to increased use of technology, leading to an increased carbon-emission footprint, adversely impacting climate change.	• We require our businesses to adhere to our group sustainability policy. • We measure our carbon footprint to understand how to reduce it. We publicly report on our carbon footprint and annually participate in an audit process to obtain assurance on the information reported. • We have taken various initiatives across the group to minimise our carbon footprint. These include reducing carbon emissions through the use of energy-efficient offices, operations and fleets. We also offset carbon credits through partnerships by investing in certified standard projects. • Where relevant, our businesses reduce waste through promoting recycling, reducing single-use plastic and using recycled packaging, as well as actively contributing to water-saving and preservation initiatives. • We monitor compliance with environmental laws and regulations. • The business models of our platform businesses have an inherently lower natural capital requirement. Some contribute to reusing products instead of buying new (eg Classifieds). • Reducing operational costs by minimising consumption and impact. • Reducing environmental compliance/regulatory fees and charges.	We measure and disclose our scope 1, scope 2 and scope 3 emissions. This year we are taking a step towards becoming carbon-neutral. To be carbon-neutral in our own operations' (Naspers and Prosus core) scope 1 and scope 2 emissions by the end of FY22, is embedded in the sustainability-linked goals of the chief executive and cascaded through the organisation. Next year, we will communicate our carbon roadmap and will be working with an independent specialist on strengthening our greenhouse gas (GHG) inventory and mapping reduction opportunities. Refer to our environmental section on pages 88 to 90.

Sustainability review

Contents

Our sustainability direction

Sustainability has always been at the core of who we are, what we do and who we partner with.

Our business is built around backing companies that use technology to help improve everyday life for people around the world. Our positive impact starts with the choices we make in the companies that we invest in. We choose to support local entrepreneurs who are using digital technology to address the everyday needs of the communities around them. By investing in local entrepreneurs, we enable them to access our financial and non-financial support. Moreover, we stimulate the economic and social development of the local communities as jobs are created and businesses gain a strong partner for their journey.

As people increasingly move their activities to digital platforms, there tends to often be a positive environmental impact. The digital delivery of products and services replaces the need for physical infrastructure and limits the need for transport. When customers buy and sell second-hand goods, for example, they are extending the life of the product, which directly contributes to a more sustainable way of life. From Classifieds to Payments and Fintech to Food Delivery to Edtech (our newest segment from 1 April 2021) – the businesses we back are at the heart of this digital transition.

Going forward, we aim to extend our commitment to sustainability through a greater focus on the material topics that have been highlighted by our stakeholders, so we can have a progressively better impact.

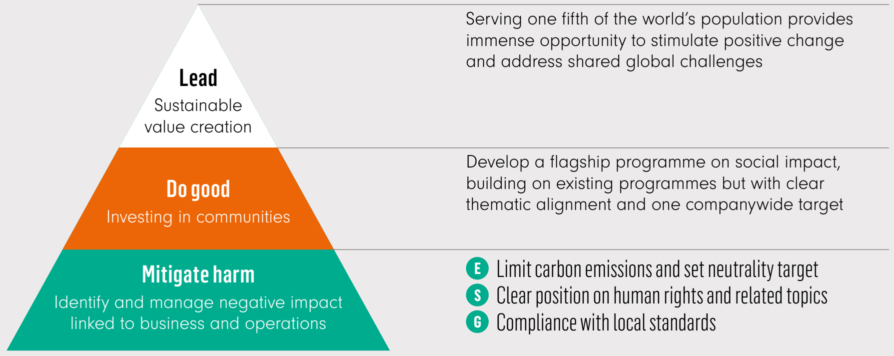
Our approach

We apply a rigorously layered approach to sustainability, rooted in our purpose and strategy and applied across the group, bearing in mind where we have direct influence and where our opportunity is to influence and encourage.

For us sustainability is a journey, where we start with looking inwards at how we can minimise the possible negative impacts of our own operations as much as possible. For example, we aim to be more efficient in our use of energy and reduce our emissions from our physical presence. By doing this, we look to minimise our scope 1 and scope 2 carbon emissions as a group. We extend this by encouraging our group companies to minimise their emissions, too.

However, we know that we can go further. We look for ways to give back to the communities that we operate in and to use our resources to lead the transformation to a more sustainable world. To this end, we work towards maximising the positive impact directly at a group level and indirectly through the companies we invest in. Some examples: we are increasing the use of renewable energy for the group's office buildings; and etailer eMAG, is investing in its own solar power for its new warehouse, as well as planting a 10km forest next to the warehouse.

Our approach to driving sustainability progress



Our commitment

Our commitment to sustainability is set out in our sustainability policy, available at www.naspers.com.

Sustainability governance

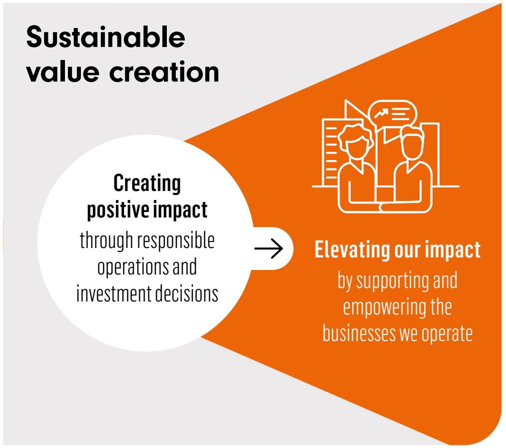
We take our responsibility seriously and the group's board-approved group sustainability plan reflects this commitment by identifying and focusing on specific sustainability goals. The board oversees, and is ultimately responsible for, sustainability and the progress made against the sustainability plan. The risk committee and the social, ethics and sustainability committee assist the board in discharging this responsibility.

The board ensures that processes are in place to assess and respond to sustainability risks and opportunities that arise as a consequence of the group's activities.

As part of its oversight of performance, the board considers the general sustainability of the group with regard to its solvency and liquidity, its status as a going concern and its reliance and impact on the six capitals. The board delegates the implementation of this sustainability plan to the management team and conducts a biannual review of progress against targets.

Living sustainability at a local level

Applying a one-size-fits-all approach to sustainability governance is not practical, given the diversity of majority-owned companies in our portfolio. As a result, the companies vary their approach to sustainability, based on factors such as business model, operations, workforce size and geography, resources and complexity of activities.



Our sustainability direction continued

KEY ISSUES

Business
- Financial performance
- Responsible investments
- Customer centricity

Environment
- Climate action

Societal
- Business culture, ethics and integrity
- People
- Data privacy
- Digital inclusion

Technological
- AI
- Cyber-resilience
- Innovation

Creating impact where it matters most

Through our materiality process we identified the 11 issues that are most important and that we can have the biggest positive impact on. More detail can be found on page 26.

The United Nations Sustainable Development Goals (UN SDGs) provide a framework for measuring impact. At a group level we believe our most meaningful contribution through our business and operations to enable the SDGs are:

- gender equality through our diversity and inclusion (D&I) initiatives
- decent work and economic growth through our various business and societal initiatives in the communities we operate in
- industry, innovation and infrastructure through AI, innovation and cyber-resilience, and
- climate action through our emissions-reduction initiatives.

Our group companies across our core segments contribute to the UN SDGs through their own particular strategies, initiatives and operations. Their most meaningful contribution is to quality education, responsible consumption and production and partnerships for goals.

For more information see our separate download 'Aligning our impact to the UN SDGs' and 'Measuring our impact' on page 21.

'We are a dynamic, responsible business committed to creating sustainable value for all our stakeholders.'

Bob van Dijk
Chief executive

Moving forward

There is no endpoint with sustainability – we are always looking to move forward. With the world around us constantly changing, our sustainability direction provides an anchor to help us keep contributing to positive change. To this end, every year, we review our sustainability direction as part of our strategic planning.

To ensure we live up to our sustainability commitment, we will:

- refine and evolve our sustainability approach through research, education and engagement
- consider the sustainability risks and opportunities, set appropriate goals and track our progress against them
- engage with investors and other stakeholders on sustainability matters
- analyse the overlap between environmental, social and governance (ESG) reporting requirements and other reporting frameworks and align with the most appropriate reporting frameworks to support our public disclosures, and
- report on progress in our integrated annual report and to our risk, and social, ethics and sustainability committees and the board.

As a leading global consumer internet group we have the potential to make a difference in many ways and across many areas.

Responsible investment

We are committed to investing in entrepreneurs and technologies that improve people's daily lives. We think global but often back local teams. Our capital allocation strategy helps us rigorously manage our assets for growth while balancing the importance of making a positive impact on society. We pursue growth by building leading companies that empower people and enrich communities. Our core focus on investing in companies that use digital technology to improve the daily lives of millions of people, helps us to deliver performance and value for all our stakeholders. Going forward, we will further develop and communicate our methodology for assessing the sustainable impact of our investment decisions.

Going forward, we will also further articulate our investment thesis on social and environmental risk mitigation and include our focus on enabling sustainable impact through our capital allocation strategy. We will be assessing our existing portfolio on sustainable impact and communicate progress on it.

Digital inclusion

As a global consumer internet group, we build leading companies that use digital technology to improve the daily lives of millions of people. Businesses across the group enable digital inclusion in diverse ways by offering users access to online services that enable financial transactions, buying and selling of goods, food delivery and education, among others. Each business sets its own unique KPIs and targets on growth in users that reflect its unique service proposition and business model. Beyond the core business, companies across the group also support targeted inclusion of underserved individuals in the community through their community investment initiatives on pages 92 to 94.

The most material risks to digital inclusion are cybersecurity and data privacy. These have been identified as important to our stakeholders and material to our business. We comprehensively communicate on our approach to mitigating the risks with disclosures on relevant performance targets.

Supplier sustainability

We are committed to building a more sustainable supply chain through our purchase decisions.

Naspers is implementing an integrated vendor-screening tool for suppliers at a corporate level. We aim to screen the majority of vendors across a range of material issues, to help identify any areas of concern. The tool will be deployed across our current and future portfolio of vendors, upfront and on an ongoing basis.

Human rights

As a global corporate citizen, we are committed to contributing to the advancement of universal human rights. Our commitment is guided by key international standards such as the United Nations Guiding Principles on Business and Human Rights (UNGPs).

In addition to our direct impact on our employees and workforce, we indirectly influence our suppliers, companies we invest in and decision-makers across the communities in which we operate. Our human rights statement describes our approach covering topics that include remuneration, dignity at work, privacy and employee confidentiality, forced labour, and health and safety.

This year, we met our target to develop and publish a comprehensive human rights statement at group level. For FY22 we have set ourselves the target to cascade the adoption of the human rights statement across majority-owned companies. As part the implementation of our corporate vendor-screening tool for our majority vendors we will screen our vendors on human rights among a range of other material issues to help identify any areas of concern.

'Aligning our impact to the UN SDGs' is available at www.naspers.com/investors/annual-reports

Data privacy and protection

Data privacy and protection is a key business imperative. It is a critical part of how we work to improve everyday life for people around the world.

Our commitment

We recognise that privacy is an important value and an essential element of public trust.

We strive to be a trusted company and we expect the same from all our businesses. We expect each business to implement our high standards of responsible data privacy practices in a way that is adapted to its own circumstances; considers its business model; the cultures of the countries in which it operates; its compliance obligations and its human and financial resources.

For many years, we have viewed data privacy as essential for the group, not only as good governance and risk management, but also to do the right thing for stakeholders and build their trust. Accordingly, we have a comprehensive data privacy governance policy and a privacy programme designed to ensure that the vast amount of data across the different businesses in the group is protected and managed.

'We emphasise the importance of privacy by design. We are putting privacy at the core of how our businesses develop and manage the solutions and services that improve everyday life for people around the world. For us, privacy by design involves all our people – it is a shared commitment.'

Justin B Weiss
Global head of data privacy

A groupwide policy

Our policy on data privacy governance sets out the responsibilities, principles and programmes for ensuring data privacy across the group.

It is designed to define and document how data privacy is managed; to promote best practice; to accommodate the different business models, resources, culture and legal requirements across the group; and to support trust in our businesses' products and services.

We regularly review our policy and it is available on our website www.naspers.com/about/policies.

Clear accountability

We give clear accountability to individual businesses. Each business is directly responsible for managing data privacy in its organisation.

This responsibility rests ultimately with the CEOs of each business – they lead in implementing the group's policy and are directly accountable for the data protection programmes and privacy standards in their organisations.

This approach to data privacy aligns with our model of decentralised governance and broader belief in encouraging great leaders and businesses to excel. We believe that setting the right shared principles, and giving businesses the direct responsibility to enact them, is the best way to have a greater long-term positive impact. More broadly, we are fostering a culture of data privacy and looking to businesses to ensure privacy by design – where privacy becomes part of the fabric of day-to-day work rather than an add-on.

Seven data privacy principles

Each business is expected to respect and implement seven core data privacy principles:

1. **Notice:** We offer appropriate notice about our data privacy practices.
2. **Individual control:** We honour data subjects' choices for their personal data.
3. **Respect for context:** We recognise that data subjects' expectations about fair and ethical use of their personal data are informed by the context in which their data was first collected.
4. **Limited sharing:** We limit unnecessary personal data sharing with third parties.
5. **Retention:** We retain personal data only for as long as we need it.
6. **Security:** We ensure appropriate security.
7. **Governments:** We engage with governments responsibly.

Widely recognised internationally as fair information privacy principles, they are ethical guidelines for the responsible use of data. Critically, they are both universal and able to be applied to the different businesses in the group – from established global players to start-ups in jurisdictions that may not yet have a data privacy law.

Data privacy programme

To help businesses put the principles into practice, we have a data privacy programme designed to scale to their needs and circumstances. This programme ensures that our core data privacy commitment and approach is followed in ways that really work for our businesses, which benefits both individual businesses and the group as a whole.

The programme is available to all companies in the group, including minority investees. This reflects our broad commitment to sharing best practice and expertise in key areas such as data privacy, cybersecurity and artificial intelligence across the whole portfolio. This is one of the main ways we add value and help build the companies we invest in.

Our data privacy programme

Our programme has seven key elements:

1. Ensuring executive buy-in
2. Knowing your data
3. Setting policies
4. Training employees
5. Managing vendors and third parties
6. Legal compliance
7. Reporting

Supporting and monitoring

The group's data privacy office supports and monitors the businesses. Help ranges from guidance on implementing the data privacy programme, a secondment programme that develops and trains future privacy leaders nominated by companies within the group, and advice on any data privacy implications of mergers and acquisitions.

Businesses provide regular privacy and security reports to group executives in ongoing business reviews. The board's risk committee reviews the data privacy policy and its implementation annually as part of its oversight and governance responsibilities.

Data privacy and protection continued

Our progress this year – setting KPIs

To reflect on the business-critical nature of data privacy and protection, we established three key performance indicators (KPIs) to help us manage and monitor our performance.

Investing in expertise

The first KPI relates to the level of investment in data protection officers, deputies, regional privacy leads, privacy managers and other experts. The more we grow our network of data privacy and protection experts across the group the stronger our capabilities will be. When new data protection laws come into force, we commonly observe increased investment in this area to accommodate the mandatory designation of data protection officers within companies.

In South Africa, our data privacy leaders and support increased 350% year on year, driven by the entry into force of South Africa's POPIA (Protection of Personal Information Act) legislation.

Auditing companies

The second KPI focuses on oversight. We regularly conduct audits that focus on aspects of data governance as part of our overall risk management. Guided by the privacy team, our internal audit team schedules and performs various types of privacy controls, verifications and audits on majority-owned companies. These audits are a valuable way to provide both assurance and guidance. They are welcomed by group companies, as they help identify opportunities to strengthen privacy and data protection.

In the year, we conducted seven audit activities with data governance components, assessing issues specific to privacy, software development life cycle, vendor management, data management and broader risk management.

Focusing on privacy by design

The third KPI relates to our increasing focus on data privacy by design.

We are committed to developing broader and deeper capabilities across the group to execute privacy by design: incorporating privacy at the design phase of product and technology deployment. As a result, privacy is embedded in our solutions and services from the outset, rather than considered later. This is one of the key ways we live up to our purpose of improving everyday life in more effective, efficient and responsible ways.

Driving home its criticality, privacy by design was one of the group's FY21 business goals. So everyone in the group, cascading from the senior leadership team, is accountable for delivering on it.

In September 2020, we launched a dedicated development programme, the Prosus Privacy Technologist Programme, on MyAcademy.

Looking forward

The Covid-19 pandemic has heightened the importance and focus of the world on regulatory issues, including personal data regulation, the regulation of AI tools and regulation of non-personal data sharing. Data protection regulation is set to keep advancing around the world and we will continue to focus on this area.

Against this backdrop and with the drive for privacy maturity in South Africa growing as a response to POPIA, we will continue to support our workforce upskilling in this area, including training on privacy by design and privacy programme implementation.

Our drive for privacy by design in particular, and our overall commitment to enhancing the group's data privacy and protection capabilities, will also continue apace.

PROGRAMME STATS:

By March 2021, the Prosus Privacy Technologist Programme achieved the third-highest engagement level of any training on MyAcademy: on average,

862

minutes per learner

Number of group companies participating:

22

Range of countries:

22

Range of functions: engineering, technology and products, risk management, finance, human resources, customer support, project management, sales and legal

Number of IAPP members:

246 in 2021

30 in 2020

Creating an army of excellent privacy technologists

Open to employees from any of our subsidiaries, the Prosus Privacy Technologist Programme is designed to enable group companies to develop their own capabilities to implement privacy by design.

The programme has two key components. First, we have partnered as a group with the International Association of Privacy Professionals (IAPP). This is the largest certification body for privacy in the world. Individuals in the programme become IAPP members, gaining access to a range of membership content, including text and training materials to help prepare for a credentialing examination to become a Certified Information Privacy Technologist (CIPT). As an ANSI/ISO-approved certification, this external credential is widely regarded as a valuable qualification for data privacy professionals working in technical roles.

The second component consists of a rich body of original video content on MyAcademy designed to augment the existing study materials. Created specifically for our group, the videos give unique perspectives on each module of training – for example, encryption, managing identity and anonymity – through interviews with well-recognised privacy professionals in the tech industry and regulatory community.

Our ambition is to have hundreds of qualified privacy technologists in group companies playing key roles in championing privacy by design. Since its launch in September 2020, over 250 employees have signed up for the programme on MyAcademy or with the IAPP. They come from many different group companies around the world and from many different functions – from sales to risk management to engineering to legal.

Cybersecurity and technology resilience

We are committed to building sustainable platforms that enable our businesses.

Focusing on technology resilience

Cybersecurity and broader technology threats are key risks to the sustainability of our platforms and internal systems. These became even more of an issue during the year as the world moved further and faster online due to Covid-19 restrictions. In response, and in line with our commitment to continuously improve and ensure the sustainability of the group, we broadened our scope during the year to focus not just on cybersecurity but also technology risks and resilience.

We identified four key areas for the wider group that will enable us to build sustainable platforms and systems:

- Availability of the platforms
- Quality and innovation of the platforms
- Security and safety of the platforms
- Security and reliability of the business IT (BIT)

Platforms

Platforms are our consumer products. Without the platforms, none of our businesses can operate. These platforms are often complex, handle millions of transactions and grow rapidly with our businesses. The platforms are also our face to the customer.

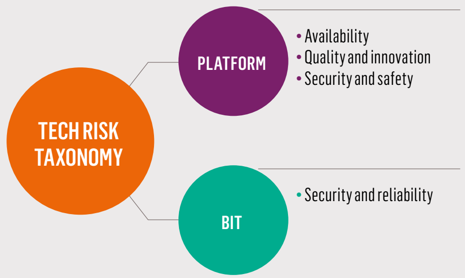
Our businesses operate in fiercely competitive industries and markets, requiring continuous innovation to thrive. Technology sits at the heart of their growth. Thus, we work closely with the businesses to ensure the platforms are available 24/7 for our customers, are innovative, of good quality and, most of all, safe and secure to be used.

Business IT (BIT)

Our businesses also use technology to run their internal processes. This technology is often not customer-facing and the primary users are employees. Output from these BIT systems is used for operational and strategic decision-making, monitoring performance, managing risks and preparing information for external stakeholders (suppliers, shareholders, tax authorities, legal and regulatory authorities, potential investors, customers, etc). We work with the internal departments to ensure these systems are secure and reliable.

We encourage all businesses in the group to assess and report on their risks across these four areas, so we can gain a clear, coherent view and, in turn, analyse, respond and advise effectively. At group level, we now report against these areas as part of our ongoing risk management.

A new information and technology risk taxonomy



Focusing on cybersecurity

Updating our cybersecurity policy

The board sets our groupwide cybersecurity policy, which has four key parts: good governance, good protection, good detection and good response. This is the backbone of our robust approach. In line with the governance framework, we cascade the policy through the segments to the underlying businesses, giving them ultimate responsibility for ensuring they implement strong cybersecurity in line with their own operations and challenges. For example, we expect each business to have the right level of incident management and crisis management to ensure a good response to any security incidents.

During the year, we set a group business goal for security by design. As a result, we updated our cybersecurity policy, incorporating secure code development as part of our focus on protecting the platforms we build. As part of the CEO/CFO certification, CEOs and CFOs in the group need to report how they embed security by design, as part of their business performance evaluations.

Sharing expertise

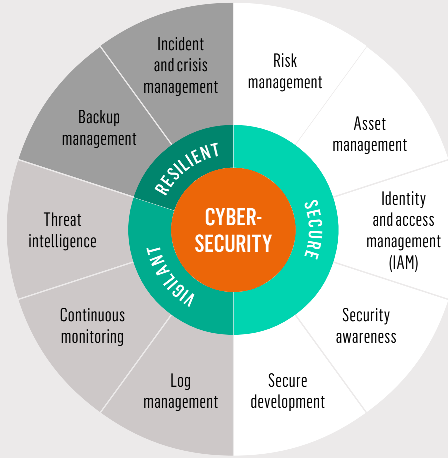
Our central cybersecurity team provides expert help and support to the segments and businesses. As part of our risk and audit function, the team's approach is to help develop a competent, agile community of cyber and risk professionals, based on three guiding principles:

1. Cyber is an enabler, not a blocker.
2. Help manage risk, not spread fear, uncertainty and doubt.
3. Every employee is a cyber-warrior.

'We build sustainable platforms that fuel business growth and preserve the trust of our customers. We support our businesses to manage the risks that hamper these goals.'

Trajce (TJ) Dimkov
Head of cyber
Prosus and Naspers

Cybersecurity policy



Cybersecurity and technology resilience continued

Strengthening the team
We strengthened the cybersecurity team during the year. We also reorganised to enable the team to focus more effectively on two core tasks: providing strategic security and resilience advice to the technology and security heads of the businesses to help them understand and mitigate risks; and delivering the cybersecurity projects.

Delivering projects remotely
The cybersecurity team undertakes about 70 advisory and assurance projects each year to ensure cybersecurity and technology risks are managed around the world by our businesses. Our advisory projects for group companies include hiring hackers to break in (ethical hacks), forensic work to investigate breaches, and cloud assessments to improve cloud set-up and solutions. We also conduct audits – independent assessments of a company's security and resilience for assurance.

In response to government restrictions during the pandemic, the team had to quickly redesign its portfolio of projects to deliver online. Despite the pressures of this challenge, the team successfully delivered its projects remotely throughout the year.

Assessing vulnerabilities
We have a contract with a leading responsible-disclosure programme, BugCrowd, which we make available to all group companies. The contract enables companies to tap into a community of around 200 000 responsible hackers who identify and report any vulnerabilities they find, so the company can address them.

'In Classifieds, we use layered security, designed top to bottom to provide best-in-class solutions for billions of customers we serve.'

Luis Gomes
Global head of information security, OLX Group

'In the payment industry, great security underpins a successful business. Balancing security with innovation assures our customers that we are meeting their needs while protecting their information.'

Sam Butler
CISO, PayU Group

Enhancing our cybercommunity
We cultivate a strong cybercommunity across the group. By connecting everyone, they can quickly and easily exchange updates and know-how. It is also a great way to build a shared sense of belonging to something bigger and play an important part in the success of the group as a whole.

Every six weeks, the security heads from the different businesses meet on a call hosted by the head of cyber. This is an effective way for everyone to discuss hot topics and share updates on key events and risks.

For the wider cybercommunity across the group, an online workspace has proven a very popular and effective way for all security professionals to stay in touch, discuss the latest security trends and risks and coordinate responses to incidents.

During the year, we also set up an online cyber-academy. Every month or so, the community can get together and share the latest insights and best practice.

Hosting a Game of Hacks
To broaden the involvement and understanding of security issues across the group, the cybersecurity team hosts a Game of Hacks event, open to all group engineers and developers. Teams compete to win in a highly engaging story-driven game built around a hackable platform. Now in its second year, the Game of Hacks is an enjoyable but effective way to further embed security by design across the group.

Regular reporting
The cybersecurity team reports to the risk and audit committees four times a year, sharing updates across the five technology risk categories. On two occasions, it presents an extended report on how well the businesses are doing against the policy.

Reports for the risk committee give a comprehensive overview, including key risks, greatest challenges and any major incidents. Formal audit reports are provided for the audit committee.

In addition, every three months, the head of cyber meets with the head of risk and audit and the group CFO to discuss the most important cybersecurity and technology issues, where to focus in the months ahead and any notable incidents.

KPIs

From FY22, we will start monitoring technology risks through a number of KPIs. These are linked to the extent to which we:

1. Have dedicated security functions in the businesses
2. Have a risk function capable of supporting the management of technology risks in the businesses
3. Have a responsible vulnerability disclosure programme across the businesses
4. Executed red team exercises (ethical hacks) at the businesses
5. Delivered audit or advisory work at the businesses

As the group and its businesses evolve, we will regularly reassess and update the KPIs we are monitoring.

Our services at a glance

Risk-driven process reviews
- IT risk assessment
- Business-resilience assessment
- Software development life cycle assessment
- Application security assessment
- IT general controls assessment

Data-driven deep-dives
- Cloud X-ray
- Data X-ray
- Process X-ray

Security testing
- Ethical hack
- Cloud ethical hack
- Advanced persistent threat simulation

Resilience exercises
- Crisis simulation
- Chaos engineering game days
- War gaming

Managed services
- Crowd-sourced vulnerability programmes

Looking forward
We will continue to invest in our cybercommunity, to further deepen and accelerate understanding and collaboration across the group. This will be facilitated by holding our second cyberconference, among other initiatives.

We will also hold a series of virtual sessions with company chief security officers to simulate and role-play key issues and threats such as ransomware.

We are also looking at chaos engineering, to build a deeper level of automated resilience into our platforms.

Through these and other initiatives, we will continue to look for ways to ensure we stay as secure and resilient as possible, so we can keep improving everyday life for people.

Artificial intelligence and machine learning

We are building ever-greater capability to capitalise on artificial intelligence (AI) and machine learning (ML) across the group.

Developing AI across the group
Over the past two years, we have concentrated on developing AI across the group. This has involved multiple initiatives, including organisational changes to support the adoption of data science at scale; talent and leadership development programmes; actively engaging with the global research and development (R&D) community; adopting ML platforms in engineering; developing deliberate data strategies; and investing in companies that increasingly place AI at their core.

Significant results
We have achieved significant results and tangible outputs from our AI investments. Group companies have measurably improved their AI operations and deployed in production hundreds of ML models that add value for customers, partners and the business. Across the segments, ML models are being used in many ways, including to personalise services, predict prices, validate transactions, optimise logistics and reduce fraud.

Our guiding principles
We develop AI along three guiding principles:

1. Deploy AI everywhere
2. Develop AI by design for new products and services
3. Develop ethical and responsible AI

Embedding ethical and responsible AI
We have developed a framework to proactively include the social and ethical dimensions of AI in the development process. The framework revolves around four key principles:

1. Govern: Anchor AI to core values, ethical guidelines and regulatory constraints, for example, specifying principles for the development of fair and responsible AI.

2. Design: Design for privacy, security, transparency, bias, robustness. For example, engineering training on how to make models more robust and explainable.

3. Monitor: Auditing for accountability, bias and cybersecurity, such as adopting tools for bias check as part of model-development practices.

4. Train: Prepare and equip associates to take full advantage of AI and the new workstyles. This includes upskilling engineering teams on robustness validation as part of the testing process.

Unbiased, robust, transparent
As we increase the number of models in production, and the reliance on automated decision-making based on these models, we need to control model bias to ensure these do not discriminate, for instance, for gender; for robustness, so that models operate within known boundaries of reliability; and for transparency, so that model outputs can be explained.

Operationalising ethical and responsible AI
We take an operational approach to ethical and responsible AI, focused on adopting best practices across the group's data-science community. We develop or adopt tools and practices designed to check the quality and representativeness of data, to detect bias in decisions based on the models, and to trace back the cause of the bias, among others.

We have adopted specific tools for this purpose. We focus on raising awareness through demonstrations and technical education, to ensure these tools are adopted and used effectively.

'We are applying AI and ML everywhere it makes sense across the organisation – not just at the front-end where it benefits customers. We are doing this at scale, for the biggest-possible positive impact, and by design, so that AI is built in from the outset. And we are looking to do all this ethically and responsibly.'

Euro Beinat
Global head for data science and artificial intelligence

Artificial intelligence and machine learning continued

AI training

We have developed highly specialised engineering training on several AI themes, delivered to the group's AI technical community. Themes include model deployment, ML pipelines, MLOps (ML operations) and natural language processing.

We have also developed a specific leadership module that focuses on enhancing awareness of the principles, tools and practices that enable the group to develop a successful and responsible AI practice.

Called AI For Impact, it complements our AI For Growth training. With AI For Impact, we are creating more focused training dedicated to specific themes such as investing in AI, next-generation personalisation and ethical and responsible AI.

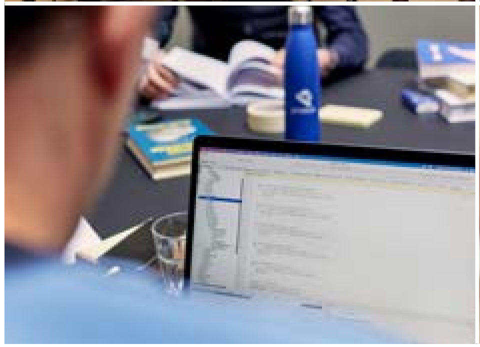
Enhancing our capabilities throughout the year

Focusing on AI innovation

During the year, we launched programmes for accelerating AI innovation, organised as joint teams between Prosus AI and group companies. These programmes focus on fast-forwarding non-incremental AI-used cases and concepts, for example:

- AI-driven video-selling at OLX to create a richer, more intuitive and enjoyable customer experience, and
- the food-knowledge graph at iFood to enhance personalisation through rich data structures that fully leverage the wealth of data of iFood on dishes, restaurants and user preferences.

>250
data scientists now part of the Prosus AI community



Making the most of a growing AI community

Together with the segments, we established the Prosus AI community that includes hundreds of data-science and AI engineers. This is a platform for growing data-science knowledge and capabilities across the group.

We organised technical and scientific workshops for the community, connected data scientists working on similar initiatives, shared practices, tools and lessons learned across businesses.

We also organised the first global Prosus AI Marketplace for Knowledge. This three-day event for the AI community enabled us to identify and share areas of excellence and best practice.

Exploring state-of-the-art AI

We started a new stream of AI Frontiers projects, aiming at developing awareness, capabilities and tools on state-of-the-art AI technologies, such as graph deep learning and language models.

For example, we are developing models that exploit information stored as a knowledge graph. Graphs map how things relate to each other. For instance, restaurants to dishes, dishes to ingredients, ingredients to tastes. With graphs, we can learn similarities, navigate complex dependencies, predict preferences and, in general, understand food consumption at a very fine level of precision, with a high degree of personalisation. We use graphs in many other sectors as well, for instance in credit, to understand which connections can be used to estimate credit scores.

Investing in seed-stage AI companies

In mid-2020, we established an initiative to invest in seed-stage AI companies. The goal is to access early-stage AI technologies and the ecosystem of AI entrepreneurs who leverage the current wave of AI-first innovations, for example, in robotics, language and vision. This is a way for us to buy into this early-stage innovation, extend our network of expertise and accelerate our knowledge.

Supporting data science for social good

Over the past two years, we have engaged with a number of data-science-for-social-good initiatives, dedicated to adopting AI in projects with a positive social impact.

We contribute to a network of academic institutions and non-profit organisations for developing data-science-for-social-good summer schools. These schools are designed to train promising young scientists to apply their skills to problems for a positive social impact, for example, reducing unemployment, increasing access to education and improving environmental quality in urban areas.

Looking forward

We will continue to support execution of AI and ML across the group through targeted initiatives and the AI community. In addition, we will accelerate AI-by-design innovation.

Training and leadership development will remain paramount. We aim to increase and deepen the AI and ML skills of engineers, equip leaders with the resources to lead AI transformation and enable everyone to understand the implications for their work and lives. We will also accelerate AI investment through our seed-stage investing.

Ethical and responsible AI across the group will also remain a priority. Increasingly, we are focusing not just on how to ensure AI is unbiased, robust and transparent, but also on how to use it to do something intrinsically good. This is a step forward from focusing purely on leveraging AI For Business outcomes to looking at how it can positively improve people's everyday lives.

Increased number of models in production

>120%
year on year

Our people

Our people are at the heart of our business – they make all the difference to our success. We are dedicated to helping our people be the best they can be by creating a diverse, inclusive and learning organisation.

Attracting, developing and rewarding our great people

We face the challenge of the global shortage of digital talent every day – digital talent is scarce in all our markets. The best people have real choices about how and where they work, and who they work for – and our employee value proposition, therefore, remains critical in enabling the continued growth and success of our business.

To this end, we focus on creating an experience that:

- delivers career-enhancing professional development and ongoing opportunities to network, learn and collaborate internally and externally
- recognises excellent work with fair and competitive rewards and enables us to compete for talent with global and regional/local consumer internet players
- offers meaningful jobs with a sense of purpose in a company committed to deploying technology to address big societal needs and to enrich the communities in which we operate, and
- puts positive, engaging and inclusive culture and leadership at the heart of everything we do, in an environment where many different types of people feel happy and are able to do their best work.

Our employee value proposition

To compete for and win the very best global talent, we need a compelling value proposition for our people. Our people seek meaningful jobs with line of sight to business outcomes and the opportunity to learn and grow professionally, in a purpose-driven environment that they enjoy; where they are recognised for a job well done and are paid fairly in line with personal and company performance.

Cultivating a strong groupwide culture

We are a diverse group of global companies, but some things are consistent for our people regardless of where in the world we operate:

- **We empower:** We back local teams and learn from each other.
- **We perform:** We push for performance in everything we do, and we link achievements and rewards.
- **We matter:** We matter to the communities we serve and, wherever we operate, we hold ourselves to high standards.

We talk more about our culture on page 29.

Covid-19

The global pandemic, which started at the beginning of our 2021 financial year, has had a marked impact on the daily lives of global citizens and the economy at large. From the outset, our aim has been to preserve the health and wellbeing of our people. We have sought to manage the situation as well as we possibly can and, at the same time, act responsibly for our shareholders.

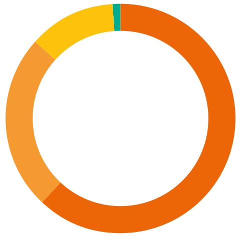
Initially, several of our businesses were severely impacted by the restrictions in place and we preserved the employment of those whose jobs were temporarily impacted without relying on government financial aid in this respect.

Looking ahead, we will continue to look after our people and support the communities we serve through uncertain times and we are focused on emerging well from the pandemic. Our strong performance reflects the resilience and adaptability of the group and of our teams. We have navigated challenging times and continued to build a business that grows strongly, generates high rates of return and provides employment for thousands of employees over the long term.

PERMANENT EMPLOYEES[1]

FEMALE VERSUS MALE EMPLOYEE HEADCOUNT (%)[1]

HEADCOUNT BY REGION[1]



Europe, Middle East and Africa	17 601
Latin America	7 050
Asia Pacific	3 554
America	240
Grand total	28 445

HEADCOUNT BY SEGMENT FOR EMPLOYEES[1]

Classifieds	8 754
Etail	8 318
Food Delivery	4 126
Payments and Fintech	2 980
Media	2 697
Other	1 238
Corporate	332
Grand total	28 445

1 Numbers are reflected as at 31 March 2021 and include employees of controlled entities.

Our people continued

Investing in learning and development

With the pace of change happening in our industry, we need to continuously invest in learning resources so our people can acquire the new skills needed to build strong and scalable technology products and services. Our approach is to prepare our people for upcoming job challenges by giving them access to the best learning resources.

We employ smart people – we find them all around the world. We offer them interesting, relevant and meaningful work to do. We reward and recognise them for that work in a fair and market-competitive way. And we want them to be part of an engaging and positive culture in which the leadership standards, our ethics, and our commitment to doing the right thing is evidenced all around, and in which people know they are valued as the enablers of our business success.

Wherever we operate we employ local people and we create supportive, flexible and pleasant environments to help them perform at their best while developing their skills. We focus on the ongoing development of our managers, as creating an environment where our people feel cared for, heard and supported in their ambitions, is ultimately in their hands. Together we are all responsible for the positive impact we have on our stakeholders.

Making a wide range of learning easily accessible for everyone

Within our group and beyond, through our focus on building leading companies in the edtech sector, we put a big emphasis on learning. We want to make a wide range of high-quality learning experiences easily accessible for everyone.

Learning and development provided by portfolio companies

Developing our talent is a critical enabler of present and future success as well as playing a role in the motivation and retention of our people. Most of our businesses around the world have a learning and development agenda focused on their own specific needs.

This is influenced by factors such as what the business is aiming to achieve, the maturity level of the business, the opportunities and challenges it is tackling, its competitive landscape and the demographic nuances of the region or countries where it operates.

We base our people-development focus on three key areas:

1. Reinforcing the leadership pipeline and accelerating the growth of top talent
2. Driving a performance culture
3. Supporting the ongoing development and growth of our businesses by equipping our people with core consumer internet and digital media skills. For example, new programming languages, cybersecurity, ML/data science, commercial/sales and business skills

Learning and development at Naspers/Prosus
Our investment in human capital

1 MyAcademy: Available to all employees throughout the Naspers/Prosus family, eg AI, D&I

\+

2 Business-specific training: For employees in individual companies, eg credit training in PayU Food in iFood

\+

3 Specialist training: Available to employees in specific roles, eg finance

Groupwide learning and development through MyAcademy

Through MyAcademy – our group online learning hub connecting our people, wherever they are located, to learning materials – a variety of learning is available on demand to everyone across the group.

We have curated the very best learning experiences from providers around the world, including our own education partners like Udemy. Any new company joining the group is welcome to implement MyAcademy learning content for the benefit of their employees. The flexibility of the MyAcademy web-based technology allows rapid and efficient deployment across the group.

MYACADEMY

490 000 hours of learning over the past year, compared to 240 000 hours in 2020

50 500 users, compared to 30 000 in 2020

14 900 monthly active users, compared to 12 000 in 2020

Our people continued

Responding quickly to the pandemic
Over the past 12 months, people working remotely due to the Covid-19 pandemic have created a significant opportunity for online learning. Our employees actively accessed online learning resources throughout the year, delivering an annual increase in learning hours of 104%. To adapt quickly to the situation and respond to the learning needs of our people, we digitised the majority of the programmes previously delivered face-to-face and made them available online. This allowed us to maintain our learning efforts and continue to invest in the development of our people despite the challenging circumstances. It also meant we could support the many teaching partners with whom we have long-term relationships, by encouraging and enabling them to transform their face-to-face sessions into online learning.

In addition, we quickly added a dedicated remote working and wellness space accessible from the homepage of MyAcademy. Created in response to listening to what employees said they needed, it provides everyone in the group with ready access to a range of learning and support resources – from how to manage teams remotely to mindfulness and stress management.

Growing rapidly
Every month, we see on average 14 900 employees connecting to MyAcademy to consume online content. Altogether, this activity leads to the delivery of an average of 41 000 monthly hours of learning.

My Academy allows us to reach out quickly to our people all over the world in order to share key topics and trends. This year, MyAcademy has been a critical element in our AI and ML transformation plan. We used MyAcademy to train thousands of our people who are not in engineering roles in AI and ML, through our AI For Everyone course. We also used My Academy to deliver several hundreds of AI nanodegrees, enabling our developers to initiate a new career path in AI and ML.

See pages 79 and 80 for more information on AI and ML.

Training on ML, AI and much more
Technology is in high demand and is a significant proportion of the total hours consumed online, but we also use MyAcademy to accelerate and strengthen our workforce capabilities on other topics critical to our future growth, from leadership and management skills to personal development and cross-cultural training.

Our live education programmes focus on leadership, management, business development, AI and ML. These sessions bring people together from across the group, giving them the opportunity to learn from each other, share best practices and interact with the best trainers and facilitators in their field.

We will continue to introduce our leaders to the latest innovations so they can translate them into practical business initiatives. For example, our AI For Growth programme equips business leaders with the skills and knowledge they need to build AI-centric businesses.

Looking forward
We will continue to focus on adding to the learning and support available through MyAcademy.

Our world of learning has been transformed by the pandemic, not least through moving the majority of our learning online and delivering traditional classroom training through live virtual sessions. This has proven to be a positive move, not only in terms of quality and efficiency of learning, but also in helping to reduce the negative environmental impact of having to travel to and from learning venues. Looking forward, we are exploring how best to continue making excellent learning easily accessible to everyone in the group through a blend of digital-first, complemented by select face-to-face learning where it really works best and delivers value.

We encourage positive engagement
We believe happy and engaged employees create satisfying customer experiences and in a competitive global talent market, it is important that we provide our people with a compelling place to work. Our businesses actively encourage participation, address issues raised and share best practices.

We continue to measure employee engagement across the group and ask our people for feedback on their experience of working at our various group companies. Engagement survey participation rates and engagement scores are in line with external benchmarks and we continue to focus on positive employee engagement across the group.

Our people continued

Building a diverse and inclusive workplace

Building a diverse and inclusive workplace is a key element of our future business growth and success. Throughout the year, we placed a big focus on D&I in our internal and external activities. This year, our Prototyping Inclusion workshop for leaders has been cascaded across the group.

Given the scarcity of talent in the consumer internet industry and our focus on emerging markets, we face the ongoing challenge of attracting and retaining talented and qualified candidates. We are proactively addressing that challenge with talent sourcing and acquisition strategies designed to attract a diverse range of people who in turn represent the full diversity of our customer base.

Reflecting the diversity of our consumers

People who understand the local markets we operate in are a key strength and asset for us in building products that consumers love.

We think about D&I n broadly and respect the dignity and human rights of individuals and communities wherever we operate in the world. Building an inclusive workplace where everyone feels welcome and can thrive regardless of their gender, gender identity, gender expression, transgender status, sexual orientation, class, race, religion, creed, colour, marital or family status, age, nationality, political association, or disability is critical for us.

Like many other consumer internet companies, we pay specific attention to gender diversity to address the under-representation of women in the technology sector. There is always more we can do, and the events associated with Black Lives Matter in the past year have reinforced our commitment to act and drive positive change.

All our people are on this journey with us and we have provided access to education and content, so that they understand the important role they play and the positive impact they can have.

Focusing on gender diversity

While our commitment to create an inclusive workplace attractive to many kinds of people is broad, we face the same specific challenge as our consumer internet competitors in attracting and retaining female talent, especially into product and technology roles. Our efforts to address diversity in general and gender diversity specifically, span the whole employee life cycle and across all levels of the organisation. From board to senior management and general employee population, we are encouraged to see an upward trend in the hiring of women, with the last three additions to the board being women. There is also an increase in the number of women being recruited into management roles across the group. At Naspers corporate level we have hired more women than men, from director to vice president levels this financial year.

Involving our employees

We assess our progress in building an inclusive workplace by asking all our employees for their feedback as part of our annual engagement survey. Monitoring the results enables us to understand if we are making the positive impact we want, and the results this year show great progress. We further reinforce the building of an inclusive workplace by including the topic in our leadership development programmes. We are committed to creating working environments that are free from harassment of any kind and have provided training and education to all our employees on our zero-tolerance approach to harassment, as well as guidance about how to raise any concerns.

Our role: Promoting equality

1. HIRING			2. PLACEMENT			3. PROGRESSION	
Pipeline	**Matching**	**Selection**	**Job grading**	**Pay range**	**Pay increase**	**Performance assessment**	**Promotion**
Sourcing and identifying candidates for open roles	Interviewers' matching for finalists	Hiring decisions	Assigning the right job levels	Pay range decision per job grades	Salary offers and merit increases	Assessing performance and making reward decisions	Management making promotion decisions

Using data and analytics to embed D&I into our talent-attraction process

Use of data and analytics

D&I data tools

- Real-time data tools used to assess success of balanced and diverse talent attraction throughout the talent-attraction process (job descriptions, search and geographical context)

Data-informed processes

- Job descriptions AI-analysed for inclusive language
- Internal candidate slates actively balanced
- Diverse interview panels for all roles standard
- Managers coached to understand and use this data insight

Continuous monitoring and reporting

- Diversity measured and monitored in every step of our talent-attraction process and weekly reports created

Accountability

- Recruitment vendors assessed and prioritised based on diversity success right across the talent pipeline
- Naspers applies the same accountability process for internal talent teams

Hiring teams educated on diversity to raise awareness and better equip them to hire diverse teams and consider inclusion

Underpinned by diversity training and development

Leaders trained on inclusive hiring and unconscious bias – live and e-learning modules

Attracting and recruiting more diverse talent

We are developing different approaches to increase diversity in our recruitment projects and help us hire a more diverse team in terms of gender and ethnicity in specific countries.

We evaluate our preferred vendors, ensuring they share our commitment to D&I and can help us activate a diverse group of candidates.

We track gender representation at every stage in our recruitment process and use data to ensure that our recruitment pipeline is more balanced. We review our job descriptions and our communications with candidates to ensure that the language we use is inclusive, and also ensure that there is a diverse interview panel.

We work to bring the topic of diversity in hiring to all our teams. To this end, we have developed two specific training programmes for leaders, on unconscious bias and inclusive hiring. The goal is to raise awareness and train our people to be better equipped to hire diverse teams and consider inclusion in all they do.

Board diversity

We have a board diversity policy in place, which we cover in the Governance section of this report, on page 105.

Championing diversity

Focusing on South Africa

We aim to make a positive and enduring contribution to the social and economic development of South Africa, and recognise the role we can play by leveraging our resources and the goodwill of our employees. Naspers has maintained a level 4 BBBEE status and remains committed to managing our transformation efforts in South Africa.

Helping learners with disabilities to increase their skills

We want everyone to learn and develop their skills as much as possible. This year, for example, we had 36 learners with disabilities graduating in formal learnership programmes – of the 36 learners, 32 have successfully completed the learnership and obtained their National Diploma in Customer Management.

The majority of these learners are now studying for the next qualification: a National Diploma in Generic Management Learnership. All in all, we have 36 learners studying for this qualification over a period of 12 months. They are due to graduate in April 2021. The total cost for this intake, including programme costs and stipends, is R7m.

NASPERS: BROAD-BASED BLACK ECONOMIC EMPOWERMENT (BBBEE) GENERIC SCORECARD[1]

Element	Target score	Bonus points available	Bonus points achieved	Provisional Score Achieved F20
Equity ownership	25			20
Management control	9			2.66
Employment equity	10			4.53
Skills development	20	5	0.16	14.49 (includes the 0.16 bonus points
Preferential procurement	27	2	1.79	16.38 (includes the 1,79 bonus points)
Enterprise and supplier development	15	2	2	17 (includes the 2 bonus points)
Socio-economic development	5			5
Total score	**111**	**9**	**3.95**	**80,06 (includes the total 4,00 bonus points)**
Performance (%)				72.12%
B-BBEE rating				Level 4
Priority elements achieved				Yes

1 BBBEE is a form of economic empowerment legislated in South Africa.

Fair pay

Equality and consistency are embedded in our pay practices across the group as we continue to build our diverse and inclusive workplaces. We operate in high-growth economies where socio-economic disparity can be large and societal fairness is very important to us. We ensure that our pay practices around the world are fair, competitive and above minimum wage standards.

We have fair remuneration systems in place which are:

- Rational – easy to explain
- Equitable – free from discrimination
- Relevant – linked to the country of operation, our competitive markets and personal and company performance

We ensure that fair remuneration is applied across our business operations. Our reward approach and the fairness objective is an integral part of that. To this end, we run several programmes in our company:

- Our reward approach is reiterated with our human resources team and people managers, at the time of making (annual) reward decisions and with new hires.
- We run regular pay-equality analyses, for example, in relation to new hires, so that we can identify any unintended or possibly biased differentiation in pay.
- We perform calibration exercises across the group as a standard process before we make reward decisions so that we can proactively redirect if needed.

We are committed to ensuring that the companies we invest in have fair pay and work conditions for delivery partners, irrespective of the classification of their engagement, which varies across the globe.

- Full-time drivers for iFood, Swiggy and Mr D earn above the prescribed minimum wage, on average, in the country in which they operate.
- Our companies generally provide health insurance/ life insurance benefits, access to driver education, as well as low-cost access to safety equipment (such as helmets and protective clothing).

Ensuring pay equality

We believe in equitable pay for performance – to reward people fairly for performance aligned with shareholder outcomes. To this end, remuneration is designed to incentivise the achievement of strategic, operational and financial objectives, in both the short and long term. And we design our reward system to help us attract and retain the best diverse talent around the world in a fair and responsible way.

To ensure equality, we offer similar pay, bonus and long-term incentives for similar jobs and performance levels; make fair and consistent pay decisions and apply objective and measurable pay differentiation. We do this regardless of race, gender, sexual orientation, religion, colour, nationality or disability. We ensure equality at every step, from hiring to placement to progression. Objectively measured performance is the only marker for pay differentiation, and we are comfortable with bigger rewards for those who make a higher contribution.

Focusing on health, safety and wellbeing

The health, safety and wellness of our people are critical; our growth depends on their skills. Employee wellbeing has been of particular importance throughout the year due to the Covid-19 pandemic. Employee wellness is key to organisational sustainability, and we care for our employees through various initiatives, recognising that a healthy and resilient workforce is essential to support the changes our business is navigating. This year we paid particular attention to employee wellness and regularly sought feedback from our people on how we can best support them during the Covid-19 crisis.

Managing health and safety risks

Health and safety risks are assessed as part of our risk management framework. Our group goal is to ensure the health and safety of our employees. Businesses are required to report on any health and safety-related incidents. Any reported matter gets reviewed by the group's governance committee that meets quarterly. In 2021, no reports of serious injuries sustained by employees while on duty were reported.

Pay equality

WHAT

- Similar pay, bonus and LTI for similar jobs and performance levels
- Fair and consistent pay decisions
- Objective and measurable pay differentiation

WHY

- We offer a diverse and inclusive workplace with equal opportunities

HOW

- Structured approach in job mapping and reward framework as the basis
- Analyses before, during and after peer-to-peer assessment
- Calibration of pay proposals within segment and across the group
- Through us – ongoing focus, at every decision

Ensuring a safe working environment

We regularly perform health and safety risk assessments to ensure that all our offices are safe working environments for all employees. In larger locations we have trained safety officers who know what actions to take to ensure employee safety and wellbeing in an emergency.

Focusing on safety for business travellers

We are committed to ensuring the safety of employees who travel for business purposes. All employees who travel are registered with International SOS, which provides real-time news and updates on global and local travel risks and issues, and guidance on health and safety matters when travelling. All our employees are covered by business travel insurance.

We actively monitor travel risks and issues on an ongoing basis and take precautionary measures where needed. In view of the additional and significant risk to travellers posed by Covid-19, all international travel was severely restricted for the year.

Our people continued

Enabling flexible working

As well as ensuring our offices are modern, pleasant and safe working environments, we also enable flexible working arrangements to help our people find good work-life balance wherever possible.

We actively support our employees if they prefer to work remotely part of the time, and if the specific requirements of the job allow them to do so. This includes providing online collaboration tools and video-conferencing facilities to encourage and increase employee community and collaboration, and promote improved wellness through better work-life balance.

During the Covid-19 pandemic, our focus on supporting our people as we have adopted new working practices, whether working from home effectively or serving our customers directly in a safe way, has been critical. For those working at home, we have provided people with additional equipment wherever needed, helping them to ensure that their working environment at home is safe and healthy. For those serving our customers directly we have provided them with PPE, and enforced social distancing and educated them about safe working practices.

We have also used MyAcademy to offer a full suite of remote working and wellness learning materials to our employees to support them during the year.

Encouraging positive employee relations

We strive to maintain a healthy employee relations environment in which ongoing dialogue is embedded in our work practices. We use various formal and informal channels to engage people and encourage open communication, including leadership and CEO updates, webcasts, town hall meetings, team meetings, face-to-face gatherings and online collaboration and content sharing.

We promote safe reporting of feedback or issues with our people processes and practices. There are various mechanisms through which our employees can report issues or concerns, including a whistleblower helpline managed by an independent third party. Our Dignity at Work programme emphasises our zero-tolerance approach to harassment of any kind.

Taking the lead

We are committed to being a responsible leader in deploying technology that addresses big societal needs, improves people's lives and enriches the communities we live and work in. We care about the key issues facing our sector, including people's health, safety and welfare. We strive to be thoughtful and responsible, always considering how we can have a positive impact. To this end, we are actively supporting our companies and partners in adopting market-leading and forward-thinking positions to address these issues.

Food delivery and the gig economy

We invest in leading local companies that use technology to address big societal issues and our food-delivery companies are a great example of this. We are committed to contributing to constructively and positively shape the future of work, including for our food-delivery partners and gig economy workers in general.

Economic opportunity

Through our food-delivery companies, we provide income-earning opportunities to significant numbers of people globally. Platforms enabling flexible jobs are central to the future of work and economic opportunity, and our food companies provide economic opportunity for over a million delivery partners and over a million restaurants globally. Delivery partners play an essential role in the food delivery ecosystem and the group is committed to fair pay and work conditions for them. As the food-delivery sector continues to evolve, our food companies must maintain the right balance between protecting the flexible economic opportunity for delivery partners while providing them with critical benefits and protection. We are proud of the progress and leadership demonstrated by our food companies.

Fair and safe working conditions

Our companies are committed to ensuring fair and safe working conditions for delivery partners, finding the correct balance between protecting the flexible economic opportunity for delivery partners and the need to provide critical benefits and protections to this growing community of workers. For example, our companies generally provide health insurance and life insurance benefits, as well as low-cost access to safety equipment. Advanced logistical planning allows for regions to be 'switched off' to ensure riders avoid challenging areas or inclement weather. Riders are not required to work exclusively for our companies and may opt in or out at any time.

Fair treatment

All our companies are committed to fair treatment of our delivery partners. Workers are considered important stakeholders and are not impeded in their right to self-organise. Our companies actively incorporate the voice and thinking of the delivery partners through direct engagement and surveys. Drivers at iFood, for example, are invited to share their feedback regularly and results are analysed by the company to find ways to improve.

Looking forward

The continued success of our group and, in turn, the positive impact we have around the world depends above all on the capabilities, commitment and contributions of our people. Going forward, we will keep enhancing the capabilities of our people, for example, through constant learning. We will encourage their commitment and reward their contributions, so that together we can achieve more in improving everyday life for people around the world.

The environment

Visible changes to our planet, growing populations and resource challenges are contributing to the urgency of implementing more effective green solutions, faster. We are determined to play our part.

This is the first year that we are reporting emissions data breakdown at a granular level, both for the Naspers corporate entity and at individual level for all majority-owned businesses. This reflects our intention for a more detailed disclosure of our footprint, as we embark on our decarbonisation journey. Data for previous years consolidated at group level can be found in our 2020 integrated annual report and on our website at www.naspers.com.

From extreme weather events devastating food supplies, businesses and homes to air pollution threatening urban populations – one of the biggest risks we share on the planet is environmental. In addition, in the countries we focus on as a group, the risks and impacts are at their highest. This adds to our sense of urgency and responsibility.

Our environmental footprint management starts with an understanding of the material physical and financial climate risks to our business and operations across all the geographies we operate in. This year, we undertook a comprehensive climate risk analysis to gauge both physical risks presented across the entire group and financial consequences of the risk level. Many of the business lines within Naspers are disruptive and designed to increase provision of online services to consumers, thereby reducing the climate impact of those services, for example, online education.

Accelerating green solutions

We will use our presence – both as investor and operator – across the planet to support the acceleration to greener economies. As an investor, we help the acceleration to greener economies by choosing to invest in businesses that are not inherently polluting and can have a positive environmental impact through their product offering. As the investing entity we have an insignificant carbon footprint. Our emissions are primarily from our office infrastructure and business travel. Many of our businesses are disruptive and designed to increase provision to online services to consumers, thereby reducing the climate impact of those services, for example, online education. We are also investing in low-carbon businesses in mobility and logistics, such as battery producers, ride-sharing for bikes in Pakistan and last-mile delivery in ElasticRun. Climate transition might be a catalyst for the growth of these services leading to an increased adoption rate. Electrification of transport (eg transport trucks and motorbikes) is also a significant opportunity area for delivery-based businesses.

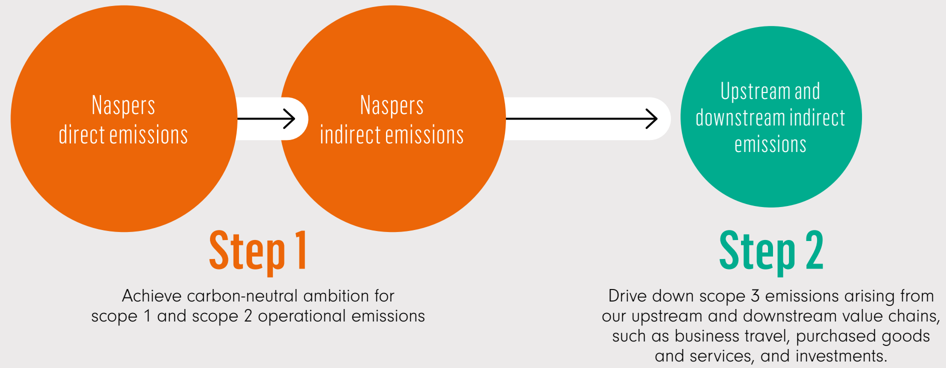
We publicly report on our carbon footprint and annually participate in an audit process to obtain assurance on the information reported.

Being carbon-neutral

This year we have taken a big step forward to being carbon-neutral by offsetting our emissions resulting from the use of solid fuels and fossil fuel-based energy. We do this by investing in carbon-emission reduction projects that enable local communities to transition to a lower carbon economy. All the companies that we have a controlling interest in, have joined us in this initiative and have offset their scope 1 and scope 2 emissions from projects that drive social, economic and environmental progress for the communities where they operate. Our selected projects are located in Brazil, South Africa, India, Indonesia and Romania and are VCS or gold standard certified.

In the coming year, we aim to reduce our carbon footprint by focusing on three strategic priorities to be implemented over time:

Our approach to emissions reduction



- reduction opportunities through efficient use of resources
- increases in renewable-energy procurement, and
- offsetting unavoidable emissions.

Both at group level and across the companies in our core segments, the carbon footprint and scope for reduction vary. To illustrate, carbon-intense activities across the Payments and Fintech segment differ markedly from those in Food Delivery. Across the segments, our companies have implemented initiatives to minimise our carbon footprint. These include reducing carbon emissions by using energy-efficient offices, operations and fleets. As the infographic shows, we take these differences into account. Going forward, each company will set its own roadmap to becoming carbon-neutral.

Our approach to emissions reduction

Step 1
To be carbon-neutral in our own operations (Naspers core) scope 1 and scope 2 emissions by the end of FY22, embedded in the sustainability-linked goals of the chief executive and cascaded through the organisation.

Step 2
Drive down the group's scope 3 emissions by focusing on influencing the reduction of scope 1 and scope 2 emissions for majority-owned businesses.

Next year, we will communicate our decarbonisation roadmap with multiyear targets and will be working with environmental experts from the South Pole group on strengthening our greenhouse gas (GHG) inventory and mapping reduction opportunities.

We offset unavoidable emissions with carbon credits by investing in certified standard projects, discussed on page 89.

Naspers carbon footprint for the 2021 fiscal year

The carbon emissions data was prepared in line with criteria for scope 1 and scope 2 carbon emissions, which can be accessed on our website at: www.naspersreport2021.com/wp-content/uploads/2021/06/naspers2021_definition_scope_1_2_emissions.pdf

Naspers corporate office

	*tCO_2e
Scope 1 emissions from direct operations (use of fossil fuels and refrigerants)[1]	0
Scope 2 emissions from purchased electricity	21.40
Scope 3 emissions from indirect sources (corporate business travel)	9.06

* tCO_2e: tonnes of CO_2 equivalent.
1 Naspers head office has no assets under direct control that produce CO_2 emissions from fossil fuels.

The environment continued

Naspers group

Scope 1 and scope 2 emissions of majority-stake, controlled companies

Company	Scope 1 emissions from fossil fuel (tCO_2e)	Scope 1 emissions from refrigerants (tCO_2e)	Total scope 1 (tCO_2e)	Scope 2 emissions from purchased electricity (tCO_2e)
Naspers	0	0	0	21.40
Media24	2 160.71	0	2 160.71	6 605.30
Takealot	2 791.18	0	2 791.18	4 875.00
Prosus N.V.[2]	6 180.22	150.37	6 330.59	6 900.20
Total – Naspers group	**11 131.11**	**150.37**	**11 282.48[LA]**	**18 401.90[LA]**

2 Prosus N.V. includes the following segment: Prosus head office, Classifieds, Food Delivery, Payments and Fintech, eMAG and Movile.
LA Limited assurance obtained: Please read the full assurance report, which can be accessed on our website at www.naspersreport2021.com/wp-content/uploads/2021/06/naspers2021_ sustainability_information_assurance_report.pdf

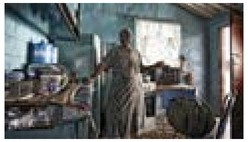
We offset unavoidable emissions with carbon credits by investing in certified standard projects

Rain forest conservation in Brazil

The project is located in a region of great deforestation pressure from the predatory exploitation of natural resources. The area is home to threatened endemic species of flora, mammals and birds; species of which the residents of the protected area depend upon to live. Focus is on investments in infrastructure, monitoring of the vulnerable biodiversity and forest cover, and improving the people's quality of life.

Wind generation in India

The Indian population is growing fast. With urbanisation, this has resulted in some of the best economic growth figures of the whole of Asia. This also means a growing energy demand. The Indian government has pledged to do more to fight climate change and protect the planet than the Paris Agreement stipulates. One of its priorities is investing in renewable energy.



Wonderbag in South Africa

Wonderbag is a revolutionary, non-electric, heat-retention cooker that allows food, that has been brought to the boil by conventional methods, to continue to cook for up to 12 hours, without using any additional energy source. Wonderbag was presented at the 2013 World Economic Forum in Davos, as a real solution to many of the health, environmental and socio-economic problems that face Africa and many of the developing countries today.

Musi Hydro Power Plant in Indonesia

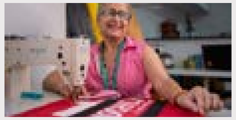
Located in rural Sumatra, this run-of-river hydroelectricity project harnesses the flow of the Musi River to generate clean energy for the grid. The project supports local jobs and new income streams, and has funded infrastructure improvements, as well as a reforestation programme.

2021 business-specific impacts and initiatives

Throughout the year, the businesses undertook a variety of initiatives to improve their environmental impact. We highlight a few examples here:

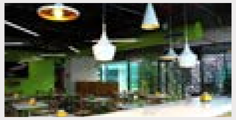
Planting more trees

As part of its new warehouse development, eMAG is carrying out an afforestation project on a 10-hectare area. This will improve air quality for employees and the community living close to the new warehouse.



Recycling plastic

iFood increases recycling awareness and behaviour via WhatsApp and QR codes on packages. Users simply scan the code to initiate an automated WhatsApp conversation that explains how to properly discard each type of material. In addition, iFood has a zero-landfill project for its delivery bags – for obsolete bags, it ensures disposal, reuse or remanufacturing.



Saving energy

PayU undertakes various energy-saving initiatives. In India, for example, PayU sustainability champions are leading measures such as switching off artificial lights and using natural light; choosing energy-efficient light bulbs; switching off equipment when not in use; printing only when necessary; and controlling heating and cooling.

Using less water

The Takealot group continues to look for ways to use less water across its business. In addition, Takealot.com helps customers use less water through its water-wise store. The aim is to make it as simple as possible for people to save water by making all the necessary kit available online.

Subsidising e-bikes

iFood has launched its Pedal programme to offer low-cost electric bike rentals to delivery drivers. Since October 2020, over 2 000 couriers have registered, and they are sharing 1 000 e-bikes in São Paulo and Rio de Janeiro. In addition, iFood has ordered 30 electric motorcycles in a pilot programme. If successful, it plans to significantly scale up this mode of transport.

Reducing waste

iFood is encouraging its restaurant partners to reduce waste and single-use plastics. It has also created an in-app option that allows customers to decline plastic cutlery for delivered food. In the iFood shop, a marketplace for packaging and supplies for restaurants, iFood has a dedicated section for sustainable packaging.

Championing the circular economy

OLX Group champions the circular economy by offering customers seamless, convenient and safe ways to buy and sell secondhand goods. Through its Global Impact Report, OLX measures the positive impact of using its classifieds platforms in terms of resource savings, energy-savings equivalent, water- and carbon-emissions-savings equivalent.

Investing in solar power

eMAG's new warehouse will be fully powered by green energy, via its rooftop 1.5MW solar panel grid. eMAG has opted for a 100% green energy contract for all its other warehouses – reducing carbon emissions from purchased electricity.

The Task Force on Climate-related Financial Disclosures (TCFD)

We have been embedding the TCFD guidelines into our business to ensure transparency of our understanding and management of climate-related risks. Our full TCFD disclosure is provided online at www.naspers.com/investors/annual-reports and a summary is provided adjacent.

As we mature on our sustainability journey, we are guided by reporting frameworks like the TCFD and SASB (Sustainability Accounting Standards Board) standards on communicating our position and progress on key ESG indicators. The TCFD framework helps us to communicate on climate-related risks and opportunities in a consistent way to meet the needs of investors and other stakeholders on disclosures on our role in contributing to the creation of a low-carbon and climate-resilient economy. In the coming year, we will continue to further align our ESG reporting to other commonly accepted standards that shareholders know and trust.

Climate change governance structure

	Progress to date	Next steps
Governance	Climate and sustainability issues are considered at board level through the social, ethics and sustainability committee and risk committee. The board is informed about related risks and opportunities at all scheduled board meetings. In FY21 we brought on board a global head of sustainability to provide direction to, and lead, our efforts across the group. She reports directly to a member of the executive management, who reports to the chief executive; and is supported by the environmental programme manager and a sustainability officer at holding company level. Sustainability champions across the businesses are responsible for the implementation of the environment programme while also reporting on carbon data and progress against set targets. Climate change and its impact on and by us, was highlighted by our stakeholders this year as one of the material topics for our business to address and is therefore included in our materiality matrix and stakeholder reporting.	Sensitisation and training of board on climate-related risks and opportunities. Establishment of a climate champions network across the group for exchange of best practice and knowledge-sharing.
Strategy	This year, the company undertook a comprehensive climate risk analysis to gauge both physical risks presented across the entire group and financial consequences of the risk level. The outcomes of this analysis will continue to inform our business and investment strategies and our environmental plan. Our investment strategy guides us to focus on sectors such as Payments and Fintech, and Classifieds that significantly reduce the need for physical infrastructure and transportation for delivery of financial services, education and resale of goods. The core business model of these sectors provides solutions for climate change mitigation and adaptation. Naspers/Prosus continues to invest in low-carbon businesses in mobility and logistics such as battery producers, ride-sharing for bikes in Pakistan and last-mile delivery in ElasticRun. Our environmental programme has a three-pronged approach of reduce, replace and offset unavoidable emissions of our operations; and in the short term, we are committed to being carbon-neutral.	In the long term, even though the organisation has a limited carbon footprint, we are in the process of analysing our potential for alignment to science-based targets and identifying of reduction opportunities. Next steps for us are as follows: 1. Analysis of both operational and financed GHG inventory accounting. 2. Deep-dive into emission-reduction potential and associated financial and non-financial resources required for each individual entity within the larger group. 3. Analysis on alignment against Paris Agreement goals.
Risk management	In the 2020 calendar year, we undertook a robust data-driven assessment of climate-related transition and physical risks and opportunities in line with TCFD recommendations. This assessment included: – Management interviews with various leaders from across the business to understand the drivers and materiality. – A risk assessment to quantify and qualify exposure to different transition risk categories and physical climate hazards for Naspers/Prosus operating facilities and key ingredients. Risks were explored based on potential future financial impact of climate-related policy action against a high, moderate and low carbon-price scenario from now to 2050. Overall, the group's global exposure to climate-related policy and legal, market, technology and reputation risk is low; and the analysis revealed opportunities for the group to differentiate in local markets by being proactive with a strong position on climate change. Further details on the finding of this analysis can be found in our full TCFD report on www.naspers.com/investors/annual-reports.	GHG inventory accounting with clear boundaries to be defined for risk mapping and containment. Roadmap on risk mitigation to be defined by each individual entity based on their own carbon footprint. Deep-dive analysis on financed emissions to identify carbon hot-spots in the portfolio to embed climate risk mitigation in investment thesis.
Metrics and targets	The outcome of a risk analysis performed by our technical partner Trucost leads us to conclude that our carbon-pricing risk exposure is relatively low. For the year 2050 it ranges from US$2m to US$6m, under low to high carbon-price scenarios respectively. Analysis of our exposure to climate hazards, based on the geographic location of facilities under each climate scenario, showed that these risks are unlikely to disrupt the operations of the Naspers/Prosus businesses as a whole, which are largely decentralised and web-based. Certain business segments operate in locations such as India and South Africa that may be impacted by physical climate-related hazards such as floods or drought. However, these are longer-term, localised risk factors. They would not be disruptive to the delivery of web-based services that the entities in these locations offer, but would rather be impacting general life of customers and employees. This year, we measured our scope 1 and scope 2 and, for the first time, scope 3 group GHG emission footprint on www.naspers.com/investors/annual-reports. We are also making a big step forward in going carbon-neutral, strategically focusing on reduction through energy efficiency and changes in processes, renewable-energy procurement and offset unavoidable emissions.	We will continue to disclose our climate-related actions and progress through our annual reports and standards disclosures, including TCFD and Carbon Disclosure Project. Next year we intend to communicate our carbon roadmap with targets that are aligned with the Paris Agreement. Publication of deeper-level data on upstream and downstream emissions.

Society

As the group grows around the world, our footprint increases in countries where we can make a significant contribution to equal access to resources and opportunities. We are determined to keep increasing our positive impact on underserved sections of society, so that people's lives improve and communities prosper in meaningful, sustainable ways.

Investing for long-term social good

At group level, our approach to social investment largely mirrors the way we invest in businesses across our core segments. Just as we look to identify, back and build businesses that deliver real long-term value, so we aim to invest in society for real sustainable impact.

In the following pages, we highlight some key group initiatives we are particularly proud of:

Youth unemployment is a major issue in South Africa. To tackle this, we are nurturing the next generation of South African talent through Naspers Labs.

South Africa's nascent tech start-up ecosystem can benefit from the backing of a dedicated investor. We are finding, investing and growing the next generation of South African tech businesses through Naspers Foundry.

Tech-enabled accessibility can transform the lives of millions of people in India and beyond. Through our Prosus SICA programme (our social impact challenge for accessibility), we are encouraging, mentoring and rewarding start-ups in India to address accessibility through innovative tech.

Far too many women and girls are missing out on opportunities they deserve to make the most of learning and working. Prosus FLIGHT, our new programme partnering with UN Women, is designed to help young women in India gain education and employment.

Encouraging group companies

Alongside our group initiatives, we encourage and support different businesses across our core segments to implement corporate social responsibility initiatives that have the biggest positive impact locally.

We believe local businesses around the world are best placed to identify and back the initiatives that will deliver the most impact.

Supporting communities around the world

We highlight below a few standout examples of the many different social investments and initiatives undertaken across the group:

Bringing people closer together to help each other in the face of Covid-19

In many countries, OLX platforms became a source of reliable information, linking to government and local health bodies, and helping combat disinformation in turbulent times. OLX also set up donation categories to help the most vulnerable. In India, we organised the relief fund OLX Pledge with local NGOs to support the livelihoods of severely affected migrant workers. And in Portugal, the team partnered with an initiative to help find accommodation for healthcare professionals.

Becoming part of people's lives

The pandemic was the catalyst for true transformation at iFood, changing it from a convenience service to an important service for restaurants and consumers. iFood focused on how it could take care of its community – delivery partners, restaurants, employees, customers and wider society, leading to many different initiatives, including donating 108 000 meals to people in need.

Donating face masks to frontline workers

In Romania, eMAG rose to the challenge of quickly sourcing and bringing face masks and other medical products into the country. Working with partners, the eMAG Foundation donated over 4 million masks and other PPE to frontline workers.

Helping students to keep on learning despite the pandemic

Codecademy launched a scholarship programme to give away 10 000 Codecademy Pro scholarships to students affected by the pandemic. To date, Codecademy has awarded over 200 000 Pro scholarships to students at 15 000 institutions in 147 countries around the globe.

Investing in enriching lives in South Africa

Media24 undertakes a range of social investments and initiatives, including providing training to learners at ThisAbility – an NGO that publishes a newspaper with content by people with disabilities. Media24's tradition of enriching lives is well established through its Volunteers24 programme and its #1000ActsofKindness campaign.

Collecting donations and doing good

PayU collected online donations for NGOs supporting Covid-19 relief projects, doing the online processing at no cost. In addition, through its Matching May campaign, PayU matched any employee donation to double the support and the PayU Twenty challenge promoted employee wellness with social investment.

Providing much-needed support across South Africa

During the pandemic, Naspers donated R1bn of PPE and Takealot group participated in the sourcing and local delivery of this PPE to hospitals, government institutions and other frontline workers. Takealot also donated R1m of laptops, USB dongles and other learning equipment to Naspers Labs, to help disadvantaged young South Africans continue with their learning. Through its long-standing relationship with Beautiful Gate, an organisation dedicated to supporting the welfare of underprivileged families in Cape Town, Takealot continued to make it easy for people to donate via the Takealot site, almost doubling donations to R8.5m.

Naspers Labs

Investing in South Africa's future

We are proud of our South African roots and dedicated to the long-term growth and success of the country.

Naspers Labs focuses on addressing the skills gap and training needs of historically disadvantaged young people, enabling them to become productive contributors in an increasingly digitally driven economy. The programme is evolving to include new development solutions that will accelerate Naspers Labs in preparing young South Africans for high-value technology careers.

Adapting to succeed

In adapting to the new norm driven by the challenges of the pandemic, we migrated our learning delivery online. While data access and loadshedding were major impediments, we managed a 90% overall completion rate in the intake of 500 learners in the digitals skills programme. Training included data engineering, AWS (Amazon Web Services) technical essentials, Microsoft Azure fundamentals and CompTia security, all of which afford these young learners access to work experience and an opportunity to further their skills in these learning streams.

In addition to this, all learners completed work readiness and personal mastery courses, attaining what we believe are essential soft skills for plugging into the industry's in-demand jobs.

To date, 2 572 young South Africans have been empowered by the Naspers Labs learning programmes.

This online migration allowed us scalability and flexibility to reach young people in every part of South Africa and neighbouring states.

Readying our labs

In March 2020, we opened two new labs: the first Gauteng lab in Wynberg, serving the broader Alexandra community; and another lab in Cape Town, serving the Khayelitsha community. Throughout the year, the pandemic kept us from opening these labs to learners. However, with the online-delivery model, we realised that to be more impactful, we needed to pivot our focus away from contact training to a blended delivery, as well as expand our peer-to-peer partnerships.

Looking after our learners

As part of tackling the challenges throughout the year, we provided learners with equipment such as laptops, dongles, chairs and desks to ensure that they were able to connect and continue learning online from home in their own comfort and safe environments. With the support of the group, we also provided stipends to learners for their daily essentials as well as tackling connectivity challenges. We wanted to make sure our learners remained energised and focused during these difficult times.

Creating the Naspers Labs classroom in the cloud

As part of business continuity planning, we ensured that our learning partner could provide an online backup facility in the cloud and that they could operate from a secondary site in a different region. It was important that any relocation to a secondary site should have zero impact on our learners. With most potential partners operating remotely, we plan to incorporate scheduled relocation test measures to ensure our online learning platforms are not disrupted.

Increasing learning opportunities

In addition, we broadened the learning paths to offer more in-demand and aligned career-focused digital skill sets. These range from entry-level digital access skills and core skills in digital marketing, technical support and user experience to solutions skills covering systems engineering, data engineering and cloud computing. These additions were implemented in response to listening to what tech companies were looking for. To increase employability and give young people a firmer foundation for a brighter future in the tech sector, we added these necessary in-demand course streams.

Looking forward

Naspers Labs will have two core entry points for young people – one focused on formal employment and the other on entrepreneurship. We want to ensure that learners who complete our programme have a better chance at equal access to economic opportunities. We are therefore changing to a partner-led delivery model to provide an end-to-end service for both our formal employment pillar and our entrepreneurship programme. In Naspers Labs, in line with the

group's purpose, we want to back great entrepreneurs building companies that improve the everyday lives of young people. Successful partners will be strategically aligned to the Naspers Labs vision, have similar values and capacity to deliver quality programmes, scale and meaningful outcomes. Global apprenticeships, workplace-integrated learning (with mentorships), internships, project assignments and entrepreneurship are some of the elements in our programmes.

Recognising that youth unemployment is disproportionally skewed towards young black females, our recruitment will ensure an uptake of more females to address this. Again, this ties in closely with the group's broader aims and ambitions.

> 'At Naspers Labs, we are grounded in investing in young people – being an enabler for young people as they work towards financial emancipation and better futures. Our skills- development programme continued to make a difference amid the challenges of Covid-19 – changing the lives of many young South Africans.'

Mapule Ncanywa
Head of Naspers Labs

Promoting accessibility in India: Prosus SICA

Creating long-term positive change

In India, we launched the Prosus social impact challenge for accessibility (SICA) in partnership with Invest India and Startup India, agencies of the government of India and Social Alpha, an initiative supported by Tata Trusts.

Prosus SICA identifies and awards the most innovative Indian start-ups working on assistive technology solutions. Prosus has committed US$250 000 over three years to this challenge. Each year, we will award grants to the top three start-ups, provide mentorship and help them become successful companies in India and beyond.

The initiative aims to create long-term positive societal impact by supporting an economic case for investing in assistive technologies for the 20 million Indians living with disabilities. By bringing Digital India to Accessible India, Prosus SICA also attempts to bridge these flagship initiatives of the government.

Focusing on the critical area of accessibility

We wanted to make a positive impact in India in an area of social need and tech innovation that had not received much investor attention. In our experience, we had seen entrepreneurs solve some of society's most complex problems in food, logistics, edtech, digital payments and more. But the gains from India's vibrant start-up ecosystem did not accrue to those living with disabilities.

Due to low literacy levels, social stigma and lack of opportunities, people with disabilities are among the most secluded members of society. Assistive technology solutions can go a long way to help them lead independent lives and participate more fully in the economy and society.

As such, accessibility was a natural and exciting area for us to put at the heart of our initiative, and we did what we do best. We decided to back promising entrepreneurs and help them succeed in their quest to make a lasting impact in the area of accessibility. We took the lead in building an economic case for accessibility and launched the SICA.

Holding SICA online

After conceiving the idea at the start of the year, over the following months, we developed Prosus SICA from scratch. We brought in credible partners, attracted applications from promising start-ups and appointed an independent, expert jury of venture capitalists, start-ups, civil society, the people-with-disabilities community, medical experts and technicians. In the face of Covid-19, we switched to an entirely virtual programme – from the launch event to receiving applications, evaluating them and awarding the winners.

The virtual launch, on 26 August 2020, attracted over 5 000 attendees. In the following months, we received over 200 applications from start-ups across India. These were carefully evaluated before the three winners were announced to mark the International Day of People with Disabilities on 3 December 2020.

The top start-ups

The top three start-ups were:

- Sohum Innovation Labs, for its innovative Sohum device that detects hearing impairment in infants quickly and easily
- Neomotion Assistive Solutions' bespoke wheelchairs with a motor-powered clip-on that converts it into a safe, roadworthy vehicle, and
- Demosthenes Technologies' Stamurai mobile app that addresses speech and language disabilities with a cost-effective personalised, digital coach to help users overcome stammering.

Sohum, Neomotion and Stamurai received grants of US$35 000, US$25 000 and US$17 000 respectively.

The start-ups placed fourth and fifth in the challenge will also be mentored under the Prosus SICA mentorship programme along with our top three start-ups. Fourth and fifth were SM Learning Solutions' CogniABle autism management tool for early screening and remote guided treatment; and Thinkerbell Labs' Annie Braille literacy device that helps the visually impaired learn to read, write and type in Braille on their own through interactive audio-guided content.

Partnering in the long term

As with all our group investments, we aim to be a long-term partner to the Prosus SICA start-ups, providing much more than funding. Through the SICA mentorship programme, for example, start-ups receive expert advice from Prosus subject-matter experts and the World Health Organization (WHO). All our top start-ups will become part of the Prosus SICA alumni community SICA LENS (learn, engage, network and serve), which will give them an opportunity to exchange experiences and learn from like-minded peers.

Looking forward

The plan is to build the Prosus SICA community, with this year's top start-ups potentially judging next year's awards and helping to mentor the next wave of companies. These start-ups will stay connected with us through the Prosus SICA LENS programme where they will continue to support the accessibility sector.

For SICA 2021, we are honoured to welcome WHO as an additional partner. We look forward to working with WHO to maximise the positive impact of innovating in accessibility by supporting great entrepreneurs and businesses in this segment, in India and beyond. We are also considering expanding partnerships to grow the Prosus SICA family and impact.

> 'SICA is a great example of how we invest deeply in the communities in which we operate. We look for ways to have an impact that is sustainable and reward the best entrepreneurs by helping them succeed.'
>
> **Sehraj Singh**
> Managing director and head of Corporate Affairs India, Prosus

Helping young women in India gain education and employment: Prosus FLIGHT

On 8 March 2021, we launched Prosus FLIGHT (funding and learning initiative for girls in higher education and skills training), a higher-education and employment initiative for marginalised women and girls in India in partnership with UN Women.

A big opportunity

India has one of the largest opportunities in the world to boost GDP by advancing women's equality and participation in the workforce – potentially US$770bn of additional GDP by 2025[1]. While 67% of all working-age men are employed, only 9% of women are[2]. There is data to confirm that due to lack of access to quality education, women are deprived of opportunities to find decent, dignified work, improve their quality of life and participate fully and independently in society. In 2017/18, the total female labour force participation rate for the age group 15+ was 23.3% (24.6% in rural areas and 20.4% in urban areas)[3]. Even among those with secondary or higher-secondary levels of education, the unemployment rates of women are significantly higher than men[4].

1 The power of parity: Advancing women's equality in India, McKinsey and Company, 1 May 2018.
2 Female workforce shrinks in economic shocks, Centre for Monitoring Indian Economy, 14 December 2020.
3 Information accessed from Annual Report 2019/20: Ministry of Labour and Employment, Government of India; page 82; accessed on 3 March 2021; available at: https://bit.ly/3rg7Oix.
4 Information accessed from discussion paper – The Indian Labour Market: A Gender Perspective by G Ravendran and UN Women (published February 2016); accessed on 3 March 2021; available at: https://bit.ly/3kElHEE.

Barriers to entry

In India, women find it hard to continue education beyond high school. For those who manage to attend college, staying enrolled and graduating is another challenge. While economic constraints and inadequate infrastructure are impediments, social norms like early marriage, burden of household chores and lack of female role models are additional barriers that women face in pursuing education.

Breaking down the barriers

Prosus FLIGHT aims to alleviate some of these barriers by supporting 750 women and girls to earn a formal degree or certification and help them to acquire employable skills that would allow them to participate in India's digital economy. By educating important stakeholders in these women's lives, FLIGHT is making a holistic intervention that alleviates economic constraints for these women and builds a community supportive of their education and that motivates them to finish their courses.

Focusing on young women

The initiative will focus on young women between the ages of 17 and 25 in the Indian state of Maharashtra. By concentrating its initiatives, Prosus FLIGHT aims to create a network of graduated young women who in turn will become role models for other young women following in their footsteps. By creating supportive local communities, FLIGHT will increase societal support and help reduce drop-out rates.

The support includes:

- Providing annual scholarships to pursue higher education in institutions, including government colleges, industrial training institutes (TIs) and polytechnics. In line with UN Women's guidance, the students will partially contribute to their fees.
- Career guidance and counselling along with access to community support and role models to help build and pursue a career path.
- Access to job fairs, internship opportunities and exposure visits to private companies, along with dedicated sessions by experts and corporate mentors.
- Professional, soft and life-skills training beneficial for all career streams.
- Access to placement opportunities, support for pursuing entrepreneurship or self-employment.

'I am pleased to be able to announce this initiative to help talented Indian women pursue their educational dreams and career paths that will contribute to India's future.'

Aileen O'Toole
Chief people officer, Prosus

Tax

We consider paying taxes as an important economic contribution to the societies in which we operate.

A responsible approach to tax

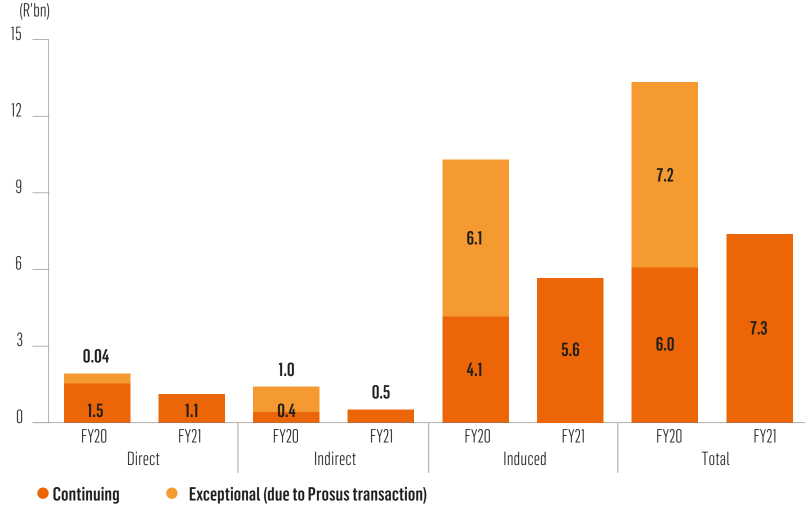
Naspers is a strongly committed member of the communities within which we operate. We take our responsibility to be a good corporate citizen seriously. We consider paying taxes as an important economic contribution to the societies in which we operate. As our businesses are primarily located in growing economies, we are proud of the fact that our diligent tax contributions in the countries where we operate, assist the governments of these countries in providing better infrastructure and resources to their people. Paying taxes locally (ie where our businesses operate and where our consumers and the users of our products and services are based) is particularly important for digital companies whose business models are often questioned by regulators, policymakers, consumers and society at large.

Our tax policy and tax disclosures are publicly available. They form an important part of the dialogue we have with our stakeholders, both internal and external. The Naspers strategy and values also inform our approach to taxes. For more detail of our approach to taxes, tax policy goals, principles and governance, see our group tax policy, available at www.naspers.com/tax.

We are a global group – composed of local businesses

Our businesses are located and operate in many countries around the world. Our businesses are local – they pay taxes where they operate and where our consumers and the users of our products and services are based. As a global group investing in and operating local businesses, we create employment and livelihoods and employ people in the countries where the market opportunities are, and we contribute to supply chains in the local economies. We develop new business models that further stimulate economic growth. We pay taxes in the countries where we operate. These taxes support the communities and the people within them. This ensures we provide a return to those communities and countries for the benefit and privilege of being able to do business with and in them. The taxes we pay in those countries enable us to contribute to the improvement of people's lives wherever our businesses are located.

NASPERS'S TOTAL TAX CONTRIBUTION



The figures presented in the charts may not sum exactly to the total shown, due to the round on figures to one decimal place.

Illustrative examples of social impacts in South Africa in FY21

5 580
hospital personnel

27 730
primary school children educated

19 940
number of educators

1 190
number of SMEs funded

US$36m
public sector investment supported

115 680
people covered with social protection

Social and economic contribution

The Naspers group measures and reports on the social and economic contribution it generates as part of its mission to create value by improving people's lives.

The benefits that Naspers activities generate in local economies and societies have been estimated in order to assess the impact of Naspers strategy to create value by improving people's lives. Naspers tax contribution assists governments in addressing some of the most pressing needs within their societies. During FY21, Naspers made a substantial contribution to societies and economies in its key geographies.

Contributing to South African public finances

During FY21, Naspers contributed an estimated R7.3bn to the South African public finances.

Our activities in South Africa are split between Prosus and Naspers. The figures above present the combined position of Prosus and Naspers activities in South Africa.

Naspers's total employment contribution in FY21

21 008
total number of jobs enabled by Naspers in South Africa

16 200
indirect and induced jobs enabled in the rest of economy

4 808
permanent employees at Naspers

Source: Naspers

Supporting South Africa towards its key social goals

Through its tax contribution, Naspers supported South Africa in making progress towards its key social goals.

As part of its National Development Plan, the government aims to tackle a number of social challenges such as inequality and unemployment, education and health system quality, infrastructure and public services[1]. Naspers's tax contributions support South Africa in directing funds towards its social objectives.

On the previous page are some illustrative examples of social services that can be funded by the government if the National Treasury apportions Naspers's total tax contribution of R7.3bn based on its social spending priorities[2]. Social priorities of the South African government are closely aligned to the Sustainable Development Goals adopted by the United Nations member states.

Supporting jobs in South Africa

Naspers supported more than 21 000 jobs in South Africa, both directly and through its connections to other sectors of the wider South African economy.

In FY21, Naspers and its South African subsidiaries directly employed 4 808 people in South Africa on a permanent basis[3]. The majority of this employment was based in the Media segment (55.0% of the total), followed by Etail (36.4%), Classifieds (5.4%), Corporate (2.6%), and Payments and Fintech (0.6%).

Naspers also enabled a further 16 200 full-time equivalent jobs in the wider economy through its supply chain ('indirect employment') and via the impact of supported consumer spending ('induced employment'). This takes the total contribution of Naspers in FY21 to 21 008 jobs.

1 South African National Planning Commission, National Development Plan 2030: Our future – make it work.
2 Based on the split of the South African government expenditure by function. Source: IMF, Government Finance Statistics.
3 This excludes temporary and contract employees.

The total tax contribution by Naspers to public finances in South Africa in FY21 stood at R7.3bn. The overall tax impact was 44% lower than in FY20, which was as a consequence of exceptional items resulting from the listing of Prosus N.V. by Naspers that contributed a total of R7.2bn in FY20. The tax contribution made by continuing operations increased by 22%, driven by growing activities and revenue of Naspers and its subsidiaries in South Africa.

Covid-19

This year presented new and unprecedented challenges. The wide-ranging effects of the global Covid-19 pandemic required agility on many levels to enable businesses to continue operating. In this turmoil we positively supported and impacted the societies where we operate as far as possible. We are part of these societies and communities – we fail if they fail.

We are proud of the contributions we were able to make throughout this year. The global Covid-19 pandemic has challenged the corporate world to work closely with governments, communities and citizens to ensure an effective response to Covid-19. Business models have needed to adapt as a consequence of the pandemic. Employment opportunities have changed and decreased in many jurisdictions. Governments responded on the health and funding fronts. But both of these require funds. And this presents an even greater challenge in depressed economies. We at Naspers are well positioned to further our contributions in the countries where we operate. This is what we focused on this year. Our ability to continue contributing to societies where we operate is a great benefit of being **a global group with local businesses**. We could continue creating employment opportunities and we continued or found new ways to do business wherever possible. Through this we could generate revenues and taxes in the countries and communities where we have businesses. These taxes supported governments' funding needs. We could help sustain people's livelihoods. We could provide funds via tax collections to help governments resource health and welfare initiatives. This is how we at Naspers like to do business: to be part of the communities and societies where we operate and to contribute positively and holistically.

During the Covid-19 pandemic, governments supported businesses to soften the pandemic's effects on the economy and the lives of their citizens. This support was often provided by governments offering various tax incentives. At Naspers we have not and do not access discretionary incentives where they are clearly meant to support small and medium-sized businesses. At Naspers we aim to strike the right balance, to do the right thing. We aim to meaningfully and appropriately contribute to the societies where we do business.

To further this objective, Naspers is a donor and active participant in the Capabuild Project.

The Capabuild Project

The Capabuild Project is a private-public initiative to assist growing economies in building and developing their tax academies and tax programmes. The purpose is to improve the functioning of tax administrations, increase tax revenue and improve the investment climates in the countries that participate. Naspers supports and assists Capabuild with training webinars and workshops and provides important tax compliance insights. These training initiatives provide on-the-ground and online training and facilitate an important dialogue between business and revenue authorities. This dialogue enables tax authorities to understand the real drivers of business.

Effective tax systems are essential to ensuring that taxes are appropriately imposed, efficiently collected and applied for the enhancement of people's lives. We believe that our transparent, positive and constructive engagements with tax authorities and through initiatives like the Capabuild Project contribute to ensuring that the tax net is effectively broadened and aligned with country needs.

TOTAL TAX CONTRIBUTION

R7.3bn

from continuing operations

SUPPORTING JOBS

21 008

Naspers also supported a total of 176 000 jobs across all its markets (excluding South Africa).

Managing risk

To be successful in our mission to build strong, viable and sustainable businesses, improving the lives of people and contributing to society, means we must manage risk effectively. As indicated in the risk section, regulatory risk is one of the key risks for Naspers. Regulatory risk is also a key risk in the tax area. The ability of technology companies to actively engage with users and consumers in local markets without necessarily having a presence in such countries, is an important trigger for regulatory action. Even though Naspers generally does have a local presence, Naspers may also become subject to new rules and new taxes. The digital services tax (DST) is an example. The new tax rules introduced by individual countries do not necessarily distinguish between different business models. These rules therefore do not necessarily take into account taxes paid locally. As Naspers is composed of many local businesses and as its goal is to pay taxes in the jurisdictions where these businesses operate, it is important that taxes already paid locally are taken into account when designing new tax rules and frameworks. This is as important to us at Naspers as it is to individual local businesses that are not part of a global group. We want to ensure a fair and equitable system of taxation for digital companies, be they local or global. We continue to engage actively with regulators, governments, policymakers and various other bodies trying to address the challenges of the digitalisation of the economy on global and local tax systems.

While waiting for a global solution for the tax challenges of the digital economy, DSTs may be introduced locally. In our opinion it is important that these local DSTs are profit-based. If they are revenue-based, our view is that they must allow for a mechanism for companies with a local business model that already paid all local taxes on revenues and profits, to be credited for these tax payments in determining whether any DSTs is payable.

A level playing field is needed in which local, regional and global companies are subject to the same taxes in the countries in which they operate, irrespective of whether they have a local presence or a centralised business model. Such a level playing field is crucial to stimulate local innovation. If this is not achieved, local development and exploitation of technology will become too costly and will be hampered.

As a good corporate citizen we aim to provide constructive and reliable input to tax policymakers and stakeholders. We do this through submissions to public consultations or direct engagement, at national (in all markets where we operate) and international (UN, OECD, etc) levels. We strongly and actively support the international efforts led by the OECD/G20 Inclusive Framework on BEPS to develop a global solution to remove imbalances from, and to modernise, the international tax system – to create a level playing field. In our view, taxes should be fair, balanced and uniform. Taxation of profits and local tax systems should be part of a harmonised, international framework – a level playing field. At Naspers we like to keep it simple: businesses should pay tax locally, ie where their operations are and where their consumers and users are based.

Operating essentially as local businesses, at Naspers we do not subscribe to the engineering of tax advantages by using legal entities in low or no tax jurisdictions where Naspers does not operate. This does not align with our philosophy to meaningfully contribute to the communities where we do business. Through acquisitions over the years and as a result of legacy structures, we have inherited some companies located in low or zero tax jurisdictions. Such presences are under constant review and have largely been eliminated. Our approach to taxation does not allow for the creation or maintenance of legal entities in countries where we do not have an operational presence.

Tax compliance

At Naspers we make significant investments to deliver tax compliance. In managing our tax affairs we take into account the interests of all our stakeholders, including governments and our shareholders. We have implemented processes to deliver on tax compliance. We encourage open and constant communication among all parties within the group having responsibility for managing tax and the adherence to our robust approach. In addition to our internal controls and processes, our approach to tax management and assessment of filing positions taken is verified by external experts. If there are disputes of significance with any tax authorities, these are presented to and discussed with the audit and risk committee at regular intervals.

Using technology to support our tax processes

As we take tax compliance extremely seriously at Naspers, the use of technology to support our tax processes is paramount. We have spent and continue to spend considerable time assessing where technology can assist in streamlining processes, collating tax-relevant information and limiting human errors that could arise in the tax compliance process. Our country-by-country reporting and controlled foreign company compliance processes alone demand significant man-hours. Technology tools have been developed and implemented for data collection and collation. This improved the tax compliance processes and reduced man-hours spent on these tasks. Our tax specialists in the group can therefore spend their time more effectively.

Our technology journey continues and is aligned with the growing demands for tax data by regulators and other stakeholders including tax authorities. The use of technology in the collation of tax relevant data also allows us to more easily share tax relevant information with tax authorities. The easy sharing of information contributes to our cooperative compliance engagements with tax authorities. As the benefits of the use of technology in the tax arena become evident, our enthusiasm to further implement technology tools grows. We are working on greater enhancements in this area and look forward to sharing our further successes with all our stakeholders.

Our tax transparency journey

Our tax transparency journey is very exciting and extremely rewarding. We continue to explore where and how we can engage even more meaningfully with our stakeholders. We continuously assess what tax relevant information will assist our stakeholders to better understand the contributions we make to the societies in which we operate. Clarity on how we operate and greater insights into our tax model enable stakeholders and revenue authorities to understand how the Naspers model works. And to understand that Naspers is different to many digital companies, that our model is different. We at Naspers understand that we are not an island and a self-serving organisation – we are part of the communities and countries in which we operate. As such we want to make meaningful contributions – this is part of our approach to improving the lives of billions of people who have access to and use our platforms.

Methodology overview

The approach used in this study to estimate Naspers's total tax contribution captures the following types of impacts:

- Direct tax: Taxes imposed on income, capital gains and net worth, including property tax.
- Indirect tax: Taxes imposed on certain transactions, goods or events. Examples include VAT, sales tax, excise duties, stamp duty and transaction tax.
- Induced tax: This captures tax payments by companies in the Naspers supply chain enabled by its activities and tax payments arising from households spending a share of their additional income.

The induced tax contribution is estimated using an Economic Impact Assessment (EIA) model. The EIA model measures how the activities of Naspers support different industry clusters and sectors in the economy of South Africa. Naspers interdependencies with different sectors are identified and quantified as part of this process.

The size of the economic activity generated by Naspers interdependencies is calculated using multiplier effects. The different rounds of multiplier effects, from the initial spending in the sector, through to employees spending their salaries on goods and services (and the resultant effects), indicate the induced tax contributions generated in the wider economy.

Further information can be found in the Tax section of the Prosus annual report 2021 on pages 98 to 102.

Governance

Contents

Our board

- **A** Audit committee
- **R** Risk committee
- **S** Naspers social, ethics and sustainability committee
- **P** Projects committee
- **N** Nomination committee
- **H** Human resources and remuneration committee
- ● Executive
- ● Non-executive
- ● Independent non-executive
- * Chair

Koos Bekker

68, South African and Dutch

Non-executive chair

Koos Bekker is the non-executive chair of the board. He led the founding team of the M-Net/MultiChoice pay-television business in 1985 and led its international expansion. He was also a founder of MTN, the multinational mobile telecommunications company. In 1997, he became chief executive of Naspers and headed the transition to the internet until 2014. A year later, he was appointed chair of the Naspers board. He holds a BAHons and an honorary doctorate in commerce from Stellenbosch University, an LLB from the University of the Witwatersrand and an MBA from Columbia University, New York. Koos and his wife Karen also created the estates Babylonstoren in the Cape and The Newt in Somerset in the United Kingdom.

Bob van Dijk

48, Dutch

Chief executive and executive director

Bob van Dijk is our chief executive and an executive director. He was appointed chief executive of Naspers in April 2014. He joined the group as Allegro group chief executive officer in August 2013 and was promoted to chief executive officer of global transactions ecommerce in October 2013. He has over 15 years of general management experience in online growth businesses globally, spanning the online marketplaces, online classifieds and etail segments. Prior to that he was a founder of an online financial derivatives marketplace. In June 2020, Bob was appointed to the board of Booking Holdings Inc. at its annual general meeting. He started his career at McKinsey & Company, focusing on mergers and acquisitions, and media. He holds an MBAHons from Insead and MSc (cum laude) in econometrics from Erasmus University, Rotterdam.

Basil Sgourdos

51, South African and Greek

Financial director and executive director

Basil Sgourdos is our financial director and an executive director. He was appointed financial director of Naspers in July 2014. He worked at PricewaterhouseCoopers Inc. from 1989 to 1994. He then joined Naspers as finance manager of the South African operations division in MultiChoice before being appointed chief financial officer of Naspers's investment in United Broadcasting Corporation plc, listed on the stock exchange of Thailand, where he remained for 10 years. He then spent two years in Amsterdam as general manager of video-entertainment business development globally before becoming financial director of MIH Holdings Proprietary Limited in January 2009. He held this position until his current appointment. He is a qualified South African chartered accountant and holds a BCom from the University of the Witwatersrand and BAccHons from the University of South Africa.

Hendrik du Toit

59, South African and British

Lead independent non-executive director

Hendrik du Toit is an independent non-executive director. Hendrik is founder and chief executive officer of Ninety One. He entered the asset management industry in 1988 and joined Investec Group in 1991, founding Investec Asset Management which rebranded to Ninety One in 2020. He also served as joint chief executive officer of the Investec Group from October 2018 until the demerger and listing of Ninety One in March 2020. Hendrik is a World Benchmarking Alliance ambassador. Previously, he served as a non-executive director of the Industrial Development Corporation of South Africa. He has also served on the advisory boards of the Sustainable Development Solutions Network, the expert board of HM Treasury's Belt and Road Initiative, the UN business and human security initiative, the Impact Investing Institute and commissioner of the Business and Sustainable Development Commission. Hendrik holds an MPhil in economics and politics of development from Cambridge University and an MCom in economics (cum laude) from Stellenbosch University.

Emilie Choi

42, American

Independent non-executive director

Emilie Choi is an independent non-executive director. She serves as chief operating officer at Coinbase Inc., the world's largest regulated cryptocurrency exchange. She oversees operations in seven countries across three continents. Since joining Coinbase in early 2018, she has overseen more than 10 acquisitions and 50 venture investments. Prior to that, she spent over eight years at LinkedIn Corporation as vice president of corporate development and led all M&A deals in the company's history, including its biggest deal to date, Lynda, as well as leading a number of joint ventures in China. She has also worked in corporate development and strategy roles at Warner Bros Entertainment Inc. and Yahoo Inc. She serves on the board of ZipRecruiter Inc., a marketplace for jobseekers and employers. She holds an MBA from the Wharton School of the University of Pennsylvania and a BA in economics from Johns Hopkins University.

Don Eriksson

76, South African

Former independent non-executive director

Don Eriksson served as an independent non-executive director for a number of years. He is chair of Oakleaf Insurance Company Limited and Renasa Insurance Company Limited. On 11 June 2020, he retired from the board of MultiChoice Group and other MultiChoice companies. He served on the council of the Institute of Directors of South Africa (IoDSA) for a number of years and is an honorary life member. He is also a trustee for the Discovery Health Medical Scheme. He was a partner at Coopers & Lybrand (now PricewaterhouseCoopers Inc.) and an executive director of the Commercial Union group (CGU Insurance Company (SA) Limited, Commercial Union Life Insurance Company Limited and Sentrasure Limited). He is a qualified South African chartered accountant and holds a certificate in the theory of accountancy from the University of the Witwatersrand. He retired from the Naspers and Prosus boards and committees effective from 1 April 2021.

Angelien Kemna

63, Dutch

Independent non-executive director

Angelien Kemna is an independent board member and chair of the audit committee of Friesland Campina, senior independent board member of AXA Investment Managers and independent director and member of the audit committee of AXA Group and independent board member and chair of the risk committee of NIBC Holding. She was previously a member of the executive board of APG Group in the Netherlands, first as chief investment officer and then chief finance and risk officer. In addition, she was part-time professor in corporate governance at Erasmus University, Rotterdam. She holds an MSc in operations research and a PhD in finance from Erasmus University. She was a visiting scholar at Sloan School MIT (Boston, USA).

Angelien has been nominated for appointment as a non-executive director of Prosus at the annual general meeting to be held on 24 August 2021.

Manisha Girotra

51, Indian

Independent non-executive director

Manisha Girotra is an independent non-executive director. She is the chief executive officer of Moelis India. She has over 25 years of investment banking experience, with cross-border M&A expertise across a range of industries. Prior to Moelis & Company, she was chief executive officer and country head of UBS AG in India, managing its investment bank, commercial bank, markets, equity research and wealth management divisions. Before that, she was head of North India of Barclays Bank plc. She began her investment banking career at ANZ Grindlays in London. She serves on the boards of Ashok Leyland Limited and Jio Payments Bank Limited. She holds a BAHons in economics from St Stephen's College, India and a masters in economics from the Delhi School of Economics.

Craig Enenstein

52, American

Independent non-executive director

Craig Enenstein is an independent non-executive director. He is also the chief executive officer of Corridor Capital LLC, an operationally intensive private equity firm focused on the lower-middle market. Founded by Craig in 2005, Corridor Capital is based in Los Angeles, USA. He is a member of the Wharton School of the University of Pennsylvania executive board. He holds an MBA in finance from the Wharton School of Business of the University of Pennsylvania, MA in international studies from the Lauder Institute, University of Pennsylvania and a BA from the University of California, Berkeley.

Our board continued

- **A** Audit committee
- **R** Risk committee
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- ● Independent non-executive
- * Chair

Rachel Jafta

60, South African

Independent non-executive director

Rachel Jafta is an independent non-executive director. She is a professor in economics at Stellenbosch University. She joined Naspers as a director in 2003 and was appointed a director of Media24 in 2007. She is a member of the South African Economic Society, chair of the Cape Town Carnival Trust, member of the management committee of the Bureau for Economic Research at Stellenbosch University and member of the international advisory board of Fondação Dom Cabral Business School, Brazil. She was appointed chair of the Media24 board in April 2013 and chairs its nomination committee. She is also a director of Naspers Beleggings (RF) Limited. She holds an MEcon and a PhD from the University of Stellenbosch.

Nolo Letele

71, South African

Non-executive director

Nolo Letele is a non-executive director. He joined M-Net in 1990 and pioneered MultiChoice's expansion outside South Africa. In 1995, he moved to the Republic of Ghana, where he served as MultiChoice's West African regional general manager. In 1999, he was appointed chief executive officer of MultiChoice South Africa Holdings Proprietary Limited and later served as the MultiChoice group chief executive officer until 2010, when he was appointed executive chair of MultiChoice South Africa. He is currently non-executive chair. He has won several awards including Media Man of the Year in 2001 (Saturday Star–Business Report); Media Owner of the Year in 2003 (Financial Mail Adfocus); and the Lifetime Africa Achievement Prize for media development in Africa (Millennium Excellence Foundation). He holds a BScHons in electronic engineering from the University of Southampton.

Ying Xu

57, Chinese

Independent non-executive director

Ying Xu is an independent non-executive director. She is the president of Wumei Technology Group (Wumei or Wumart), a technology-driven retailer in China. Deeply engaged in the retail business for 15 years, she has strong insight and knowledge of consumers in China, especially in online and offline retail. Prior to joining Wumei, she was vice president of LG (a joint venture) at Tianjin International Trust & Investment. She holds a BA in English from Tianjin University, China and an MBA from Meinders School of Business, Oklahoma City University, US.

Roberto Oliveira de Lima

70, Brazilian

Independent non-executive director

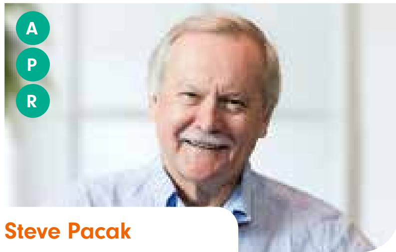
Roberto Oliveira de Lima is an independent non-executive director. He developed his career at companies like Accor S.A., Rhone Poulenc S.A. (now part of Sanofi S.A.) and Compagnie de Saint-Gobain S.A. in the information technology and finance areas. He was chair and chief executive officer of Credicard Group (a Citigroup company), chief executive officer of Vivo S.A., the largest mobile telecommunications company in Brazil (a Telefónica SA and Portugal Telecom company), chair of Publicis Brazil and president of Natura S.A. He was previously a board member of Edenred S.A. in France, Pão de Açúcar S.A. (Casino), Natura S.A. and BR Distribuidora (Petrobras company) in Brazil. He is a board member of RNI Negócios Imobiliários S.A. and AES Tietê SA. In April 2019, he left the board of Telefônica Brasil S.A. after 14 years, having served six of those years as president and chief executive officer and eight years as a board member as well as quality and services committee member. He holds a BA and an MA in business management from Fundação Getúlio Vargas in Brazil and an MA from Institut Superieur des Affaires at Jouy en Josas, France.

Debra Meyer

54, South African

Independent non-executive director

Debra Meyer is an independent non-executive director. She is a professor of biochemistry and executive dean of the faculty of science at the University of Johannesburg. She has completed modules in media strategy and academic leadership at Harvard University and the Gordon Institute of Business Science, University of Pretoria and regularly contributes to several newspapers and magazines. She serves as a trustee or board member for a number of organisations. She is also a director of Naspers Beleggings (RF) Limited. She holds an MSc in biochemistry from the University of Johannesburg and a PhD in biochemistry and molecular biology from the University of California, Davis, which she attended as a Fulbright scholar.



Steve Pacak

66, South African

Non-executive director

Steve Pacak is a non-executive director. He began his career with Naspers at M-Net in 1988 and has held various executive positions in the Naspers group. He was appointed an executive director of Naspers in 1998 and non-executive director in January 2015. He retired as Naspers's financial director in June 2014 and remained on the Naspers board as non-executive director. He is a qualified South African chartered accountant and holds a BAcc from the University of the Witwatersrand.

Mark Sorour

59, South African

Non-executive director

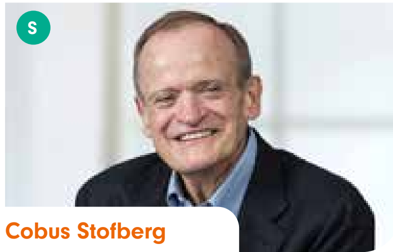
Mark Sorour is a non-executive director. He joined the Naspers group in 1994, leading business development and corporate finance globally. After assignments in Hong Kong and Amsterdam, he was responsible for all global investment activities as the Naspers group chief investment officer. In March 2018, he retired after over 20 years with the Naspers group but remained on the board as a non-executive director. He is a qualified South African chartered accountant.

Ben van der Ross

74, South African

Independent non-executive director

Ben van der Ross is an independent non-executive director. He was chair of Strategic Real Estate Management Proprietary Limited, managers of the Emira Property Fund. He served on the boards of, among others, Distell Limited, FirstRand Limited, Lewis Group Limited, Pick n Pay Holdings Limited and MMI Holdings Limited. He is also a director of Naspers Beleggings (RF) Limited. He is an attorney of the High Court of South Africa and holds a diploma in law from the University of Cape Town.



Cobus Stofberg

70, South African and Dutch

Non-executive director

Cobus Stofberg is a non-executive director. He was a member of the founding team of the M-Net/MultiChoice pay-television business in 1985. He served as chief executive officer of the group from 1997 to 2011 and has been instrumental in the expansion of the Naspers group. Prior to joining M-Net, he was a partner at Coopers & Lybrand (now PricewaterhouseCoopers Inc.). He is a qualified South African chartered accountant and holds a BComLaw and LLB from Stellenbosch University and BComptHons from the University of South Africa.

Naspers group governance framework

Ultimately, we report to stakeholders in the integrated annual report and other releases

Board
Supported by company secretary/ governance framework

Board

Board committees
Supported by company secretary/ governance framework

Audit
Finance policies and group levels of authority, combined assurance, internal and external audit

Risk
Management of information
Management of technology
Management of risk
Compliance management

Human resources and remuneration
Remuneration
Ethical business culture

Nomination
Board diversity
Board and board committee

Naspers social, ethics and sustainability
Organisational ethics
Corporate citizenship and sustainability
Stakeholder relationships

Management and group support functions

Management of operating business

Group and segment management

Governance committee

Group support functions
- Human resources and remuneration
- Legal and compliance
- Data privacy
- Intellectual property
- Tax
- Public relations
- Corporate communications
- Investor relations
- Internal audit and risk support
- Finance
- ML

Underlying framework foundation

Values

Code of business ethics and conduct

Strategy

Various charters and policies

Good governance guidelines

Governance for a sustainable business

Koos Bekker
Chair: Naspers

'We are committed to ensuring high standards of corporate governance are maintained around the group.'

This section is structured as follows:

Overview of governance at Naspers
Provides a high-level view of governance in the group and key focus areas this year.

The board and committees
Details of the composition and roles of the board and its committees together with meeting attendance.

Culture, ethics and compliance
The importance of culture and how it is led from the top. Ethics and compliance are fundamental to strong governance.

Relations with shareholders and investors
Includes the annual general meeting.

Overview of governance at Naspers

The board of directors conducts the group's business with integrity by applying appropriate corporate governance policies and practices. Our aim is to keep abreast of regulatory developments, further enhance our governance standards, monitor and ensure compliance with relevant laws and regulations, and cultivate a thriving ethical organisational culture in the different geographies in which we operate. We also aim to maintain a high standard of reporting and disclosure, keeping in mind the best interests of our stakeholders and disclosing what is relevant and important to the sustainability of the group.

Listing and regulatory environment

Naspers has a primary listing on the JSE Limited (JSE) and a secondary listing on A2X Markets in South Africa. It is therefore subject to the JSE Listings Requirements, guidelines in the King IV Report on Corporate Governance for South Africa, 2016 (King IV™)[1], as well as legislation for publicly listed companies in South Africa. Naspers has a secondary listing of its American Depository Receipts (ADRs) on the London Stock Exchange (LSE). In addition, Prosus N.V. (Prosus) has bonds that are listed on Euronext Dublin.

Governance structure

The governance structures of Naspers and Prosus substantially mirror each other. Naspers and Prosus have an identical one-tier board structure of executive and non-executive directors. Executive directors are responsible for the group's day-to-day management, which includes formulating its strategies and policies and setting and achieving its objectives. Non-executive directors supervise and advise executive directors. Each director has a duty to the company to properly perform their assigned duties and to act in its corporate interest.

1 Institute of Directors in Southern Africa NPC (IoDSA) owns all copyright and trademarks for King IV.

Improved chief executive and financial director assurance process

We recognise the value of an integrated approach to assurance and compliance. The adopted governance, risk and compliance framework is the basis for how we manage governance.

As part of this framework, this year we embarked on a process to strengthen our CEO/CFO certification in order to ensure that business practices and procedures are aligned to what the group expects of its subsidiaries. This revised process ensures that assurance can be obtained from the businesses and segments in the group regarding the manner and extent to which they comply with the group's governance standards.

The CEO/CFO certification broadly covers areas such as financial, tax, culture of ethics and compliance, sustainability, risk management, health and safety, technology and information governance, assurance, internal audit, internal controls, stakeholders and remuneration – each of these being key areas of focus for the group.

This revised process, together with the other formalised reporting obligations, gives assurance to the group chief executive and financial director to allow them to make the statements required in terms of the revised JSE Listings Requirements.

Overview of governance at Naspers continued

The audit and risk committees of the board monitor compliance with the JSE and applicable LSE listings requirements and the Euronext Dublin requirements applicable in relation to the Prosus bonds listed on that exchange.

The board's projects, audit, risk, human resources and remuneration, nomination, and social, ethics and sustainability committees fulfil key roles in ensuring good corporate governance.

The group uses independent external advisers to monitor regulatory developments, locally and internationally, to enable management to make recommendations to the board on matters of corporate governance.

How we integrate governance into our business

We recognise the value of an integrated approach to assurance and compliance. The adopted governance, risk and compliance framework is the basis for how we manage governance.

This framework illustrates how we achieve a sustainable business integrated with governance, assurance, risk management and compliance, in line with legislated requirements and King IV recommendations and reported through the relevant structures.

Our subsidiaries, associates and investees (non-controlled entities) are required to comply with applicable law and regulation. A risk-based legal compliance programme (including anti-bribery and anti-corruption) has been implemented as per this framework in all subsidiaries.

In applying our capital allocation strategy we look very carefully at the risks relating to the countries and the sectors in which we invest. We undertake a review of potential investee companies and their founders and/or major shareholders; it is important for us to know with whom we are doing business. Our traditional due diligence looks at the commercial and financial position of the investee but also covers legal (including intellectual property, privacy and litigation) and tax aspects of their business. This is supplemented by contact between our team and the founder(s) and their management teams that help us to understand the culture of the investee. More recently, for acquisitions of majority ownership stakes in larger businesses, we are formally assessing the investee's ethics and legal compliance framework and HR policies against our own framework and policies to see what actions (if any) will need to be taken for the investee to meet our minimum requirements if we were to be successful in acquiring them. The governance frameworks of investee companies differ depending on their scale and maturity: some are simply too small or at too early a stage to have a fully built and mature governance and compliance framework. In each case, however, we believe that our contact with the founders and management team and our additional due diligence help us to understand the purpose and culture of the company. In the coming year we plan to include a more explicit sustainability assessment in our investment decision-making process (which is implicit in our current process).

Our largest associate companies, many of which are of significant size, have adopted their own appropriate governance standards. Three of these companies have a listing on a leading stock exchange and therefore need to comply with both local law and the requirements of the relevant exchange and this is reflected in the standards that they adopt. If members of our team serve on the boards of investees then they are sometimes able to help shape the investee's governance standards. They do this by sharing the governance standards that we have adopted on relevant topics and offering support to the associate companies through trainings or workshops and generally sharing our knowledge and expertise. Periodically teams of employees of the Company and associates meet to discuss governance standards and share their experiences.

Stakeholder relationships

Representatives of our businesses manage various external and internal stakeholder relationships. Our businesses manage their stakeholder relationships using an inclusive approach that balances the needs, interests and expectations of material stakeholders with the best interests of the businesses.

To support the board in fulfilling its governance role, the social, ethics and sustainability committee receives reports on stakeholder management across the group – refer to the social, ethics and sustainability committee report in the full governance report.

An overview of our stakeholders and stakeholder engagement appears on page 25 of the integrated annual report.

Read more on page 25

Sustainability

We take our responsibility seriously and are fully committed to identifying and focusing on our goals under our board-approved group sustainability plan. The group's commitment to sustainability, our framework and progress made are dealt with in the Sustainability review on page 72.

Read more on page 72

To support the board in fulfilling its governance role, the risk committee and the Naspers social, ethics and sustainability committee (which also considered sustainability aspects pertaining to the Prosus group) report on sustainability matters at each scheduled board meeting. Subsequent to the year-end, Prosus established its own sustainability committee.

Overview of governance at Naspers continued

Group governance framework

The board is the focal point for, and custodian of, the group's corporate governance systems. It conducts the group's business with integrity and applies appropriate corporate governance policies and practices in the group.

The board, its committees and the boards and committees of subsidiaries are responsible for ensuring the appropriate principles and practices of King IV are applied and embedded in the governance practices of group companies.

A disciplined reporting structure ensures the board is fully apprised of subsidiary activities, risks and opportunities. All controlled entities in the group are required to subscribe to the principles in terms of King IV. Business and governance structures have clear approval frameworks.

The group has a governance committee comprising the segment chief executive officers (CEOs), chief financial officers (CFOs) of Naspers, Prosus and Media24, as well as the global head of company secretariat and governance, Naspers company secretary, global head of sustainability, group general counsel, global compliance lead and head of risk and audit. The committee was tasked to ensure the group's governance structures and framework are employed across the in-scope entities in the group during the financial year. Governance and progress are monitored by the audit and risk committees, and reported to the board.

The composition of committees of the board is reviewed annually and, where required, amended.

Details of the enterprisewide risk management framework (including principal risks) appear on pages 63 to 71 of the integrated annual report. Furthermore, the board's responsibility statement which relates to risk management appears on page 3.

Our approach to applying King IV and statement by the board

Naspers is required, in terms of the JSE Listings Requirements, to report its application of the principles of King IV. In line with the overriding principle in King IV of 'apply and explain', the board, to the best of its knowledge, believes the group has satisfactorily applied the principles of King IV. For a more detailed review of Naspers's application of King IV, refer to the King IV application report 2021.

All board and board committee charters and policies are aligned with the South African Companies Act, 2008 (Companies Act) requirements and the principles in King IV and the requirements of the JSE Listings Requirements. King IV advocates a qualitative approach to implementing recommended practices to realise the intended governance outcomes.

In line with King IV recommendations, we consider proportionality when we apply corporate governance in the group. This means we apply the practices needed to demonstrate the group's governance in terms of King IV as appropriate across the group.

As the companies in our group are diverse and at different maturity stages, a one-size-fits-all approach cannot be followed in implementing governance practices. All good governance principles apply to all types and sizes of companies, but the practices implemented by different companies to achieve the principles may be different. Practices must be implemented as appropriate for each company, in line with the overarching good governance principles.

Our focus areas this year

In the 2021 financial year, we continued to implement recommended or alternative practices to demonstrate the application of King IV's principles for the group. In addition, subsequent to the listing of Prosus, Prosus's policies were updated to be aligned with the Dutch Corporate Governance Code and are, therefore, also closely aligned to King IV.

Focus areas for the year included additional reporting to our board committees and board on how we implement good corporate governance in the group in light of King IV and the Dutch Corporate Governance Code and improved corporate governance disclosures in the integrated annual report.

Governance of information and technology, particularly data privacy and cybersecurity, remain focus areas. We increased our focus on sustainability this year and will continue to do so.

Focus areas this year

Strategy

Review the group's strategy, three-year plan and budget.

Read more on page 18

Continue to address the discount and unlock value through the Prosus on-market Naspers N ordinary share purchase programme of up to US$3.63bn and the on-market Prosus ordinary share N repurchase programme of up to US$1.37bn from Prosus's free-float shareholders.

Focus on future investment and value creation in the portfolio.

Read more on page 21

Financial

Review the group's performance and results.

Read more on page 62

Governance and sustainability

Continued application of King IV practices.

Execution of the board-approved group sustainability plan, reflecting our focus on specific sustainability goals.

Continued focus on our strategy to live up to our sustainability commitments.

Read more on page 73

People and learning

Recognise the importance of ML and embed learning throughout the group, including board level.

Read more on page 79, 82 and 83

Covid-19

Continue to review the work done to protect employees and other stakeholders, and manage potential impacts for the business.

Read more on page 81 and 83

The board and committees

Long-term value creation and strategy

The board ensures that a culture of business ethics and conduct aimed at long-term value creation is promoted to underpin the group's activities as a responsible corporate citizen. This includes adopting values and a code of business ethics and conduct, leading by example, and monitoring implementation to make the required disclosures on incorporation, compliance and effectiveness. In this regard the board is responsible for group performance by steering and providing strategic direction to the company, taking responsibility for the adoption of a view on long-term value creation and aligned strategy and plans (such strategies and plans to originate in the first instance from management). The board must approve the annual business plan and budget compiled by management, for implementation by management, taking cognisance of sustainability aspects in long-term planning.

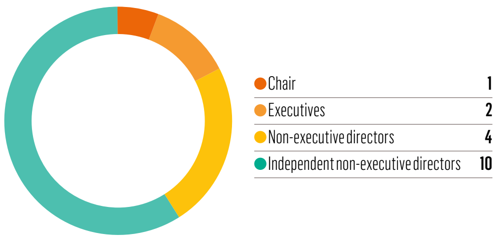
For more information on the group's strategic approach please refer to page 18.

Composition

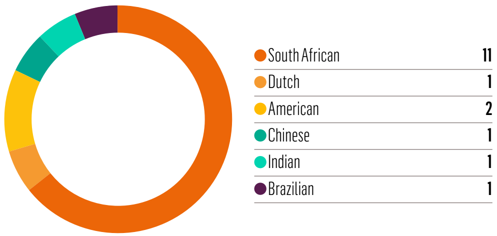
Details of directors at 31 March 2021 are set out on pages 99 and 100.

Naspers has a unitary board, which provides oversight and control. The board charter sets out the division of responsibilities. The majority of board members are non-executive directors and independent of management. To ensure that no one individual has unfettered powers of decision-making and authority, the roles of chair and chief executive are separate.

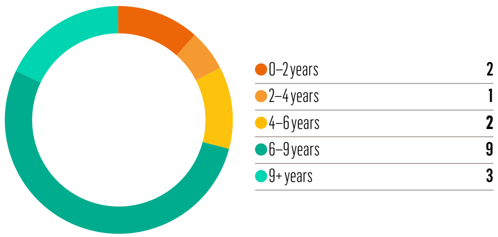
BOARD COMPOSITION (NUMBER OF DIRECTORS)



NATIONALITIES



TENURE AS A DIRECTOR



At 31 March 2021, the board comprised ten independent non-executive directors, four non-executive directors, a chair and two executive directors, as defined under the JSE Listings Requirements and King IV. Four directors (24%) are from previously disadvantaged groups and five directors (29%) are female. These figures are above the average for JSE-listed companies.

The board diversity policy addresses the JSE Listings Requirements for all listed companies to have a policy on how they address gender and race diversity at board level. The board is satisfied that its composition reflects the appropriate mix of knowledge, skills, experience, diversity and independence.

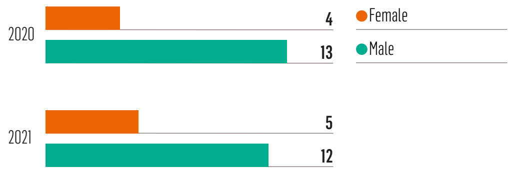
As set out in the board diversity policy, the board recognises the importance of gender diversity and aims to achieve 30% female (and male) representation. Over the past three years all new appointments of directors have been women. Subsequent to year-end, at the time of writing this report, one third of the non-executive directors are women. This demonstrates the board's ongoing commitment to transformation in line with its board diversity policy.

The group recognises and embraces the benefits of having a diverse board and sees diversity at board level as an essential element in maintaining a competitive advantage. A diverse board will include and make good use of differences in the skills, geographical and industry experience, background, race, gender and other distinctions between members of the board.

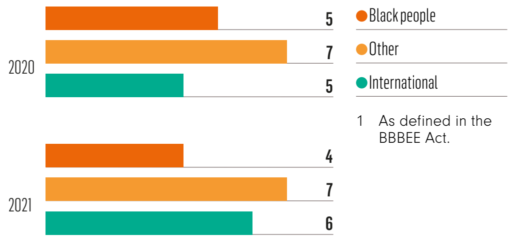
These differences will be considered in determining the optimum composition of the board and when possible will be balanced appropriately. All board appointments are made on merit, in the context of skills, experience, diversity, independence and knowledge, that the board as a whole requires to be effective.

The nominations committee reviews and assesses board composition on behalf of the board and recommends the appointment of new directors. This committee also oversees the conduct of the annual review of board effectiveness.

GENDER DIVERSITY (NUMBER OF DIRECTORS)



RACIAL DIVERSITY (NUMBER OF DIRECTORS)[1]



1 As defined in the BBBEE Act.

Role and function of the board

The board serves as the focal point and custodian of corporate governance and has adopted a charter setting out its responsibilities as follows:

- Determining what business we are building, what we offer users and key objectives.
- Ensuring and monitoring that a culture of business ethics and conduct aimed at long-term value creation is promoted to underpin the group's activities as a responsible corporate citizen. This includes adopting values and a code of business ethics and conduct, leading by example, and monitoring implementation to make the required disclosures on incorporation, compliance and effectiveness.

The board and committees continued

The board acknowledges that the group's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value-creation process. In this regard the board is responsible for the following:

- Group performance by steering and providing strategic direction to the company, taking responsibility for the adoption of a view on long-term value creation and aligned strategy and plans (such strategies and plans to originate in the first instance from management). The board must approve the annual business plan and budget compiled by management, for implementation by management, taking cognisance of sustainability aspects in long-term planning.
- Ongoing oversight of the implementation of the strategy and business plan by management against agreed performance measures and targets. As part of its oversight of performance, the board should:
  - Retain full and effective control over the company and monitor management with regard to the implementation of the approved annual budget and business plan, as amended from time to time.
  - Oversee that assessments of the negative impacts of the group's activities in the total environment in which the group operates are conducted and addressed responsibly. The board must be alert to the general viability of the organisation with regard to its reliance on the resources it uses or affects, its solvency and liquidity, and its status as a going concern.
  - Consider and, if appropriate, declare the payment of dividends to shareholders.
  - Evaluate the viability of the company and the group as a going concern, such evaluation to be properly recorded.
  - Determine the selection and orientation of directors.
  - Appoint the chief executive, who reports to the board, as well as the financial director, and ensure that succession is planned.
  - Establish board committees, including appointing its members, as and when appropriate, with clear terms of reference and responsibilities to promote independent judgement and assist with balance of power and effective discharge of its duties.
  - Appoint the chairs of the board and its committees.
  - Ensure the evaluation of performance and effectiveness of directors, the chair, the board as a whole and its committees to support continued improvement in their performance and effectiveness, including succession planning, and make the required annual disclosures in terms of King IV, as applicable.
  - Govern risk in a way that supports the group in setting and achieving its strategic objectives through a structured, appropriate and effective enterprisewide risk management and internal control systems, which allow the board to set tolerance levels from time to time and annually assess the risk management and internal control system.
  - Ensure that assurance services and functions enable an effective control environment and that these support the integrity of information for internal decision-making and of the company's external reports.
  - Ensure that there is effective risk-based internal audit, which allows it to report on the effectiveness of the company's system of internal controls in its integrated annual report.
  - Engage the external auditor based on the recommendation of the audit committee.
  - Define levels of delegation in respect of specific matters, with appropriate authority delegated to board committees and management.
- Monitoring the whistleblower process, including appropriate and independent investigations, and adequate follow-up of recommended remedial actions. The board is assisted by the risk, audit and the social, ethics and sustainability committees, with regular feedback provided by the committees to the board. In addition, executive board members should inform the chair of the board without delay of any signs of actual or suspected material misconduct or irregularities in the company or the group.
- Governing compliance with applicable laws and adopted rules, codes and standards in a way that supports the group being ethical and a good corporate citizen.
- Governing technology and information in a way that supports the group setting and achieving its strategic objectives.
- Ensuring that the group remunerates fairly, responsibly and transparently to promote the achievement of strategic objectives and positive outcomes.
- Adopting a stakeholder-inclusive approach in the execution of its governance role, that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time. This includes:
  - Identifying material stakeholders and monitoring management's process of engagement with those stakeholders.
  - Determining the company's communication policy.
  - Proactively engaging with shareholders and ensuring shareholders are treated equitably.
  - Ensuring dispute resolution mechanisms and processes are adopted and implemented as part of the overall management of stakeholder relationships.
- Overseeing the preparation of and approving the company's financial statements (for adoption by shareholders), interim, provisional and integrated reports (as reviewed by the audit committee) and ensuring the integrity and fair presentation thereof. The board should ensure integrity and quality of external reports and set the direction for how assurance of these should be approached and addressed where appropriate. External reports should enable stakeholders to make informed assessments of the group's performance and its prospects.
- Reviewing and assessing annually the charters of the group's significant subsidiary companies' boards and reviewing their annual assessment of compliance with their charters to establish if the board can rely on the work of the subsidiary companies' boards.
- Reviewing annually the charters of the committees of the board.
- Annually evaluating performance and effectiveness of the company secretary (delegated to the human resources and remuneration, and nomination committees).
- Delegation of certain responsibilities to board committees assists the board with effective discharge of the board's duties. The board remains ultimately responsible for such delegated responsibilities, other than specific statutory responsibilities, such as those of the audit and social, ethics and sustainability committees as set out in the South African Companies Act. These committees report to shareholders at the annual general meeting regarding how they have discharged their duties in terms of the South African Companies Act.

The board and committees continued

Roles and responsibilities

The chair
The chair, Koos Bekker, is a non-executive director. Hendrik du Toit was appointed to act as lead independent director in all matters where there may be an actual or perceived conflict.

The responsibilities of the chair include:

- Providing overall leadership to the board without limiting the principle of collective responsibility for board decisions, while at the same time being aware of individual duties of board members.
- Ensuring a balanced composition and proper functioning of the board and its committees.
- Ensuring a culture of openness and accountability within the board.
- In conjunction with the chief executive, representing the board in respect of communication with shareholders, other stakeholders and, indirectly, the general public.
- Assisted by the board, its committees and the boards and committees of the company's subsidiary companies, ensuring the integrity and effectiveness of the governance process.
- Maintaining regular dialogue with the group's chief executive on operational matters and consulting on an ongoing basis with other board members on any matter of concern to him/her, including managing conflicts of interests.
- In consultation with the group's chief executive and company secretary, ensuring appropriate content and order of the agendas of board meetings and ensuring that members of the board receive documentation promptly.
- Ensuring that board members are properly informed about issues arising from board meetings and that relevant information is submitted to the board.
- Acting as facilitator at board meetings to ensure a sound flow of opinions. The chair ensures that adequate time is scheduled for discussions and that they lead to logical and acceptable conclusions.
- Monitoring how the board works together and how individual directors perform and interact at meetings. The chair meets with directors annually to evaluate their performance.
- Chairing the general meetings and ensuring general meetings proceed in an orderly and efficient manner and ensuring the proper conduct of business at meetings to promote a meaningful discussion at the meetings.
- Ensuring that the directors discuss the reports provided by the committees to the board.
- With the assistance of the company secretary, ensuring all directors follow their induction and training programmes.
- Pre-clearing all dealings in Naspers shares and/or Prosus shares by directors of the companies and their major subsidiaries.

The chief executive
The chief executive reports to the board and is responsible for the day-to-day business of the group and implementing policies and strategies approved by the board. Chief executives of the various businesses assist him in this task. Board authority conferred on management is delegated through the chief executive, against approved authority levels. The board is satisfied that the delegation of authority framework contributes to role clarity and the effective exercise of authority and responsibilities.

Bob van Dijk is the appointed chief executive. He has no other professional commitments outside the group, except for his appointment to the board of Booking.com.

Succession planning for the chief executive is considered annually.

The functions and responsibilities of the chief executive include:

- Developing the company's strategy for consideration, determination and approval by the board.
- Developing and recommending to the board yearly business plans and budgets that support the company's long-term strategy.
- Monitoring and reporting to the board about the performance of the company.
- Establishing an organisational structure for the company, which is necessary to enable execution of its strategic planning.
- Recommending/appointing the executive team and ensuring proper succession planning and performance appraisals take place.
- Ensuring that the company complies with relevant laws, corporate governance principles, business ethics and appropriate best practice and, if not, that the failure to do so is justifiably explained.

Lead independent director
The responsibilities of the lead independent director are as follows:

- Leading in the absence of the chair.
- Serving as a sounding board for the chair.
- Acting as an intermediary between the chair and other members of the board, if necessary.
- Dealing with shareholders' concerns where contact through the normal channels has failed to resolve concerns, or where such contact is inappropriate.
- Strengthening independence of the board if the chair is not an independent non-executive member of the board.
- Chairing discussions and decision-making by the board on matters where the chair has a conflict of interest.
- Leading the performance appraisal of the chair.

Directors
Directors fulfil their governance duties individually and collectively taking into account:

- the role of the board as set out in the charter
- applicable laws, regulations and good governance guidelines, and
- their duties as directors, including fiduciary duties and duty of care and skill.

Directors have unlimited access to the advice and services of the company secretary.

Independent advice
Individual directors may, after consulting with the chair or chief executive, seek independent professional advice, at the expense of the company, on any matter connected with discharging their responsibilities as directors.

Company secretary
With effect from 25 August 2020, Gillian Kisbey-Green stepped down as company secretary and was appointed global head: company secretariat and governance and remains group company secretary of Prosus. Lynelle Bagwandeen was appointed as company secretary in her stead. Lynelle has held similar positions in several listed JSE companies. In addition, she has been a director of the Chartered Governance Institute of Southern Africa since 2018 and president of this institution since June 2021. With more than 10 years' JSE-listed company experience, Lynelle has strong insight into the regulatory and governance framework in South Africa. She holds a BSc from the University of Witwatersrand, an LLB (summa cum laude) and an LLM from the University of KwaZulu-Natal, is a fellow of the Chartered Governance Institute of Southern Africa and also an admitted attorney of the High Court of South Africa.

The company secretary, Lynelle Bagwandeen, and David Tudor, group general counsel (and legal compliance officer), are responsible for guiding the board in discharging its regulatory responsibilities.

Directors have unlimited access to the advice and services of the persons noted above whose functions and responsibilities include (as appropriate):

- Playing a pivotal role in the company's corporate governance and ensuring that, in line with pertinent laws, the proceedings and affairs of the board, the company and, where appropriate, shareholders are properly administered.
- Acting as the company's compliance officer as defined in the Companies Act and is the delegated information officer.
- Monitoring directors' dealings in securities and ensuring adherence to closed periods.
- Attending all board and committee meetings.

The performance and independence of the company secretary are evaluated annually.

The board and committees continued

As required by JSE Listings Requirement 3.84(h), the board has determined that the company secretary, an admitted attorney with more than 10 years of JSE-listed company experience, has the requisite competence, knowledge and experience to carry out the duties of a secretary of a public company and has an arm's length relationship with the board. The board is satisfied that arrangements for providing corporate governance services are effective.

Board meetings and attendance

The board meets at least four times per year, or more as required. The projects committee attends to matters that cannot wait for the next scheduled meeting. The board held nine meetings in the past financial year. Non-executive directors meet at least once annually without the chief executive, financial director and chair present, to discuss the performance of these individuals.

The company secretary acts as secretary to the board and its committees and attends all meetings.

Each committee acts within agreed, written terms of reference. The chair of each committee reports at each scheduled board meeting.

The chairs of the social, ethics and sustainability, human resources and remuneration, and nomination committees are non-executive directors and are required to attend annual general meetings to answer questions.

The established board committees in operation during the financial year are set out alongside and the names of the members who were in office during the financial year, as well as details of the committee meetings attended by each of the members, are shown in the table on page 109.

Read more on page 109

Indemnification

While the whole board remains accountable for the performance and affairs of the company, it delegates certain functions to committees and management to assist in discharging its duties. Appropriate structures for those delegations are in place, accompanied by monitoring and reporting systems. As contemplated in the memorandum of incorporation and our insurance programme, indemnities have been issued by Naspers to its directors.

Board committees

Projects committee

The projects committee acts on behalf of the board in managing urgent issues when the board is not in session, subject to statutory limits and the board's limitations on delegation. It comprises two non-executive directors, one independent non-executive director plus two executive directors. It is chaired by Koos Bekker.

Nomination committee

The nomination committee assists the board to determine, and regularly review, the size, structure, composition and effectiveness of the board and its committees, in the context of the company's strategy.

The committee comprises a minimum of three non-executive directors, the majority of whom are independent. It is chaired by Rachel Jafta.

The report of the nomination committee is in the full governance report.

Audit committee

The audit committee seeks to support the board in assessing the integrity of the group's financial reporting and by providing constructive challenge and oversight of the group's activities and of its audit functions. It comprises a majority independent non-executive directors and was chaired by Don Eriksson until he retired on 1 April 2021. Following his retirement, Steve Pacak, a non-executive director, took over the role of chair. The board considers Steve to be independent of mind and judgement in his conduct as chair of the committee.

The report of the audit committee is in the full governance report.

Human resources and remuneration committee

The main objective of the human resources and remuneration committee is to fulfil the board's responsibility for the strategic human resources issues of the group, particularly focusing on the appointment, remuneration and succession of the most senior executives. The committee comprises a minimum of three non-executive directors. It is chaired by Craig Enenstein.

The report of the human resources and remuneration committee is in the full governance report.

Risk committee

The purpose of the risk committee is to assist the board to discharge its responsibilities regarding the governance of risk through formal processes, including an enterprisewide risk management process and system. The committee comprises a minimum of three independent non-executive directors, as well as the chief executive and financial director. It was chaired by Don Eriksson and, following his retirement, the committee is chaired by Steve Pacak.

The report of the risk committee is in the full governance report.

Social, ethics and sustainability committee

The primary objective of the social, ethics and sustainability committee is to assist the board in ensuring the company meets its statutory obligations in terms of section 72 and regulation 43 of the Companies Act. The committee is responsible for overseeing and reporting on organisational ethics, responsible corporate citizenship, sustainable development and stakeholder relationships in relation to the group, taking into account specific disclosures and best practice as recommended by King IV.

The committee comprises two independent non-executive directors, two non-executive directors, the chief executive and the chief executive of Media24. It was chaired by Don Eriksson. Debra Meyer has taken over the role of chair for this committee following Don Eriksson's retirement.

The report of the social, ethics and sustainability committee is in the full governance report.

The board and committees continued

Directors	Date first appointed to the board	Date last appointed to the board	Board	Projects committee	Audit committee	Human resources and remuneration committee	Nomination committee	Risk committee	Social, ethics and sustainability committee	Category
JP Bekker	17 April 2015	23 August 2019	10*	1*		5	4			Non-executive
B van Dijk	1 April 2014	29 August 2014	10	1				4	3	Executive
V Sgourdos	1 July 2014	29 August 2014	10	1				4	3	Executive
EM Choi	21 April 2017	21 August 2020	7			5		3		Independent non-executive
HJ du Toit[1]	1 April 2016	24 August 2018	10				3			Independent non-executive
CL Enenstein	16 October 2013	24 August 2018	10			5*	4			Independent non-executive
DG Eriksson[2]	16 October 2013	21 August 2020	10		5			4	3	Independent non-executive
M Girotra	1 October 2019	21 August 2020	10		5					Independent non-executive
RCC Jafta[3]	23 October 2003	21 August 2020	10	1	5		4*	4	3	Independent non-executive
AGZ Kemna[4]	15 April 2021	15 April 2021	–							Independent non-executive
FLN Letele	22 November 2013	23 August 2019	9						3	Non-executive
D Meyer	25 November 2009	23 August 2019	10						3*	Independent non-executive
R Oliveira de Lima	16 October 2013	24 August 2018	10			5	4			Independent non-executive
SJZ Pacak[5]	15 January 2015	23 August 2019	10	1	4 *			4*		Non-executive
TMF Phaswana[6]	23 October 2003	25 August 2017	–							Independent non-executive
MR Sorour[7]	15 January 2015	21 August 2020	10	1						Non-executive
JDT Stofberg	16 October 2013	23 August 2019	9						3	Non-executive
BJ van der Ross[8]	12 February 1999	23 August 2019	10		–			–	3	Independent non-executive
Y Xu[9]	26 June 2020	21 August 2020	7							Independent non-executive
MI Davidson									3	Executive
Total meetings held			**10**	**1**	**5**	**5**	**4**	**4**	**3**	

1 Appointed as lead independent director on 1 April 2020.
2 Retired as a director with effect from 1 April 2021.
3 Appointed as a projects committee member on 1 April 2020.
4 Appointed to the audit committee with effect from 15 April 2021.
5 Appointed to the audit committee with effect from 21 August 2020.
6 Retired as a director with effect from 1 April 2020.
7 Appointed as a projects committee member on 24 April 2020.
8 Resigned from the audit and risk committees and appointed as a member of the social, ethics and sustainability committee on 24 April 2020.
9 Appointed to the board with effect from 26 June 2020.

The board and committees continued

Evaluation

The nominations committee carries out the evaluation process, which is not externally facilitated, on an annual basis.

As part of the review, the performance of the board and its committees, as well as the performance of the chair of the board, are considered against their respective mandates in terms of the board charter and the charters of its committees. The committees perform self-evaluations against their charters for consideration by the nominations committee and the board.

For the FY21 annual formal inhouse self-assessment, the performance of each director was evaluated by the other board members, using an evaluation questionnaire. The chair of the board discussed the results with each director and agreed on any training needs or areas requiring attention by that director. Where a director's performance is not considered satisfactory, the board will not recommend his/her re-election.

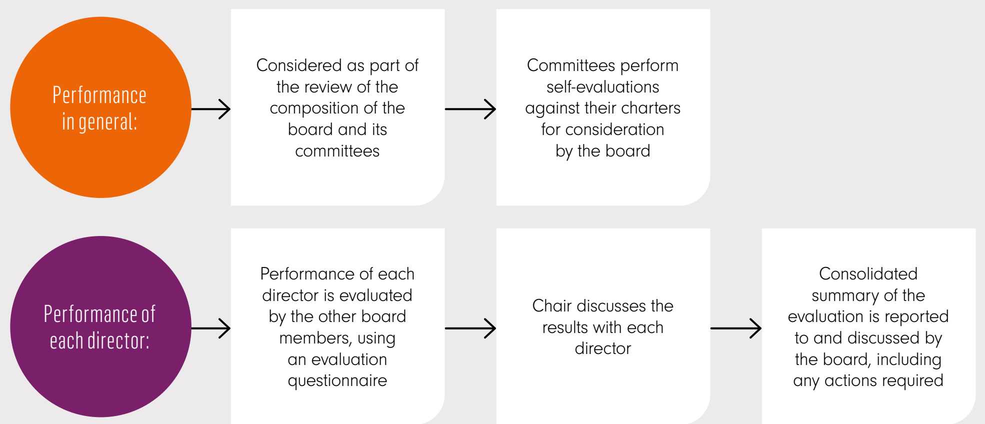
A consolidated summary of the evaluation was reported to and discussed by the board, including any actions required. The lead independent director leads the discussion on the performance of the chair, with reference to the results of the evaluation questionnaire, and provides feedback to the chair.

The board is satisfied that the evaluation process improves its performance and effectiveness.

Furthermore, the independence of each director was evaluated. The board determined that although some directors had served as members for nine years or longer, they all demonstrated they were independent in character and judgement and there were no relationships or circumstances that were likely to affect or could appear to affect their independence.

The formal annual evaluation process showed that the board and its committees had functioned well and discharged their duties as per the mandates in their charters. The board is satisfied that the evaluation process is improving its performance and effectiveness. The results of the board evaluation indicated that board members, collectively and individually, effectively discharged their governance role. There were no remedial actions identified.

Board evaluation process



Induction and development

An induction programme is held for new members of the board and key committees, tailored to the needs of individual appointees. This involves industry and company-specific orientation, such as meetings with senior management to facilitate an understanding of operations. Board members are exposed to the main markets in which the group operates as well as relevant evolving trends in technology and business models.

The company secretary assists the chair with the induction and orientation of directors, and arranges specific training if required.

The company will continue with directors' development and training to build on expertise and develop an understanding of the businesses and main markets in which the group operates.

Conflicts of interest

Potential conflicts are appropriately managed to ensure candidate and existing directors have no conflicting interests between their obligations to the company and their personal interests. All directors are required to declare personal interests on an annual basis. Declaration of directors' interests is a standing agenda point on the board's agenda. Directors who believe there may be a conflict of interest on a matter are to advise the company secretary and are recused from the decision-making process, and the Companies Act process is applied accordingly. Directors must also adhere to a policy on trading in securities of the company.

Discharge of responsibilities

The board is satisfied that the committees properly discharged their responsibilities over the past year.

Furthermore, the board complies, to the best of its knowledge, with the Companies Act and its memorandum of incorporation and monitors such compliance on an ongoing basis.

The full governance report can be found on www.naspers.com/investors/annual-reports.

Culture, ethics and compliance

Culture

The board recognises that creating value for both shareholders and society in a responsible, efficient and sustainable way requires a healthy business culture. Although we operate a wide range of businesses, we are united behind a common purpose to address big societal needs and help improve the lives of half the world's population over the next few years.

We believe our culture is a key strength of our business and we see the benefits of this in our employees' engagement, retention and productivity. Our corporate values are approved by the board and our subsidiaries adopt values aligned to our expectations, tailored for their business environment.

Our values as an organisation are reflected in our culture. These values, at the core of our strategy, and the code of business ethics and conduct (the Code) are the guiding principles for all of our actions as an organisation.

Our culture reflects

At heart, we are entrepreneurs.

- We push for performance in everything we do – it's good for the group, our stakeholders and our careers.
- We do the right thing.
- We matter to the communities we serve and, wherever we operate, we hold ourselves to high standards.
- We encourage diversity in our teams and our thinking.

Read more about our culture on page 29 and also in our People section on page 81.

Reinforcing a healthy corporate culture

How the board monitors culture

Measuring our culture through employee engagement
- Through the employee engagement survey

Risk management
- Assisted by the risk committee
- Risk appetite reviewed annually by the board

Remuneration and culture
- Assisted by the human resources and remuneration committee
- Approach to pay-equality
- D&I

Ethics and compliance
- Assisted by the risk and social, ethics and sustainability committees
- Code of business ethics and conduct
- Via designated ethics officers
- Through the whistleblowing policy and via OpenLine
- Through the legal compliance framework

Ethics and compliance

The Code is available on www.Naspers.com/about/policies. This Code applies to all directors and employees in the group. Ensuring that group companies adopt appropriate processes and establish supporting policies and procedures is an ongoing process.

We focus on policies and procedures that address key ethical risks, such as conflicts of interest, accepting inappropriate gifts and unacceptable business conduct.

The social, ethics and sustainability committee is responsible for overseeing and reporting on business ethics in the group, taking into account specific disclosures and best practice as recommended by King IV.

Businesses in our group apply zero tolerance to violations of the Code. Appropriate action is taken, including disciplinary, criminal or civil procedures or improving the control environment. Reports are provided to the social, ethics and sustainability committee to demonstrate this. Unethical behaviour by senior employees is also reported to the human resources and remuneration committee, along with the way the company's disciplinary code was applied.

We are committed to conducting our business on the basis of complying with the law, with integrity and with proper regard for ethical business practices. We expect all directors and employees to comply with these principles and, in particular, to avoid conflicts of interest and not to engage in insider trading, illegal anti-competitive activities, and bribery and corruption.

ETHICS AND COMPLIANCE KPIs:

3
legal compliance officers appointed

100%
of subsidiaries with localised anti-bribery and anti-corruption policies implemented

Our approach

The board sets the 'tone at the top', guiding business values and the culture of ethics and compliance. The board endorses the Code which sets out what we as a group expect from all employees and stakeholders. Management is responsible for creating a culture aimed at long-term value creation for the group and ensuring ethical business standards are integrated into the group's strategies and operations.

Non-compliance with laws and regulations, including anti-bribery and anti-corruption and other similar laws, could expose the group to legal liability and negatively impact the group's reputation, business, financial condition, as well as the communities in which we operate. We are committed to conducting business in compliance with the law, with integrity and with regard for ethical business practices, as described in the Code and group policies (including the anti-bribery and anti-corruption policy). From a governance perspective, it is expected that we execute demonstrable and effective compliance management.

In order to execute effective and demonstrable compliance management, we developed and communicated a compliance framework that sets out minimum standards required throughout the group. Based on this framework, subsidiaries are expected to implement a programme which is 'fit for purpose' and focused on the risks that relate to their business. To ensure implementation of these compliance programmes, three legal compliance officers have been appointed across the Naspers group.

Culture, ethics and compliance continued

If the group conducts business in countries that may present increased corruption risks and where the group's businesses interact with government entities/officials, we expect that subsidiaries should, at a minimum, have processes in place to cover the following risk areas, as part of their anti-bribery and anti-corruption compliance programmes:

- gifts, hospitality, travel and entertainment
- conflicts of interest
- charities/charitable donations, political contributions and sponsoring of activities
- contact with government officials
- third-party vetting and due diligence, and
- accurate books and record keeping.

100% of the subsidiaries have reported implementing a localised anti-bribery and anti-corruption policy.

During the year

In 2020, responsibility for the topic of ethics was transferred to the newly named ethics and compliance function for further enhancement and embedding. To ensure the continued progress in managing ethics and compliance risks:

- We benchmarked various ethics initiatives with input from international guidelines, industry best practices and external advice in order to incorporate ethics into the existing compliance framework (resulting in a combined ethics and compliance framework).
- We developed additional standards and guidance in order to support businesses in furthering their local implementations of ethics and compliance.
- We have provided ongoing communication and training to employees globally to raise awareness around the Code and the related group policies.
- We improved group compliance monitoring and reporting through data and technology.

Through these monitoring activities and numerous touchpoints with subsidiaries, we have noted that businesses have continued to make good progress in implementing and adapting the ethics and compliance framework locally.

In this financial year, group ethics and compliance was notified about five potential ethics and compliance-related incidents or investigations (these allegations related to incidents in scope of the compliance framework):

- two of these incidents were substantiated and remediated in the appropriate subsidiary
- one incident was not substantiated, and
- two allegations are still under investigation.

The Naspers board, risk committee and social, ethics and sustainability committee exercise oversight of ethics and compliance and the management of these risks across the group.

In the future

We continue to develop our ethics and compliance strategy to align with observations from monitoring activities, emerging risks, regulatory changes and best practices. Going forward, group ethics and compliance will continue to raise ethics and compliance awareness across the group. A key area of focus for the upcoming financial year will be strengthening our speak-up programme, as part of the ethics and compliance framework.

Assurance on the effectiveness of compliance management is received through a combined assurance model.

There were no material or repeated regulatory penalties, including General Data Protection Regulation (GDPR), sanctions or fines for contraventions of, or non-compliance with, statutory obligations. There were no inspections by environmental regulators that resulted in findings of non-compliance.

Encouraging whistleblowing through OpenLine

The group whistleblower platform is an important component of the group's ethics and compliance initiatives. Under the global whistleblower policy, employees are encouraged to report suspected unethical behaviour and matters contrary to the Code. Employees enjoy protection when they report such matters in good faith. The whistleblower facility (OpenLine) is a safe platform for employees to report suspected misconduct in the workplace, with the option to have their identity protected or to remain completely anonymous. All stakeholders can report suspected unethical behaviour and wrongdoing anonymously or confidentially.

The line operates globally, around the clock, with live answering. In addition, the facility offers the opportunity to report matters through a dedicated website, telephony services, email or postal service.

COUNT OF REPORTS BY FINANCIAL YEAR

INVESTIGATION OUTCOME

The OpenLine facility is independently managed by Navex Global (a global ethics and fraud hotline service provider).

The risk and audit function oversees the effective operation of OpenLine and, with compliance and human resources functions, ensures employees are sufficiently aware of its existence. The risk and audit function also monitors that reports are dealt with and independently investigated in line with the whistleblower policy. Where appropriate, risk and audit and/or external forensic consultants investigate reported matters.

Significant allegations and validated cases of wrongdoing are reported to the audit and risk committees. The social, ethics and sustainability committee also receives regular reports on whistleblower activity and ethics performance around the group.

This year there were 95 reports, compared to 35 the year before.

79 reports were reviewed, triaged and investigated, where warranted. Once the investigation process is concluded, reports are closed and feedback is provided to reporters. 17 reports are in progress, with relevant management and investigation teams, with oversight by the group risk and audit function. 72% of these reports are human resources-related. These reports are investigated by our in-country human resources specialist, with oversight by the group human resources function. 22% are related to internal controls and were investigated and monitored by our internal audit function.

Culture, ethics and compliance continued

We have also received several reports from customers which indicate OpenLine is available to broader stakeholders across the globe.

To support the board to fulfil its governance role, the Naspers risk committee receives reports on legal compliance – refer to the risk committee report in the full governance report.

Information and technology governance
Information and technology (I&T) governance is integrated into the operations of the Naspers businesses. Management of each subsidiary or business unit is responsible for ensuring effective processes on I&T governance are in place.

The risk committee assists the board in overseeing I&T-related matters. I&T governance is a standing point on its agenda and I&T objectives have been included in its charter. The committee considers the risk register, as well as reports on I&T from risk and audit, and our legal compliance function.

The group's subsidiaries are required to act in line with the company's good governance guidelines, which detail I&T governance-related matters.

Subsidiaries of each major entity are required to submit an annual formal written report on the extent to which they have implemented the principles, and chief executives and chief financial officers sign off on this.

Any notable exceptions are summarised and reported to the risk committee.

We continuously look at how we can better integrate people, technologies and processes. During our annual business-planning process, our businesses consider their platform requirements. The platform strategy starts from the business strategy and is translated into technical and process requirements.

Business continuity is included in the group's risk register, which is reviewed and discussed by the risk committee twice a year and annually by the board. Business resilience is the key objective of our cybersecurity policy. The capability of businesses to respond to disruption is in-scope for risk and audit, bearing in mind the perspective of our customers and end users.

Operational boundaries to dealing with I&T are subject to the group's code of business ethics and conduct, and legal compliance policy. Our risk management practices ensure that relevant risks on the ethical and responsible use of I&T are identified and assessed. The social, ethics and sustainability committee oversees this area.

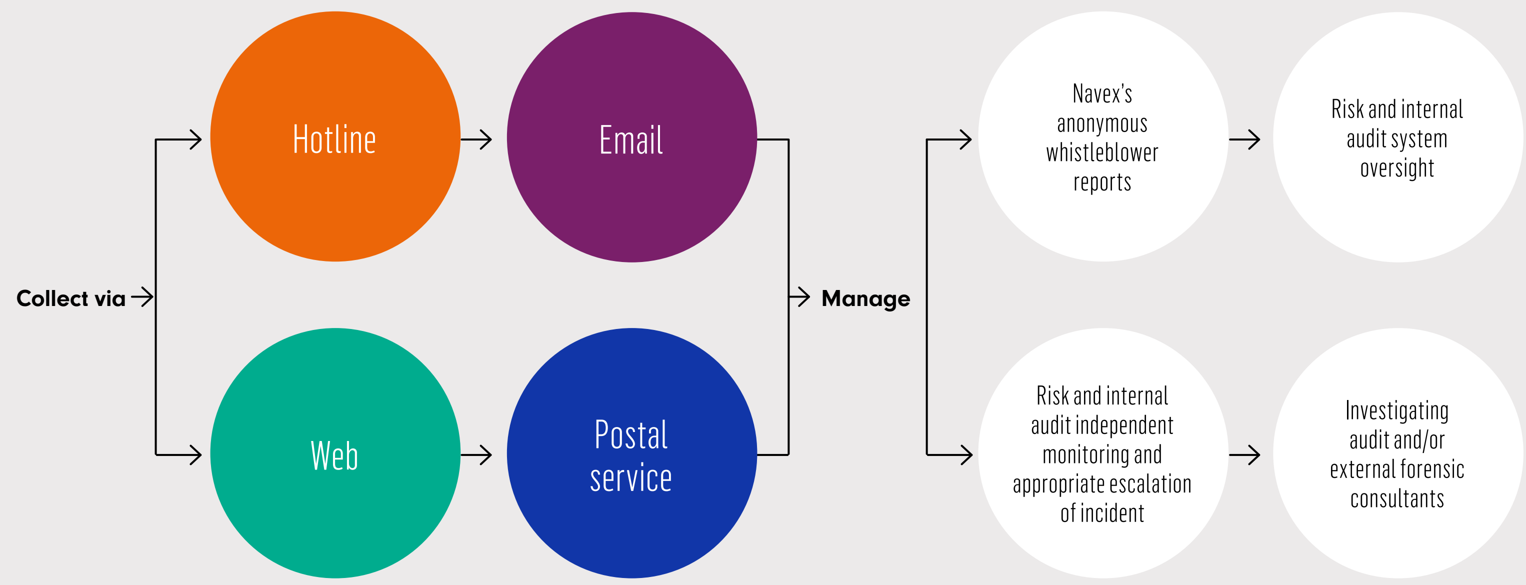
We run a privacy programme to ensure that personal data is stored and processed ethically and in compliance with applicable privacy laws, such as the GDPR in Europe. Risk and audit provides assurance to management, the audit committee and the board on the effectiveness of I&T governance. The detail of controls to manage identified risks and reduce vulnerability forms the basis of risk and audit's assurance plans.

To support the board in fulfilling its governance role, the risk committee receives reports on I&T management – refer to the risk committee report in the full governance report.

In the future
Planned focus areas for I&T governance include developing and deploying data-driven technologies (such as ML), accounting for cybersecurity and data privacy by design.

For data acquisition and data processing undertaken in the context of our central ML team's services to group companies, we have established internal guidelines and contractual measures to ensure compliance with applicable laws and integrating best practice. Ethical use of ML and AI is a rapidly developing field. We intend to enhance our guidelines in this area over time, based on our learnings and as best practice develops.

OpenLine process flow



Culture, ethics and compliance continued

Cybersecurity and data privacy

The Cybersecurity and technology resilience section on page 77 articulates our commitment to ensuring strong cybersecurity. Refer to the Data privacy and protection section on page 75 for our commitment, approach and progress made.

Read more on pages 75 and 77

Internal control systems

Our system of internal controls in all material subsidiaries and joint ventures under Naspers's control aims to prevent or detect risks materialising and to mitigate any adverse consequences. The system provides reasonable assurance on achieving company objectives. This includes the integrity and reliability of the financial statements; safeguarding and maintaining accountability of its assets; and to detect fraud, potential liability, loss and material misstatements while complying with regulations. The directors representing Naspers on boards of entities where the company does not have a controlling interest, seek assurance that significant risks are managed and systems of internal control are effective.

Management, with assistance from risk and audit, regularly reviews risks and the design and operating effectiveness of internal controls seeking opportunities for improvement. The external auditor considers elements of the internal controls system and communicates deficiencies when identified.

The board reviewed the effectiveness of controls on key risks for the year ended 31 March 2021. This assurance was obtained principally through a process of management self-assessment, including formal confirmation via representation letters by executive management. Consideration was also given to other input, including reports from risk and audit, compliance and the risk management process. Where necessary, programmes for corrective actions have been initiated and progress is being monitored.

While we work towards continuous improvement of our processes and procedures regarding internal controls, systems and financial reporting, no major failings have occurred to the knowledge of the directors during the review period.

Risk and audit

A risk and audit function is in place for the group that aims to provide world-class support, including assurance, insights, solutions and ideas to help management protect and enhance value. The head of risk and audit reports to the chair of the audit committee, with administrative reporting to the financial director.

Our core competency lies in our risk-based IT and business process assurance work, the foundation of our department. We provide management with assurance on their risk management efforts, while realising where they are in terms of growth and maturity. In addition to the traditional assurance work, we provide risk support through an evolving portfolio of innovative consulting services and we are steadily moving beyond projects into ad hoc and continuous support for businesses. This includes the development of risk communities, in which risk specialists from all our businesses and associates can share ideas and lessons learned. In FY21, we continued to rapidly grow our inhouse teams based in Dubai, Amsterdam, Cape Town and Hong Kong. With the energetic and highly motivated talent on board, we can serve our global companies with quicker and more relevant results.

Intermittently (at least once every five years), the group's risk and audit submits itself to an external quality review by a qualified independent assessor to assess its conformance with the International Professional Practice Framework (IPPF) of the Institute of Internal Auditors. Such a review was concluded most recently in March 2021, resulting in the assessment rating 'Generally Conforms' to the commonly accepted standards for professional practice as defined in the IPPF. This is the highest rating achievable for such an assessment.

Among other aspects, risk and audit is responsible for providing a statement annually on the effectiveness of the group's governance, risk management and control processes to the board of directors and, to the audit committee specifically, of the results of its review of financial controls. In its periodic reports to the audit committee, risk and audit represents that the function continues to meet the commonly accepted standards for professional practice as defined in the IPPF standards and that it has remained independent from management.

Non-audit services

The group's policy on non-audit services provides guidelines on dealing with audit, audit-related, tax and other non-audit services that may be provided by the independent auditor to group entities. It also sets out services that may not be performed by the independent auditor.

The audit committee preapproves audit and non-audit services to ensure these do not impair the auditor's independence and comply with legislation. Under our guiding principles, the auditor's independence will be deemed impaired if the auditor provides a service where they:

- function in the role of management of the company, or
- audit their own work, or
- serve in an advocacy role for the company.

Relations with shareholders and investors

Investor relations

Naspers's investor relations policy can be found on www.Naspers.com. It describes the principles and practices applied in interacting with shareholders and investors. Naspers is committed to providing timely and transparent information on corporate strategies and financial data to the investing public. In addition, we consider the demand for transparency and accountability on our non-financial (or sustainability) performance. We recognise that this performance is based on the group's risk profile and strategy, which includes non-financial risks and opportunities.

The company manages communications with its key financial audiences, including institutional shareholders and financial (debt and equity) analysts, through a dedicated investor relations unit. Presentations and conference calls take place after publishing interim and full-year results.

A broad range of public communication channels (including stock exchange news services, corporate website, press agencies, news wires and news distribution service providers) are used to disseminate news releases. These channels are supplemented by direct communication via email, conference calls, group presentations and one-on-one meetings. Our policy is not to provide forward-looking information. Naspers also complies with legislation and stock exchange rules on forward-looking statements.

Closed periods

Naspers would typically be in a closed period on the day after the end of a reporting period (30 September or 31 March) until releasing results.

General investor interaction during this time is limited to discussions on strategy and/or historical, publicly available information.

Analyst reports

To enhance the quantity and quality of research, Naspers maintains working relationships with stockbrokers, investment banks and credit-rating agencies – irrespective of their views or recommendations on the group.

Naspers may review an analyst's report or earnings model for factual accuracy of information in the public domain but, in line with regulations and group policy, we do not provide guidance or forecasts.

The board encourages shareholders to attend the annual general meeting, notice of which appears in this integrated annual report, where shareholders have the opportunity to put questions to the board, management and chairs of the various committees.

The company's website provides the latest and historical financial and other information, including financial reports.

Annual general meeting

Naspers held its 106th annual general meeting in August 2020. Shareholders were encouraged to attend the annual general meeting and to ask questions at or in advance of the meeting.

In 2021, Naspers shall hold an annual general meeting. The external auditor is welcomed to the annual general meeting and is entitled to address the meeting. As questions asked at the Naspers annual general meeting tend to focus on business-related matters, governance and the remit of our board committees, the chief executive and the chief financial officer and the chairs of our board committees shall attend the Naspers annual general meeting.

The annual general meeting for Naspers will be held, in accordance with the notice of the annual general meeting contained in the integrated annual report.

Required majorities

Resolutions are usually adopted at Naspers general meetings by an absolute majority of votes cast, unless there are other requirements under the applicable laws or Naspers's memorandum of incorporation.

Right to hold and transfer shares

Naspers's constitutional documents place no limitations on the right to hold or transfer Naspers and/or Prosus ordinary listed shares. There are no limitations on the right to hold or exercise voting rights on the ordinary listed shares of Naspers imposed by South African law.

More information on the Naspers control structure can be found on page 186.

The full governance report can be found on www.naspers.com/investors/annual-reports.

Remuneration report

Craig Enenstein

Chair: Human resources and remuneration committee

'We aim to attract, motivate and retain the best people to create sustainable shareholder value.'

Members of the committee

- CL Enenstein (chair)
- JP Bekker
- EM Choi
- R Oliveira de Lima

Dear Shareholder

On behalf of the board, I am pleased to present our remuneration report, covering the 2021 financial year (FY21).

Covid-19

The global pandemic, which started at the beginning of FY21, has had a marked impact on the daily lives of global citizens and the economy at large. From the outset, our aim has been to preserve the health and wellbeing of our people. We have sought to manage the situation as well as we possibly could and at the same time, act responsibly for our shareholders. We took this responsibility into account when making executive remuneration decisions last year and for the coming year. Our company did not take any government aid and we did not furlough our people, regardless of the level of productive work available at the start of the financial year. The executives and senior management did not receive a pay increase for FY21, however, given company performance, we were able to provide a mid-year pay review to our employees. The committee introduced a Covid-19 malus clause, allowing for discretionary downward adjustment of any FY21 STI payout if so deemed appropriate. LTI awards for executives and eligible employees were deferred by three months to September 2020, when clear performance was evidenced. Finally, the board did not apply the increase on non-executive directors' fees that was already approved by shareholders at the 2020 annual general meeting (AGM).

We entered the pandemic with financial strength and good momentum, and, competing in a sector that performed exceptionally well, we have exceeded our business plan and delivered financial performance ahead of the budget as originally set pre-Covid-19. This performance is reflected in our remuneration decisions. Our businesses recovered well from the initial impact of Covid-19 and are now fundamentally stronger than they were, going into the pandemic. The pandemic has accelerated activity in the consumer internet space, benefiting our businesses. We have seen particularly strong growth in Food Delivery, Etail, Edtech and online payments and, throughout the period, we continued to invest for long-term growth.

We refer to the People section on page 81 in the annual report, for further detail on our Covid-19-related community support and wider CSR initiatives.

Business performance[1]

The group delivered strong results for the year ended 31 March 2021. 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. This was driven by ecommerce revenues which grew 46% (54%) year on year. Tencent contributed with healthy revenue growth of 32% (28%). Group trading profit grew 49% (45%) to US$5.6bn. 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. Consolidated free cash outflow was US$4m, a significant improvement on the prior year's free cash outflow of US$383m. This was driven by growth in our ecommerce unit's profitability, dividends received from Tencent of US$458m (2020: US$377m) and improved working capital management.

In recent years, we have progressively grown our portfolio of companies focused on education as part of our Ventures arm. On 1 April 2021, we split these out of Ventures into a formal Edtech segment, reporting separately.

Key focus areas during the year

- Taking Covid-19 impact into account when making remuneration decisions, by withholding FY21 pay increases for CEO and direct reports, adding Covid-19 malus clause to senior management's STI and delaying LTI awards.
- Reflecting the business performance ahead of originally set pre-Covid-19 goals in the FY21 STI and FY22 remuneration decisions.
- Ensuring correct pay-for-performance mix is applied.
- Setting STI targets, including ESG goals, that are measurable, sufficiently stretched and linked to the group's strategy.
- Increasing weighting of PSUs in the LTI mix for executive directors, ensuring an even closer alignment between executive remuneration and shareholder outcomes.
- Improving disclosure of executive remuneration in the integrated annual report, in a bid for greater transparency.
- Continued engagement with shareholders on remuneration topics.
- Ongoing monitoring of market developments to ensure our remuneration structure allows us to compete globally for talent, and that our offering is compelling, fair and responsible.
- Considering external advice on non-executive directors' fees.

1 Numbers in brackets represent growth in local currency, excl M&A.

Remuneration report continued

Pay for performance

Paying for performance lies at the heart of the group's remuneration philosophy and is the primary driver for any review of remuneration, to be set at a level that allows the company to attract and retain the best executive talent.

The remuneration philosophy underpins the group's strategy and enables us to achieve our business objectives. Inherent to this philosophy is the desire to pay for performance, support an ownership mentality and entrepreneurial spirit in our teams around the world, and to align management compensation outcomes with the creation of shareholder value over time.

In our remuneration decisions, the committee takes into account business performance, the individual performance of the executive, the alignment with our shareholders' interests and the recognition of the executives' efforts towards maximising shareholder value over the longer term.

Our people – battle for global digital talent

Naspers operates in a fast-growing and ever-evolving industry and we must ensure that we are attracting and retaining the best digital talent in the world, which is in scarce supply. We are a global rather than a South African company, operating in a highly competitive international environment. Our main competitors for talent are not listed in Johannesburg or included in the Johannesburg Stock Exchange (JSE) index. Our remuneration practices are aligned within a global technology landscape and may differ from what is customary in a South African context. Executive talent comes from other international, often United States (US)-listed companies in the consumer internet sector, which forms the basis of our executive remuneration benchmarking. A significant increase in investment activity in technology businesses is creating a high demand for digital talent in general and executive leaders in technology specifically. Competitive pay is an important part of our efforts to attract and retain global digital talent but it is not the only consideration. We believe our people join us and stay because of the opportunity to do meaningful work where they have the opportunity to make a difference, to learn and grow.

We operate in well over 100 countries, focus on high-growth markets and invest in local, empowered teams with an ownership mentality. Our business moves fast as technology trends and consumer adoption change, and we run businesses that have broad potential, can address big societal needs and can attain market leadership over time.

Our people are at the heart of our success. The driven entrepreneurs with whom we partner, the digital leaders who drive us forward, the skills that our people bring to the group in highly specialised areas (eg technology, product design, machine learning, digital marketing and many other disciplines) all allow us to compete effectively. We operate in a highly competitive global market for this type of talent, and we compete against other world-class companies for the best talent.

Fair pay

Equality and consistency are embedded in our pay practices across the group as we continue to build our diverse and inclusive workplaces. We operate in high-growth economies where socio-economic disparity can be large and societal fairness is very important to us. We ensure that our pay practices around the world are fair, competitive and above minimum-wage standards. For further insights into our people practices, please refer to the People section on pages 81 to 87 of our integrated annual report.

Long-term focus

In our continued commitment to maximising shareholder value by incentivising the value creation at the core of our businesses, longer-term incentive awards (LTIs) were made to our executives. Performance share units (PSUs) continue to represent a significant proportion of the LTI granted to executive directors and in the coming year 60% of the LTI grant will be made in PSUs. PSUs will cliff-vest after three years and only if the key performance metric is met. The PSU threshold level of achievement is deliberately set at the 25th percentile as it is positioned with a very stretched total shareholder return (TSR) target against a highly competitive set of comparator companies. Detail of our LTI programmes can be found on pages 122 and 123 of this remuneration report.

More than 92% of the executive directors' LTI is linked to long-term value creation in our core consumer internet businesses, excluding Tencent. PSUs and share appreciation rights (SARs) only reward for the increase of that underlying business value, which contributes to reducing the discount to net asset value (NAV), see note 2 in the annual financial statements. On page 124 of this report we provide further detail of our SARs valuations process and the performance of our ecommerce portfolio.

Voluntary share exchange offer

After the close of FY21, on Wednesday, 12 May 2021, Prosus announced its intention to implement a voluntary share exchange offer to Naspers shareholders. The transaction is expected to deliver immediate and longer-term value creation for both Naspers and Prosus shareholders, and right-size Naspers and Prosus on their respective exchanges. Full details of the proposed transaction are available at www.share-exchange-offer.com.

It should be noted that our executive directors continue to be compensated based on Naspers performance and that the majority of unvested PSUs and SOs sits in Naspers shares. Over time, we aim to gradually re-balance PSU and SO awards between Naspers and Prosus shares, aligned with the free float ownership in Naspers and Prosus. The voluntary share exchange offer to Naspers shareholders, which is subject to approval, is expected to double the Prosus free float's economic interest in the group's underlying assets. In this context, shifting the balance of LTI to Prosus is well aligned to shareholder interests.

Our stakeholder engagement

The committee takes into consideration the feedback that we receive via our employee engagement surveys. We engage openly and frequently and take extensive input from our investors and advisers, to demonstrate clearly the link between Naspers's strategy, business performance and our remuneration philosophy. This year alone we have engaged in 25 investor meetings dedicated to remuneration. We strive for a higher level of N shareholder support for the remuneration resolutions and in that spirit, we will continue to make appropriate changes to our remuneration design and disclosures. We will continue to engage with our shareholders on a frequent basis. Please refer to page 125 for further details of changes we have made in response to shareholder feedback.

I thank you for your feedback and support and look forward to our future interactions.

Craig Enenstein
Chair: Human resources and remuneration committee

19 June 2021

Structure of report

In compliance with the King IV Report on Corporate Governance™[2] in South Africa 2016 (King IV), this report is split into the following sections:

1. **Background and policy:**
   Provides a detailed overview of our approach to remuneration and information on the components of our executive pay packages.
   Read more on page 118
2. **Implementation of the remuneration policy:**
   Sets out information on how we implemented our policy for FY21.
   Read more on page 126

We close with an Additional information section on page 142.

It is noted that all remuneration is presented on a full-year basis and at 100%, including the cost that is apportioned to Prosus.

- When referring to financial results, adjustments have been made for the effects of foreign currencies and acquisitions and disposals to reflect underlying trends. These adjustments (pro forma financial information) are quoted in brackets after the equivalent metrics reported under International Financial Reporting Standards (IFRS).

Background and policy

Our philosophy

Our remuneration philosophy underpins our group's strategy and enables us to achieve our business objectives. Our commitment to pay for performance and alignment with shareholder value creation drives all our remuneration activities and supports the ownership mentality and spirit of entrepreneurship in our teams around the world. We believe in a level playing field for our people. We strive to pay fairly and responsibly and as much as possible, the structure of our pay is consistent, regardless of the seniority of the employee, ensuring equality of pay across all employees. In the committee's view, the remuneration policy achieved its stated objectives in the year under review.

Five key principles to guide our remuneration approach

We believe in pay for performance: we are comfortable with bigger rewards for those that make the highest contribution

Remuneration must be aligned with shareholder outcomes

Remuneration must incentivise the achievement of strategic, operational, sustainability and financial objectives, in both the short and longer term

We are consistent: our reward package elements are broadly the same, regardless of seniority*

Our reward systems must help us attract and retain the best talent around the world in a fair and responsible way

Fair

- Equitable: Free from discrimination
- Relevant: Linked to personal and company performance
- Rational: Easy to explain

Responsible

- Independent: With oversight, top-down via board
- Managed: All employee pay decisions are properly overseen
- Considered: Judgement is applied; we shy away from formulaic appraisals that could lead to unacceptable outcomes
- Sustainable: Remuneration designed with sustainability in mind

We strive to deliver fair and consistent remuneration across all our business operations and this includes permanent and temporary employees, contractors, consultants and trainees.

We run regular pay-equality analyses and perform calibrations across the group as a standard process before (annual) reward decisions are taken.

* Some employees do not receive LTIs.

Background and policy continued

Our competitive environment for talent

A global market for talent

We are a global rather than a South African company, operating in a highly competitive international environment. Our competitors are not listed in Johannesburg or included in the JSE index. Our remuneration practices are aligned within a global technology landscape and may differ from what is customary in a South African context. Executive talent comes from other international, often leading US-listed companies in the consumer internet sector, which forms the basis of our executive remuneration benchmarking.

Making executive pay decisions

OBJECTIVE → INPUTS → OUPUTS →

PAY FOR PERFORMANCE
Achieve the business plan

Individual performance as per STI | Business performance

When making executive pay decisions, we consider the individual's performance and the performance of the business.

ATTRACT AND RETAIN TALENT
Fair and responsible

MARKET SITUATION – BENCHMARKING

WTW data high-tech sector and general industry | Radford data high-tech sector

We partner with local data providers in the countries in which we operate and with WTW and Radford, two global providers of benchmarking information. We access WTW surveys for general industry and high-tech (including media and technology) for Western Europe and high-growth markets. Radford survey coverage is specifically strong in the US.

Peer group

Where appropriate and available, we look at publicly disclosed data that are more or less comparable in the ecommerce, consumer internet, food delivery and social media sector. The peer companies for remuneration benchmarking include:

Amazon, Alphabet, Facebook, PayPal Holdings, Netflix, Uber, Booking Holdings, Snap, Adyen, Twitter, Doordash, eBay, Wayfair Inc, Zillow Group, Zalando SE, Expedia Group Inc, Ocado Group, IAC/InterActiveCorp, Just Eat Takeaway.com, Adevinta, Auto Trader Group, and Qurate Retail.

SHAREHOLDER ALIGNMENT
Pay for performance

Scenario analysis

The committee undertakes a thorough assessment to ensure that targets on variable incentives are sufficiently stretched in the context of potential remuneration delivered, and applies judgement so that the remuneration policy continues to achieve its objectives of aligning pay with the long-term performance of Naspers and shareholder outcomes.

COMMITTEE DELIBERATION → **PAY DECISION**

Background and policy continued

Our remuneration structure: pay for performance

Remuneration for our executive directors consists of base salary, STI, LTI, pension and other benefits. The approach is similar for the CEOs other direct reports.

Pay elements		Our pay design links to our pay principles: Pay for performance	Shareholder alignment	Incentivisation	Consistency	Attract and retain talent
Base salary	• Fixed pay, reflects the contribution of the individual and market value of the role. • Paid monthly in cash. • Benefits typically include pension, medical insurance and life and disability insurance. • Fixed pay may be reviewed annually; any increase is typically effective from 1 April each year. • Note: Due to Covid-19, the CEO and his direct reports did not receive any FY21 pay increase.	✓	✓	✓	✓	✓
STI **Annual performance-related incentive**	• Discretionary annual performance-related incentive. • Performance measures tailored to executives' roles and responsibilities. • At least 50% of the bonus opportunity is based on delivery of financial performance ahead of the board-approved business plan, including and excluding Tencent. • Strategic and operational goals include additional financial performance metrics for the underlying businesses. • Target and maximum bonus opportunity are the same (no payout for over-performance against the target), set at 100% of base salary for both the CEO and CFO. • The committee undertakes a thorough assessment to ensure that targets are rigorous and sufficiently stretched. STI payout is typically below the maximum opportunity. • Any STI payout is made in cash. • The committee may apply judgement with discretion to make appropriate adjustments to the annual bonus.	✓	✓	✓	✓	✓
LTI **– PSUs**	• PSUs are designed to incentivise the increase in the value of internet businesses (excluding Tencent and Mail.ru) and deliver superior returns to shareholders. • Three-year cliff-vesting, subject to the achievement of the performance condition. • Performance condition (for FY20, FY21, FY22 grants): three-year compound annual growth rate (CAGR) of the Global Ecommerce SAR scheme, relative to a group of industry peers. • Vested PSUs are settled in shares. • Further details are available on page 122.	✓	✓	✓	✓	✓
LTI **– SARS**	• SARs incentivise the growth in value of the business units or an aggregation of underlying assets. See page 124 for details on the valuations process and the valuation performance of the ecommerce portfolio linked to the SARs plan. • Any value upside delivered by individual businesses is offset by any value downside delivered by other businesses, thus ensuring that senior executives' remuneration is negatively affected should individual businesses not perform. • The change in value is measured over a four-year period to ensure focus on the longer-term delivery of shareholder value. • Any gains are settled in cash.	✓	✓	✓	✓	✓
LTI **SOs**	• Share options (SOs): Any gains are based on the growth in share price over a four-year period. • Implicit performance hurdle, value is only delivered to participants if there is an increase in the share price. • Any gains are settled in shares.	✓	✓	✓	✓	✓

Malus and clawback provisions apply to STI and LTI.

Background and policy continued

Executive directors' remuneration FY21

The table below shows a single figure of remuneration and implementation of the remuneration policy in FY21 for the executive directors. Further details are outlined in the Implementation section of this report on pages 126 to 141.

US$'000		Variable remuneration							
			LTI[3,4]						
Executive director	Fixed remuneration[1]	STI[2]	PSUs	SARs	SOs	Pension	Other benefits[5]	Total remuneration[6]	Proportion of fixed and variable remuneration
Bob van Dijk, CEO	1 448	1 424	8 100	4 535	1 012	95	47	16 661	9%/91%
Basil Sgourdos, CFO	1 143	1 143	4 800	2 687	600	90	19	10 482	11%/89%

EUR'000		Variable remuneration							
			LTI[3,4]						
Executive director	Fixed remuneration[1]	STI[2]	PSUs	SARs	SOs	Pension	Other benefits[5]	Total remuneration[6]	Proportion of fixed and variable remuneration
Bob van Dijk, CEO	1 235	1 214	6 901	3 863	862	81	40	14 196	9%/91%
Basil Sgourdos, CFO	975	975	4 089	2 289	511	77	16	8 932	11%/89%

1 The CEO and his direct reports did not receive pay increases in FY21.
2 Actual payout over FY21 performance; achievement of STI goals is shown on pages 129 and 130 of this remuneration report.
3 Represents the grant date fair value 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.
4 The IFRS 2 expense recognised for unvested and vested but unexercised LTI awards as at 31 March 2021 is US$155.4m (EUR132.8m) for the CEO and US$18.9m (EUR16.1m) for the CFO. The total IFRS 2 expense is shown in note 18 – related party transactions and balances (executive directors remuneration) of the financial statements. The value, effective March 31st 2021 reflects strong business performance, ahead of the budget as originally set pre-Covid-19 which resulted in a fair value uplift of the outstanding awards in the Global Ecommerce SAR plan.
5 Medical insurance, life and disability insurance.
6 Executive directors are executive directors of both Naspers and Prosus. The costs of their remuneration as executive directors of these entities are split 10/90 between Naspers and Prosus.

Background and policy
continued

Executive director participation in LTI plans

The committee reviews three key elements before conducting the scenario analyses, to determine the size of any award of PSUs, SOs or SARs:

- Strong short-term (annual) personal performance leading to a decision to grant an LTI.
- Superior business performance over the time of the executive's tenure, leading to value creation in the scheme and for the shareholder.
- Industry benchmarking of executive compensation in consultation with external advisers WTW and FW Cook.

LTI awards comprise a significant portion of total compensation and are designed to incentivise the delivery of sustainable longer-term growth and provide alignment with our shareholders. The entirety of our executives' LTI is determined by the performance of the company and growth in the valuation of the underlying assets and, as such, is deemed 'at risk'. LTI is only delivered to the executive directors providing the PSU performance conditions are met and the share price of SARs or SOs have increased in value, ensuring strict alignment with our wider stakeholder interests.

Detailed scheme rules provide for the operation and governance by trustees of each scheme.

A blend of LTI

Our executive pay is heavily weighted towards longer-term performance, delivered in PSUs, SARs, and SOs. Each element of the LTI programme plays a distinct part in delivering a remuneration approach that drives business performance for the longer term and is fair, responsible, aligned with shareholder outcomes and relevant to the talented executives we need to attract and retain (as shown in the table on this page).

In the past year we have made significant progress in shifting LTI towards compensating executive management on the performance of the Global Ecommerce portfolio, excluding Tencent. In FY21, the PSU plan and the SARs plan together made up 92.5% of the LTI allocation.

PSUs – measures the three-year CAGR valuation of the Ecommerce portfolio against a basket of global peers.
SARs – measures the value creation of directly controllable factors in the Global Ecommerce portfolio.

PSUs

Achievement of the performance condition will be assessed by the human resources and remuneration committee, based on the share price of the Global Ecommerce SAR Plan (in absolute and relative terms), validated by the valuations subcommittee as per the valuations process described on page 124.

The level of achievement relative to the performance condition at the end of the three-year performance period drives the number of shares that ultimately will vest:

- At threshold performance: 50% of the allocated shares would be awarded if the performance is at the 25th percentile of the peer group.
- At target performance: 100% of the allocated shares would be awarded if the performance is at the median of the peer group.
- At maximum performance: 200% of the allocated shares would be awarded if the performance is at the 75th percentile of the peer group.

The PSU threshold level of achievement is deliberately set at the 25th percentile, as it is positioned against a highly competitive set of comparator companies, as shown on page 123. Based on an interim assessment that the committee conducted against a set of indices, including the Stoxx600 and MSCI Emerging Markets, the selected peer group greatly outperforms the indices. It shows the target-setting against the peer group to be sufficiently stretched.

Blend of LTI (% in the FY21 mix)	PSU (60%)	Global Ecommerce SAR (32.5%)	SOs (7.5%)
Plan characteristics	A performance share award that is transferred to participants after time restrictions have passed, subject to the performance condition being met. Cliff-vesting at the end of three years.	A right to benefit from any increase in value of the business unit over which an award is made. Vests over four years.	A right to buy a company share at a pre-agreed price. Vests over four years.
Performance	Three-year performance condition of the Global Ecommerce SAR scheme CAGR relative to a high-performing industry peer group[1]. Any potential gains are driven by achieving value growth in the underlying consumer internet assets (excluding Tencent and Mail.ru).	Embedded with an implicit performance hurdle as there is no value to be gained unless there is an increase in share value in the underlying, unlisted consumer internet businesses (excluding Tencent and Mail.ru) between grant and vesting/ exercise.	Embedded with an implicit performance hurdle as there is no value to be gained unless there is an increase in share value between grant and vesting/exercise.
Settlement	Depending on the achievement against performance condition, between 0% and 200% of the awarded PSUs may vest and Naspers[2] shares are delivered[3] on vesting.	Gains, if any, are settled in cash.	Upon exercise, SOs are settled in Naspers shares[2, 3].
Focus on longer-term value	Value driven by longer-term projections.	Valuation (by third party) driven by longer-term projections[4].	Market cap represents longer-term value.
Alignment with shareholder interests	Performance condition incentivises creating value in the underlying internet business, closing discount to NAV.	Incentivises value creation in underlying internet business (excluding Tencent and Mail.ru).	Aligned with shareholders incentivise management to reduce the discount to NAV.

1 Please see page 123 for the current PSU peer group.
2 Over time, settlement of PSU and SO awards will gradually be rebalanced between Prosus and Naspers shares, aligned with the free float ownership in Prosus and Naspers (subject to obtaining requisite approval to amend the remuneration policy).
3 Shares are purchased on the market for cash to avoid shareholder dilution as a result of the company settling its LTI award obligations.
4 Please see page 124 for further detail on the valuation process.

Background and policy
continued

If the threshold level of performance is not achieved, no shares will be awarded to the participant. If more than the maximum performance is achieved, no more than 200% of the allocated shares would be awarded.

Peer group for PSU performance condition
For the performance condition underpinning the FY21 PSU grant, the TSR peer group consists of Amazon, Alphabet, Facebook, PayPal Holdings, Netflix, Square, Booking Holdings, Snap, Adyen, Twitter, eBay, Wayfair Inc, Zillow Group, Zalando SE, Expedia Group Inc, Ocado Group, IAC/InterActiveCorp, Just Eat Takeaway.com[1], Adevinta, Auto Trader Group, and Qurate Retail. For FY22 PSU grants, the peer group will also include Deliveroo and Doordash.

1 The peer group for the FY21 PSU grant initially included GrubHub Inc, but was eliminated from the peer group following the acquisition by Just Eat Takeaway.

How our LTI schemes incentivise management to reduce the discount to NAV

Our LTI is designed to reward management on disciplined capital allocation decisions, growing and bringing our Global Ecommerce assets to profitability and ensuring that the Global Ecommerce portfolio, excluding Tencent and Mail.ru, delivers returns to shareholders. This addresses an important driver of the discount to NAV at Naspers and Prosus sustainably over the long term.

PSUs made up 60% of the LTI allocation this year. It measures the TSR of the Global Ecommerce portfolio over a three-year period against a highly competitive basket of global technology peers. This incentivises management to grow TSR ahead of globally competitive peers.

SARs made up 32.5% of this year's LTI allocation and reward management for scaling and improving the profitability of the Global Ecommerce portfolio. The group's Global Ecommerce portfolio comprises all internet businesses with the exception of Tencent and Mail.ru. The largest components are Naspers's Classifieds, Food Delivery, Payments and Fintech, Etail and Ventures operations. Increasing and crystallising the value of the Global Ecommerce portfolio is key to reducing the discount to NAV over the long term.

Lastly, the Naspers SOs accounted for 7.5% of the LTI allocation this year. It incentivises disciplined capital allocation decisions for the long-term sustainability of the group and directly exposes executives to the discount to NAV. Unlocking the value that lies between the market capitalisation and net asset value of our portfolio will create significant value to shareholders.

The listing of Prosus in September 2019, is a good example of action taken to unlock value for our shareholders. As well as creating a solid platform for the group's growth, it was also designed to reduce Naspers's weight on the JSE, which had been caused by the group's strong performance compared to its peers. Naspers's overweight size on the JSE has contributed to the widening of the holding company discount to NAV due to forced selling of Naspers stock by funds who have to stay below single stock exposure limits. The listing of Prosus did reduce the weight of Naspers on the JSE, but the group's outperformance since then has again increased Naspers's weight on the JSE. The proposed voluntary share exchange offer to Naspers shareholders that Prosus announced after the close of FY21 is designed to create immediate and long-term value for shareholders. It is also designed to sustainably right-size Naspers and Prosus on their exchanges, sustainably reducing Naspers's weight on the JSE, giving the group the headroom it needs for our continued growth.

We continue to work hard at executing measures that will reduce the consolidated discount to NAV. We remain committed and incentivised to continue on this journey for the long-term value creation of the group.

Background and policy

continued

Valuations

The Global Ecommerce portfolio

The performance of SARs and PSUs are determined by year-on-year changes in the per-share valuation of the group's Global Ecommerce portfolio. This made up 92.5% of the 2021 LTI allocation and excludes the performance of Tencent and Mail.ru.

Methodology

The valuation is an amalgamation of a number of individual schemes and assets which are valued annually by an independent external valuer. In determining the company value and the scheme share value, the valuer shall use the appropriate application of reasonable valuation methods, including, without limitation, the use of comparable peer multiples, precedent transactions and discounted cash flow (DCF) valuations.

When employing a DCF methodology, the valuer uses assumptions for cash generation, discount rates and long-term growth. These valuations assess progress and value creation and should not be viewed as an approximation of the market value of our portfolio. Instead, they serve as a critical component of a comprehensive compensation vehicle designed to align management performance and compensation, excluding Tencent and Mail.ru, with shareholder outcomes. It is also important to note that funding is initially dilutive to value and many of our companies are early stage or loss-making, meaning that the schemes are diluted by short-term investment and acquisitions.

The Global Ecommerce portfolio scheme is made up of underlying schemes, each of which has a different set of assumptions.

Figure 1 – **Governance of our valuation process**

VALUATIONS PROCESS

- Underlying business submits 10-year business plan and annual budget
- Naspers provides 10-year business plan for each underlying business to independent valuer
- Independently from management, the valuer values the underlying assets at 31 March annually and additionally, whenever a significant change occurs
- The valuer issues a report detailing the valuation for each of the underlying operations

Segment schemes and the ecommerce schemes are a 'basket of assets' representing the valuations of the underlying operations

GOVERNANCE

1 Report issued →
The independent valuer[1] issues a report with the respective share scheme valuations.

2 Review →
The valuations subcommittee of the human resources and remuneration committee reviews the valuations before recommending the values for approval to the human resources and remuneration committee. The subcommittee consists of members of the board: Craig Enenstein and Steve Pacak.

3 Submission →
Reports from the valuer and the valuations subcommittee are submitted to the human resources and remuneration committee as part of their approval process.

4 Approval
Once the human resources and remuneration committee approves the valuations and resultant share prices, the share prices will be updated and participants can exercise their SARs or SOs at these updated prices in accordance with the trading-in-securities policy.

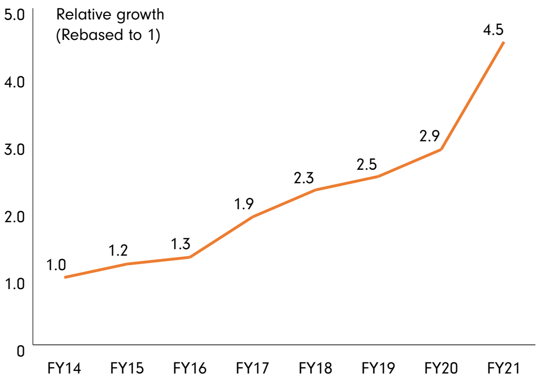
1 Currently Deloitte.

Figures 2 and 3

Ecommerce portfolio and SARs performance

	2019	2020	2021
Ecommerce valuation (US$'m)	18 844	22 149	39 109
Ecommerce valuation growth	30.7%	17.5%	76.6%
SAR share price (US$)	35.95	41.47	64.28
Number of shares	13 102 799	13 351 913	15 210 390

Global Ecommerce SAR Plan (US$)



Background and policy

continued

Governance

Recruitment policy

On the appointment of a new executive director, their package will typically be in line with the policy as outlined above. To facilitate recruitment, it may be necessary to 'buy out' remuneration forfeited on joining the company. This will be considered on a case-by-case basis and cash or LTI may be used.

Termination policy

Payments in lieu of notice may be made to executive directors, comprising salary for the unexpired portion of the notice period. Such payments may be phased. On cessation, there is no automatic entitlement to an annual performance-related incentive (STI). However, the committee retains the discretion to award a bonus to a leaver during the financial year taking into account the circumstances of their departure, considering pro-rating for time and actual performance achieved. There is no entitlement to a particular severance package provided for in the executive directors' contracts.

Malus and clawback

Malus and clawback provisions apply to the STI and LTI awarded to executive directors, and senior management, such that all or part of the unpaid STI may be modified or cancelled and all or part of the unvested LTI may be modified or cancelled and all or part of the vested LTI may be claimed back. Malus and clawback provisions may be invoked in case of certain material events, including cases of material financial misstatement or gross misconduct on the part of the executive director or senior management member. In the financial year ended on 31 March 2021, no malus and/or clawback was applied to any remuneration of the executive directors and senior management.

Service contracts

Executive directors' contracts comply with terms and conditions in the local jurisdiction.

	Bob van Dijk	Basil Sgourdos
Date of appointment at the group	1 August 2013	1 August 1995
Date of appointment to current position	1 April 2014	1 July 2014
Employer notice period	Six months	Three months

Other non-executive roles

Bob van Dijk is a non-executive director of Booking Holdings Inc.

Basil Sgourdos does not hold any board positions outside of the Prosus and Naspers group.

Adjustment to the shareholding requirement for the CEO

To reflect the balance of the underlying value of the economic interests between Naspers and Prosus, the CEO will be required to maintain a Naspers shareholding of 7.25 times his annual salary and a Prosus shareholding of 2.75 times his annual salary. He will be required to rebalance his current holding of 10 times annual salary in Naspers shares by the end of FY23, while maintaining an overall combined holding in Naspers and Prosus shares of 10 times annual salary.

Non-executive directors' remuneration policy

The fee structure for non-executive directors has been designed to ensure we attract, retain and appropriately compensate a diverse and internationally experienced board of non-executive directors, given the highly competitive markets in which we operate, and the global competition we face.

Non-executive directors receive an annual fee as opposed to a fee per meeting, which recognises their ongoing responsibility for effective control of the company. They may also receive an additional fee for group board committees and subsidiary boards, to reflect the additional responsibilities and associated time commitment. Remuneration is reviewed regularly and is not linked to the company's share price or performance. Non-executive directors do not qualify for share allocations under the group's incentive schemes.

The remuneration of non-executive directors is determined following a benchmarking exercise which considers international comparators in the consumer internet and media sectors, and top 10 AEX-listed and JSE-listed companies.

Dual responsibilities

Non-executive directors receive no additional compensation for their dual responsibilities to Naspers and Prosus. However, the aggregate cost of their compensation is currently allocated 70% to Prosus and 30% to Naspers. The split was determined based on the underlying assets and the amount of time required to ensure that sufficient time is allocated to assume the dual responsibilities.

Non-executive directors' terms of appointment

The board has clear procedures for appointing and orienting directors. The nomination committee periodically assesses the skills represented on the board and determines whether these meet the company's needs. Annual self-evaluations are done by the board and its committees. Directors are invited to give their input in identifying potential candidates and we frequently engage the services of a reputable search firm. Members of the nomination committee propose suitable candidates for consideration by the board. A fit-and-proper evaluation is performed for each candidate.

Retirement and re-election of non-executive directors

All non-executive directors are subject to retirement and re-election by shareholders every three years. The names of non-executive directors submitted for election or re-election are accompanied by brief biographical details to enable shareholders to make an informed decision on their election. The reappointment of non-executive directors is not automatic.

Shareholder voting

During the 2021 financial year, we actively listened to our shareholders' views on remuneration. This year alone we have engaged in 25 investor meetings dedicated to remuneration. We thank them for their input and support.

The shareholders advisory vote on the remuneration report for FY20 has been taken into account by further enhancing the disclosures. We have outlined the committee's decision process on page 122 and added a section on valuations on page 124 in this remuneration report. A remuneration section is included on our investor pages at www.naspers.com, including a video on the questions-and-answers section with the chair of the human resources and remuneration committee, Craig Enenstein.

For the full remuneration policy, refer to www.naspers.com/about/policies.

Implementation of remuneration policy

Aligning remuneration to our strategy and performance

In this section we outline how our remuneration policy for executive directors has been implemented during FY21 and how we intend to operate it during FY22. All decisions in relation to executive remuneration have been made in line with our remuneration policy for this financial year and with the global impact of the Covid-19 pandemic in mind.

Our strategy	• Building businesses with big potential to address societal needs. • Achieving leadership positions in high-growth markets. • Partnering with local teams and entrepreneurs.
Our business priorities	• Classifieds • Food Delivery • Payments and Fintech • Etail • Ventures
Our financial highlights[1] (all figures from continuing operations)	• Revenue: US$29.6bn, up 34% (32%). • Trading profit: up 49% (45%) to US$5.6bn. • Core headline earnings, the board's measure of sustainable operating performance: up 21% (15%) on last year at US$3.5bn.
Our operating highlights[1]	• **Ecommerce** Ecommerce revenue grew 46% (55%) to US$6.8bn, led by 98% (127%) growth in Food Delivery and 63% (57%) growth in Etail (online retail). 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. • **Classifieds** Our Classifieds segment was most impacted by the global pandemic. We responded quickly by providing digital alternatives and investing in our customer relationships by offering discounts. Despite continued business disruptions from pandemic-related restrictions in many of our markets in the second half, Classifieds maintained strong growth. Classifieds revenue grew 24% (18%) to US$1.6bn. 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 FY21. • **Food Delivery** Our portfolio companies gained scale during the year and we believe post-pandemic prospects for on-demand food delivery remain positive worldwide. Revenue for the period grew 98% (127%) to US$1.5bn, driven by higher GMV and increased orders. Trading losses also improved meaningfully, with losses for the year declining by US$269m. • **Payments and Fintech** PayU's 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. PayU continues to benefit across its markets from the shift in consumer behaviour to transacting online, and small and medium-sized enterprises (SMEs) digitising their business models. Total payment value (TPV) was US$55bn, up 45% (51%), supported by a 38% increase in number of transactions. • **Etail** Revenue grew 63% (57%) to US$2.9bn and trading profit grew to US$61m from a loss of US$63m in the prior year.
Remuneration outcome FY21	We have exceeded our business plans and delivered financial performance ahead of the budget as originally set pre-Covid-19. The next page contains information on the annual change of CEO compensation linked to the performance of the company, as well as the FY21 remuneration for the CEO and CFO as shown in the single-figure table. The outcomes of STI linked to all group financial goals and strategic, operational and ESG goals are disclosed on pages 129 and 130.

1 Numbers in brackets represent growth in local currency, excluding M&A.

Implementation of remuneration policy continued

Compensation is substantially 'at risk' and longer term

Executive directors' remuneration is designed to drive the long-term success of the company. In FY21, the CEO remuneration comprised of 91% variable pay; for the CFO that was 89%.

Of the executives' FY21 LTI awards, 92.5% was geared towards PSUs and SARs, which incentivise core-business-value growth, excluding Tencent and Mail.ru.

Figure 1

Fixed salary, STI and LTI for each executive as at 31 March 2021

BOB VAN DIJK

	%
Annual fixed pay	9
Annual STI (target)	9
Annual fair-value LTI	82

BASIL SGOURDOS

	%
Annual fixed pay	11
Annual STI (target)	11
Annual fair-value LTI	78

Business performance and remuneration outcomes

Figure 2

CEO remuneration versus company performance

	FY21	FY20	CAGR
CEO remuneration			
Cash[1] year-on-year change	5%	9%	7%
LTI[2] year-on-year change	3%	28%	15%
Company performance			
Organic revenue growth[3]	32%	23%	27%
Organic revenue growth[3] (excluding Tencent)	48%	29%	37%
Ecommerce share price growth	55%	15%	34%

1 Base salary + benefits + actual bonus payout, using the currency (EUR) in which the CEO is paid. Note, there was no base pay increase in FY21.
2 Fair value at grant, using the currency (USD) in which we grant LTIs.
3 Metric excluding impact of foreign exchange (FX) and mergers and acquisitions (M&A).

Single-figure table FY21 remuneration

Table 1 shows a single figure of remuneration and the implementation of the remuneration policy in FY21 for the executive directors.

US$'000		Variable remuneration							
			LTI[3,4]						
Executive director	Fixed remuneration[1]	STI[2]	PSUs	SARs	SOs	Pension	Other benefits[5]	Total remuneration[6]	Proportion of fixed and variable remuneration
Bob van Dijk, CEO	1 448	1 424	8 100	4 535	1 012	95	47	16 661	9%/91%
Basil Sgourdos, CFO	1 143	1 143	4 800	2 687	600	90	19	10 482	11%/89%

EUR'000		Variable remuneration							
			LTI[3,4]						
Executive director	Fixed remuneration[1]	STI[2]	PSUs	SARs	SOs	Pension	Other benefits[5]	Total remuneration[6]	Proportion of fixed and variable remuneration
Bob van Dijk, CEO	1 235	1 214	6 901	3 863	862	81	40	14 196	9%/91%
Basil Sgourdos, CFO	975	975	4 089	2 289	511	77	16	8 932	11%/89%

1 The CEO and his direct reports did not receive a pay increase in FY21.
2 Actual payout over FY21 performance, per achievement of STI goals, is shown on pages 129 and 130 of this remuneration report.
3 Represents the grant date fair value 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.
4 The IFRS 2 expense recognised for unvested and vested but unexercised LTI awards as at 31 March 2021 is US$155.4m (EUR132.8m) for the CEO and US$18.9m (EUR16.1m) for the CFO. The total IFRS 2 expense is shown in note 18 – related party transactions and balances (executive directors remuneration) of the financial statements. The value, effective March 31st 2021 reflects strong business performance, ahead of the budget as originally set pre-Covid-19 which resulted in a fair value uplift of the outstanding awards in the Global Ecommerce SAR plan.
5 Medical insurance, life and disability insurance.
6 Executive directors are executive directors of both Naspers and Prosus. The costs of their remuneration as executive directors of these entities are split 10/90 between Naspers and Prosus.

Implementation of remuneration policy continued

CEO remuneration in comparison to average employee remuneration

As we operate in high-growth economies where socio-economic disparity can be large, societal fairness is very important to us. We take our responsibilities in that respect seriously and ensure that our pay practices around the world are fair and competitive and well above minimum wage standards. Pay is an important aspect, but not the only consideration. In general, our people join us because of the opportunity to do meaningful work where they have the opportunity to make a difference, to learn and grow.

When reviewing the CEO's remuneration, the human resources and remuneration committee takes into account the employee remuneration globally across the group.

As a consumer internet company we have a wide geographical footprint. Most of our activities and employees are based in high-growth countries, including India, Russia, Brazil, Central and Eastern Europe and South Africa. On a global level, the CEO pay ratio versus employees (including LTI) would be 323:1 (FY20: 333:1). However, we do not consider that an appropriate measure of fairness given the widely different pay levels that are observed in the countries where we operate.

Also, as shown on page 127 of this remuneration report, the pay-at-risk portion for the CEO, and within that more specifically LTI, weighs heavily in our total executive remuneration mix, as is typically found within the consumer internet and technology sector in which we compete for talent. For completeness sake we have therefore also reviewed the pay ratios excluding LTI, showing a ratio of 77:1 (FY20: 74:1) globally.

The ratios are obtained by dividing the FY21 total remuneration for the CEO by the FY21 average total remuneration of all other employees. This includes salaries, wages, on-target bonus, pension and benefits for employees, excluding contractors and CEO remuneration. It also excludes training and development that we offer to our employees. Details of the staff costs can be found in note 29 on page 113 of the consolidated annual financial statements.

Competitive pay – knowledge workers

We review the pay levels of our staff at least annually and in relation to pay in the markets and countries that we operate in, our reward levels are competitive. We see the effectiveness of our reward philosophy and practices confirmed via our formalised employee engagement surveys. Most employees find that they are paid fairly, relative to similar jobs in other companies, reporting a high satisfaction level that is above external benchmarks.

Fairness

We strive to deliver fair and consistent remuneration across all our business operations and this includes temporary and permanent employees, contractors, consultants, trainees and job applicants. Irrespective of the classification of the engagement, we ensure that our pay practices around the world are fair, competitive and above local minimum wage standards. We ensure that critical benefits and protection for our entire workforce are in line with the markets in which we operate.

Remuneration – response to Covid-19

We delivered financial performance ahead of the budget originally set pre-Covid-19, but at the onset of Covid-19 in 2020 we took the decision not to increase pay for the executives and senior management.

For employees below that level, pay reviews were postponed until we had more certainty on business performance. Following our half-year results where we reported a strong business performance, having recovered well from an uncertain first quarter, we were able to do a mid-year pay review for our employees.

The committee introduced a Covid-19 malus clause, allowing for discretionary downward adjustment of any FY21 STI payout if so deemed appropriate.

LTI awards for executives and eligible employees were deferred by three months to September 2020.

STI – FY21 goals and achievements

STI is based on financial, strategic, operational and sustainability performance targets that are tailored for each role.

It is noted that in FY21 a specific goal on holding company discount to NAV was added to the STI objectives for the CEO, aligned with the goals for the CFO and to shareholder interest.

The minimum STI payout was 0% of base salary. The target and maximum STI opportunity are the same at 100% of base salary, ie there is no opportunity to overachieve on bonus payout.

All STI awards are paid out in cash.

Measurements for bonus achievement were based on the original business plan for FY21 and were not adjusted in-year, despite volatility due to Covid-19, particularly in the first quarter. We have delivered financial performance ahead of our business plan as originally set pre-Covid-19.

We disclose the STI goals and achievements for FY21. STI goals are reflective of the annual business plan and many goals are representative of a multi-year effort, eg to win new markets or increase our customer base. We believe that showing our competitors details of the goal targets before the financial year is not in the best interest of our shareholders. However, we have highlighted in the integrated annual report any metrics or developments for FY21 and FY22 that were included in the STI of the executive directors.

Strategic, operational and sustainability performance measures for both executive directors accounted for 50% of the total bonus opportunity. Operational performance measures include financial objectives on the underlying business' performance.

It is noted that assessment of the financial goal achievement excludes M&A.

Investing for long-term value creation

Across our consumer internet businesses, we compete against both local and global 'tech titans'. Reaching scale relatively quickly, in terms of consumer numbers and markets served, is of paramount importance in this environment. It requires significant investment and often involves incurring losses in the early years. We make a deliberate choice to invest in these businesses, knowing that short-term profitability and free cash flow may be negative. As such the financial architecture is quite different to that of traditional business models. The diversity in our portfolio allows us to sustain this investment phase. Once scale is reached, profitability follows. It is therefore appropriate to incentivise management to strike the right balance between investing to grow the business and outpace the competition in the long term and driving free cash flow generation and to not sacrifice the former for the short-term benefit of the latter.

Further details can be found in the 2021 integrated annual report on page 18.

Implementation of remuneration policy continued

Outcomes of STIs

We entered the pandemic with financial strength and good momentum, and, competing in a sector that performed exceptionally well, we have exceeded our business plan and delivered financial performance ahead of the budget as originally set pre-Covid-19. The outcomes as shown in figure 1 on this page and figure 1 on page 130 resulted in annual bonus payout levels of €1 214 094 or 98.3% of base salary for Bob van Dijk and US$1 143 182 or 100% of base salary for Basil Sgourdos.

All financial, strategic, operational and ESG goals are measurable and audited.

Figure 1 – **FY21 goals and achievements**

BOB VAN DIJK

Maximum STI opportunity: 100% base salary

✓ Achieved ✗ Not achieved

Group financial goals	Weighting %	Description	Further info can be found in the annual report on page	Outcome	Actual payout
Revenue	10.0	Achieve revenue target (on an economic-interest basis and excluding M&A).	62	✓	€123 467
Core headline earnings (including Tencent)[1]	15.0	Achieve core headline earnings at target, including Tencent.	62	✓	€185 201
Core headline earnings (excluding Tencent)[1]	15.0	Achieve core headline earnings at target, excluding Tencent.	62	✓	€185 201
Free cash flow	10.0	Achieve free cash outflow at target.	62	✓	€123 467
	50.0				€617 336

Strategic, operational and ESG goals	Weighting %	Description	Further info can be found in the annual report on page	Outcome	Actual payout
Classifieds	12.5	Deliver organic topline growth and organic trading profit growth at target.	32	✓	€154 334
Food Delivery	15.0	Deliver on targets related to revenue, order volume, organic revenue growth and manage incremental year on year spent on total Food Delivery.	36	✓	€185 201
Payments and Fintech	5.0	Deliver organic revenue growth target and organic trading loss improvement.	42	✓*	€41 156
Holding company discount[2]	10	Continue to engage with shareholders and taking into account their feedback, develop proposals to address the holding company discount to NAV.	25	✓	€123 467
Business sustainability: Machine learning (ML) and artificial intelligence (AI)	2.5	Continue to build our AI capabilities by increasing the number of ML modules in production.	79	✓	€30 867
Business sustainability: Diversity and inclusion	2.5	Increase focus on diversity and inclusion throughout the group, measured through employee engagement survey.	85	✓	€30 867
Business sustainability: Data privacy and security	2.5	Documented approach across the group to address privacy and security at the design phase for new products and services, consistent with the group's policies on data-privacy governance and cybersecurity.	75	✓	€30 867
	50.0				€596 758

1 Core headline earnings is an alternative performance measurement. Please refer to 'Other information – non-IFRS financial measures and alternative performance indicators' on page 124 of the integrated annual report.
2 In FY21 a specific goal on holding company discount to NAV was added to the STI objectives for the CEO, aligned with the goals for the CFO and to shareholder interest.
* The following target for Payments and Fintech was achieved: Organic revenue growth and organic trading loss improvement

Implementation of remuneration policy continued

Figure 1 – **FY21 goals and achievements**

BASIL SGOURDOS

Maximum STI opportunity: 100% of base salary

✓ Achieved ✗ Not achieved

Group financial goals	Weighting %	Description	Further Info can be found in the annual report on page	Outcome	Actual payout
Core headline earnings (including Tencent)[1]	12.5	Achieve core headline earnings at target, including Tencent.	62	✓	US$142 898
Core headline earnings (excluding Tencent)[1]	12.5	Achieve core headline earnings at target, excluding Tencent.	62	✓	US$142 898
Free cash flow	25.0	Achieve free cash outflow at target.	62	✓	US$285 796
	50.0				US$571 591

Strategic, operational and ESG goals	Weighting %	Description	Further Info can be found in the annual report on page	Outcome	Actual payout
Holding company discount	15.0	Continue to engage with shareholders and taking into account their feedback, develop proposals to address the holding company discount to NAV.	25	✓	US$171 477
Taxation	12.5	Effective taxation strategy and policy to address changes in global tax frameworks.	95	✓	US$142 898
Investor relations	5.0	Increase focus on ESG, deliver effective communication and improve shareholder targeting.	72	✓	US$57 159
Group finance	10.0	Deliver more effective processes that improve our financial capabilities. Deliver group auditing rotation process.	Full governance report page 22	✓	US$114 318
Governance, internal audit and risk management	2.5	Ensure that effective systems of internal control are operated throughout the group's controlled entities.	98	✓	US$28 580
Business sustainability: Team and talent	5.0	Progress on diversity and inclusion initiatives and develop a structured finance learning strategy.	85	✓	US$57 159
	50.0				US$571 591

1 Core headline earnings is an alternative performance measurement. Please refer to 'Other information – non-IFRS financial measures and alternative performance indicators' on page 124 of the integrated annual report.

Implementation of remuneration policy continued

LTI over FY21

LTI awards comprise a significant portion of total compensation and are designed to incentivise the delivery of sustainable longer-term growth and provide alignment with our shareholders. The entirety of our executive directors' LTI is determined by the performance of the company and growth in the valuation of the underlying assets and, as such, is deemed 'at risk'.

In table 1 below and table 1 on page 133, we have set out information on unvested LTI, including awards made during FY21 as well as awards that have vested during FY21. Details of the group's LTI schemes settlement are disclosed in note 44 on page 147 of the annual financial statements at www.naspers.com.

Table 1 – **Overview of LTI awards for Bob van Dijk**

	Main conditions of share plans					Number of unvested awards[1]				Value in US$	
Bob van Dijk	Performance metric	Award date	Vesting date(s)	Expiry date	Strike price of option/SAR	Opening balance 1 April 2020 (unvested)	Awarded during the year	Vested during the year	Closing balance 31 March 2021 (unvested)	Potential gain of awards vested during the year at vesting date[2]	Fair value of unvested awards 31 March 2021[3]
Naspers Performance Share Units (PSUs)	Three years cliff – TSR	09/09/2019	30/06/2022	n/a	–	24 527	–	–	24 527	–	8 589 147
		21/09/2020	21/09/2023	n/a	–	–	48 302	–	48 302	–	11 544 357
		Subtotal				**24 527**	**48 302**	**–**	**72 829**	**–**	**20 133 504**
Naspers Global Ecommerce Share Appreciation Rights (SARs)	Four-year measurement of value growth of ecommerce business units	15/08/2017	15/08/2020	15/08/2027	27.25	146 789	–	(146 789)	–	2 238 532	–
		15/08/2017	15/08/2021	15/08/2027	27.25	146 789	–	–	146 789	–	5 435 597
		15/08/2017	15/08/2022	15/08/2027	27.25	146 789	–	–	146 789	–	5 435 597
		08/09/2017	08/09/2020	08/09/2027	27.60	35 051	–	(35 051)	–	487 910	–
		08/09/2017	08/09/2021	08/09/2027	27.60	35 051	–	–	35 051	–	1 285 671
		08/09/2017	08/09/2022	08/09/2027	27.60	35 055	–	–	35 055	–	1 285 817
		25/06/2018	25/06/2020	25/06/2028	33.57	104 608	–	(104 608)	–	787 698	–
		25/06/2018	25/06/2021	25/06/2028	33.57	104 608	–	–	104 608	–	3 212 512
		25/06/2018	25/06/2022	25/06/2028	33.57	104 610	–	–	104 610	–	3 212 573
		16/07/2019	16/07/2020	16/07/2029	36.70	109 208	–	(109 208)	–	538 395	–
		16/07/2019	16/07/2021	16/07/2029	36.70	109 208	–	–	109 208	–	3 011 957
		16/07/2019	16/07/2022	16/07/2029	36.70	109 208	–	–	109 208	–	3 011 957
		16/07/2019	16/07/2023	16/07/2029	36.70	109 208	–	–	109 208	–	3 011 957
		21/09/2020	21/09/2021	21/09/2030	41.98	–	62 571	–	62 571	–	1 395 333
		21/09/2020	21/09/2022	21/09/2030	41.98	–	62 571	–	62 571	–	1 395 333
		21/09/2020	21/09/2023	21/09/2030	41.98	–	62 571	–	62 571	–	1 395 333
		21/09/2020	21/09/2024	21/09/2030	41.98	–	62 572	–	62 572	–	1 395 356
		Subtotal				**1 296 182**	**250 285**	**(395 656)**	**1 150 811**	**4 052 535**	**34 484 993**

Implementation of remuneration policy continued

Table 1 – **Overview of LTI awards for Bob van Dijk** continued

	Main conditions of share plans					Number of unvested awards[1]				Value in US$	
Bob van Dijk	**Performance metric**	**Award date**	**Vesting date(s)**	**Expiry date**	**Strike price of option/SAR**	**Opening balance 1 April 2020 (unvested)**	**Awarded during the year**	**Vested during the year**	**Closing balance 31 March 2021 (unvested)**	**Potential gain of awards vested during the year at vesting date[2]**	**Fair value of unvested awards 31 March 2021[3]**
Naspers N Share Options (SOs)	Four-year share price growth	05/07/2016	05/07/2020	05/07/2026	2 056.88	49 302	–	(49 302)	–	7 980 695	–
		05/07/2016	05/07/2021	05/07/2026	2 056.88	49 302	–	–	49 302	–	10 403 179
		08/09/2017	08/09/2020	08/09/2027	2 755.72	12 932	–	(12 932)	–	1 339 531	–
		08/09/2017	08/09/2021	08/09/2027	2 755.72	12 932	–	–	12 932	–	2 117 178
		25/06/2018	25/06/2020	25/06/2028	3 100.99	15 285	–	(15 285)	–	1 453 512	–
		25/06/2018	25/06/2021	25/06/2028	3 100.99	15 285	–	–	15 285	–	2 145 261
		25/06/2018	25/06/2022	25/06/2028	3 100.99	15 287	–	–	15 287	–	2 145 542
		16/07/2019	16/07/2020	16/07/2029	3 494.00	3 958	–	(3 958)	–	321 354	–
		16/07/2019	16/07/2021	16/07/2029	3 494.00	3 958	–	–	3 958	–	450 240
		16/07/2019	16/07/2022	16/07/2029	3 494.00	3 958	–	–	3 958	–	450 240
		16/07/2019	16/07/2023	16/07/2029	3 494.00	3 961	–	–	3 961	–	450 581
		21/09/2020	21/09/2021	21/09/2030	2 827.88	–	3 552	–	3 552	–	169 184
		21/09/2020	21/09/2022	21/09/2030	2 827.88	–	3 552	–	3 552	–	169 184
		21/09/2020	21/09/2023	21/09/2030	2 827.88	–	3 552	–	3 552	–	169 184
		21/09/2020	21/09/2024	21/09/2030	2 827.88	–	3 552	–	3 552	–	169 184
		Subtotal				**186 160**	**14 208**	**(81 477)**	**118 891**	**11 095 092**	**18 838 957**
		Total				**1 506 869**	**312 795**	**(477 133)**	**1 342 531**	**15 147 627**	**73 457 454**

1 The aggregate number of vested but unexercised SARs and SOs for Bob is 5 343 625 (2020: 4 947 969) and 1 003 928 (2020: 922 451) respectively. The aggregated cash-settled liability of vested unexercised SARs is included in the aggregated cash-settled liability in note 44 of the financial statements on page 162. The share-based payment reserve of vested but unexercised SOs is included in the aggregate retained earnings balance shown on page 32.
2 The potential gain of awards vested in FY21 is calculated by taking the difference between the closing share price on vesting date and the offer price and multiplying that difference by the number of SOs/SARs that vested in FY21. The value does not necessarily accrue to the individual. It is available to them should they have chosen to exercise (buy and/or sell shares) on or after the date the SOs or SARs vested. As part of the Prosus listing and capitalisation issue, the MIH Internet Holdings B.V. and Naspers Restricted Stock Plan trusts elected to receive Prosus shares. In line with the capitalisation issue 1 Prosus share is linked to each SO/PSU. The value of the Prosus share is included where relevant. It is noted that PSUs awarded in September 2020 will not vest until September 2023. SAR and SO offers made prior to 1 April 2018 vests over 5 years and would be measured over 5 years' growth.
3 The fair value of unvested awards on 31 March 2021 is calculated by taking the difference between the closing share price on 31 March 2021 and the offer price (if applicable) and multiplying that difference by the number of unvested SOs/SARs/PSUs as at 31 March 2021 and assuming 100% vesting for PSUs. As part of the Prosus listing and capitalisation issue, the MIH Internet Holdings B.V. and Naspers Restricted Stock Plan trusts elected to receive Prosus shares. In line with the capitalisation issue 1 Prosus share is linked to each SO/PSU. The value of the Prosus share is included where relevant. The actual value accruing to the executive will depend on the real value created over the time of the award.

Implementation of remuneration policy continued

Table 1 – **Overview of LTI awards for Basil Sgourdos**

	Main conditions of share plans					Number of unvested awards[1]				Value in US$	
Basil Sgourdos	**Performance metric**	**Award date**	**Vesting date(s)**	**Expiry date**	**Strike price of option/SAR**	**Opening balance 1 April 2020 (unvested)**	**Awarded during the year**	**Vested during the year**	**Closing balance 31 March 2021 (unvested)**	**Potential gain of awards vested during the year at vesting date[2]**	**Fair value of unvested awards 31 March 2021[3]**
Naspers Performance Share Units (PSUs)	Three years cliff – TSR	09/09/2019	30/06/2022	n/a	–	12 718	–	–	12 718	–	4 453 736
		21/09/2020	21/09/2023	n/a	–	–	28 623	–	28 623	–	6 841 003
		Subtotal				**12 718**	**28 623**	**–**	**41 341**	**–**	**11 294 739**
Naspers Global Ecommerce Share Appreciation Rights (SARs)	Four-year measurement of value growth of ecommerce business units	17/09/2015	17/09/2020	17/09/2025	18.59	9 685	–	(9 685)	–	221 109	–
		29/08/2016	29/08/2020	29/08/2026	20.45	32 599	–	(32 599)	–	687 187	–
		29/08/2016	29/08/2021	29/08/2026	20.45	32 603	–	–	32 603	–	1 428 989
		15/08/2017	15/08/2020	15/08/2027	27.25	25 353	–	(25 353)	–	386 633	–
		15/08/2017	15/08/2021	15/08/2027	27.25	25 353	–	–	25 353	–	938 822
		15/08/2017	15/08/2022	15/08/2027	27.25	25 354	–	–	25 354	–	938 859
		08/09/2017	08/09/2020	08/09/2027	27.60	21 017	–	(21 017)	–	292 557	–
		08/09/2017	08/09/2021	08/09/2027	27.60	21 017	–	–	21 017	–	770 904
		08/09/2017	08/09/2022	08/09/2027	27.60	21 020	–	–	21 020	–	771 014
		25/06/2018	25/06/2020	25/06/2028	33.57	53 689	–	(53 689)	–	404 278	–
		25/06/2018	25/06/2021	25/06/2028	33.57	53 689	–	–	53 689	–	1 648 789
		25/06/2018	25/06/2022	25/06/2028	33.57	53 692	–	–	53 692	–	1 648 881
		16/07/2019	16/07/2020	16/07/2029	36.70	56 626	–	(56 626)	–	279 166	–
		16/07/2019	16/07/2021	16/07/2029	36.70	56 626	–	–	56 626	–	1 561 745
		16/07/2019	16/07/2022	16/07/2029	36.70	56 626	–	–	56 626	–	1 561 745
		16/07/2019	16/07/2023	16/07/2029	36.70	56 627	–	–	56 627	–	1 561 773
		21/09/2020	21/09/2021	21/09/2030	41.98	–	37 079	–	37 079	–	826 862
		21/09/2020	21/09/2022	21/09/2030	41.98	–	37 079	–	37 079	–	826 862
		21/09/2020	21/09/2023	21/09/2030	41.98	–	37 079	–	37 079	–	826 862
		21/09/2020	21/09/2024	21/09/2030	41.98	–	37 080	–	37 080	–	826 884
		Subtotal SARs				**601 576**	**148 317**	**(198 969)**	**550 924**	**2 270 930**	**16 138 991**

Implementation of remuneration policy continued

Table 1 – **Overview of LTI awards for Basil Sgourdos** continued

	Main conditions of share plans					Number of unvested awards[1]				Value in US$	
Basil Sgourdos	Performance metric	Award date	Vesting date(s)	Expiry date	Strike price of option/SAR	Opening balance 1 April 2020 (unvested)	Awarded during the year	Vested during the year	Closing balance 31 March 2021 (unvested)	Potential gain of awards vested during the year at vesting date[2]	Fair value of unvested awards 31 March 2021[3]
Naspers N Share Options (SOs)	Four-year share price growth	18/09/2015	18/09/2020	18/09/2025	1 634.84	2 247	–	(2 247)	–	390 289	–
		25/09/2015	25/09/2020	25/09/2025	1 594.52	460	–	(460)	–	81 473	–
		29/08/2016	29/08/2020	29/08/2026	2 323.52	3 230	–	(3 230)	–	491 567	–
		29/08/2016	29/08/2021	29/08/2026	2 323.52	3 231	–	–	3 231	–	623 469
		08/09/2017	08/09/2020	08/09/2027	2 755.72	1 444	–	(1 444)	–	149 573	–
		08/09/2017	08/09/2021	08/09/2027	2 755.72	1 444	–	–	1 444	–	236 406
		25/06/2018	25/06/2020	25/06/2028	3 100.99	8 277	–	(8 277)	–	787 093	–
		25/06/2018	25/06/2021	25/06/2028	3 100.99	8 277	–	–	8 277	–	1 161 683
		25/06/2018	25/06/2022	25/06/2028	3 100.99	8 277	–	–	8 277	–	1 161 683
		16/07/2019	16/07/2020	16/07/2029	3 494.00	2 052	–	(2 052)	–	166 604	–
		16/07/2019	16/07/2021	16/07/2029	3 494.00	2 052	–	–	2 052	–	233 424
		16/07/2019	16/07/2022	16/07/2029	3 494.00	2 052	–	–	2 052	–	233 424
		16/07/2019	16/07/2023	16/07/2029	3 494.00	2 055	–	–	2 055	–	233 765
		21/09/2020	21/09/2021	21/09/2030	2 827.88	–	2 105	–	2 105	–	100 263
		21/09/2020	21/09/2022	21/09/2030	2 827.88	–	2 105	–	2 105	–	100 263
		21/09/2020	21/09/2023	21/09/2030	2 827.88	–	2 105	–	2 105	–	100 263
		21/09/2020	21/09/2024	21/09/2030	2 827.88	–	2 105	–	2 105	–	100 263
		Subtotal				**45 098**	**8 420**	**(17 710)**	**35 808**	**2 066 599**	**4 284 906**
		Total				**659 392**	**185 360**	**(216 679)**	**628 073**	**4 337 529**	**31 718 634**

1 The aggregate number of vested but unexercised SARs and SOs for Basil is 315 956 (2020: 282 954) and 98 410 (2020: 87 367) respectively. The aggregated cash-settled liability of vested unexercised SARs is included in the aggregated cash-settled liability in note 44 of the financial statements on page 162. The share-based payment reserve of vested but unexercised SOs is included in the aggregate retained earnings balance shown on page 32.
2 The potential gain of awards vested in FY21 is calculated by taking the difference between the closing share price on vesting date and the offer price and multiplying that difference by the number of SOs/SARs that vested in FY21. The value does not necessarily accrue to the individual. It is available to them should they have chosen to exercise (buy and/or sell shares) on or after the date the SOs or SARs vested. As part of the Prosus listing and capitalisation issue, the MIH Internet Holdings B.V. and Naspers Restricted Stock Plan trusts elected to receive Prosus shares. In line with the capitalisation issue 1 Prosus share is linked to each SO/PSU. The value of the Prosus share is included where relevant. It is noted that PSUs awarded in September 2020 will not vest until September 2023. SAR and SO offers made prior to 1 April 2018 vests over 5 years and would be measured over 5 years' growth.
3 The fair value of unvested awards on 31 March 2021 is calculated by taking the difference between the closing share price on 31 March 2021 and the offer price (if applicable) and multiplying that difference by the number of unvested SOs/SARs/PSUs as at 31 March 2021 and assuming 100% vesting for PSUs. As part of the Prosus listing and capitalisation issue, the MIH Internet Holdings B.V. and Naspers Restricted Stock Plan trusts elected to receive Prosus shares. In line with the capitalisation issue 1 Prosus share is linked to each SO/PSU. The value of the Prosus share is included where relevant. The actual value accruing to the executive will depend on the real value created over the time of the award.

Implementation of remuneration policy continued

Executive directors' LTI exercised in FY21

In 2018, the group sold its stake in Flipkart Private Ltd. Following the sale, the vesting of awards in the Flipkart SAR Plan were accelerated and settled. At the time of settlement there was a tax refund pending with the Indian tax authorities as Walmart withheld a portion of the company's gain on the transaction, causing the settlement to participants in the Flipkart SAR Plan to be pro-rated. During 2021 the tax amount was recovered from the Indian tax authorities and as a result, an additional settlement amount was due to participants. Accordingly, US$3 343 906 (pre-tax) was settled to Bob van Dijk as participant in the Flipkart SAR Plan.

Basil Sgourdos exercised Naspers SOs in the MIH Internet Holdings B.V. Share Trust which were due to expire on 8 September 2020 and he disposed of the Naspers shares that he received. The pre-tax gain amounted to US$1 795 902 and includes the value of the Prosus shares linked to his Naspers SOs as a result of the Prosus capitalisation issue in 2019. In addition, in March 2021 he exercised SARs in the Naspers Global Ecommerce scheme which were settled in cash (as per group policy). The pre-tax gain amounted to US$3 439 262. Details of these transactions are summarised in figure 1.

Figure 1 – **LTIs exercised in FY21 by Basil Sgourdos**

	Date exercised	Number of SOs/ SARs	Gross gain (pre-tax)
Naspers N SOs	07/06/2020	6 667	US$1 166 627
Naspers N SOs – linked Prosus shares	07/06/2020	6 667	US$629 275
Naspers Global Ecommerce SARs	03/01/2021	165 967	US$3 439 262

Figure 2 – **the balance of the executive directors' unvested LTIs (based on potential value) as at 31 March 2021:**

BOB VAN DIJK

	%
Naspers PSUs	27
Naspers SOs	26
Ecommerce SARs	47
Total	100

BASIL SGOURDOS

	%
Naspers PSUs	36
Naspers SOs	13
Ecommerce SARs	51
Total	100

Shares purchased in the market

Since 1 April 2018, to avoid shareholder dilution as a result of employee LTIs, the group has been purchasing Naspers and Prosus shares on the JSE/ Euronext for the purpose of issuing new Naspers SOs, Naspers PSUs, Naspers RSUs and Prosus RSUs to employees and settling gains made on all share-based incentive schemes (prior to 31 March 2020).

In FY21, the group purchased Naspers N shares to the value of US$48m (FY20: US$74m) and Prosus N shares to the value of US$65m in the market totalling US$113m. Details of these Naspers and Prosus share purchases are summarised in figure 3 and 4 respectively.

The group's share-based incentive schemes are set out in equity compensation benefits in the notes to the annual financial statements on www.naspers.com.

Dilutive impact of group LTI schemes

At 31 March 2021 the group held 2 866 670 (2020: 2 831 289) Naspers N ordinary shares as treasury shares to settle outstanding awards under certain group share incentive schemes. The expected dilutive effect of these treasury shares on the group's earnings from continuing operations, on a per-share basis, was 3 US cents per N ordinary share (2020: 3 US cents). In accordance with schedule 14 of the JSE Listings Requirements and the South African Companies Act, shareholders authorised the board at the annual general meeting in August 2020 that up to 21 775 553 N ordinary shares (approximately 5% of the then issued N ordinary share capital) may be issued for purposes of the group's various share-based incentive schemes. During the financial year ended 31 March 2021, no new N ordinary shares had been so issued. In total, 56.1% of the approved 21 775 553 Naspers N ordinary share capital has been used to date.

LTI costs

LTIs across the group account for 42.6% of total staff costs, and 12.1% of overall group costs, for example the cost of providing services and sale of goods, selling, general and administration expenses. Further details can be found in note 29 on page 113 of the annual financial statements at www.naspers.com.

Figure 3 – **Naspers shares purchased in the market**

	2021			2020		
	Number of shares	Purchase price (US$)[2]	Average purchase price range (R)	Number of shares	Purchase price (US$)[2]	Average market price range (R)
MIH Internet Holdings Share Trust[1]	107 101	19 444 686	2 978.39 to 3 111.41	123 395	28 879 965	2 184.87 to 3 512.68
MIH Holdings Share Trust[1]	68 718	12 285 548	3 042.13	80 320	15 720 222	2 184.87 to 3 403.18
Naspers Restricted Stock Plan Trust	92 918	16 612 074	3 042.13	128 096	29 073 029	2 184.87 to 3 535.75
Total	**268 737**	**48 342 308**		**331 811**	**73 673 216**	

1 The MIH Internet Holdings Share Trust is used to grant Naspers options to our non-South African employees. The MIH Holdings Share Trust is used to grant Naspers options to our South African employees.
2 Purchase price in ZAR converted to USD by using the exchange rate on date of purchase.

Figure 4 – **Prosus shares purchased in the market**

	Number of shares	Purchase price (US$)[2]	Average purchase price range (EUR)
Prosus N.V. Share Award Plan Trust[1]	670 032	64 703 088	77.40 and 108.81

1 The Prosus N.V. Share Award Plan trust is used to grant Prosus RSUs to employees of the group (executive directors are not eligible to receive RSUs). Shares are purchased on Euronext and Johannesburg Stock Exchange for non-South African and South African employees respectively. No purchases were made in the trust in FY20.
2 Purchase price in EUR converted to US$ by using the exchange rate on date of purchase.

Implementation of remuneration policy continued

Looking forward to FY22

As we only entered the pandemic last year, we took prudent executive remuneration decisions. Executive directors did not receive a pay increase for FY21 and LTI awards were deferred to September 2020. We entered the pandemic with financial strength and good momentum and, competing in a sector that performed exceptionally well, we have exceeded our business plan and delivered financial performance ahead of the budget as originally set pre-Covid-19. Our businesses recovered well from the initial impact and are now fundamentally stronger than they were. This performance is reflected in our remuneration decisions for FY22, where the CEO and CFO will receive a 5% increase on base pay and will be granted LTI awards at similar levels as last year.

FY22 remuneration in US$

US$'000		Variable remuneration							
			LTI[3]						
Executive director	Fixed remuneration[1]	STI[2]	PSUs[4]	SARs	SOs	Pension	Other benefit[5]	Total remuneration[6]	Proportion of fixed and variable remuneration
Bob van Dijk, CEO	1 521	1 521	8 188	4 435	1 024	99	50	16 838	9%/91%
Basil Sgourdos, CFO	1 200	1 200	4 852	2 628	607	94	20	10 601	11%/89%

FY22 remuneration in EUR

EUR'000		Variable remuneration							
			LTI[3]						
Executive director	Fixed remuneration[1]	STI[2]	PSUs[4]	SARs	SOs	Pension	Other benefit[5]	Total remuneration[6]	Proportion of fixed and variable remuneration
Bob van Dijk, CEO	1 296	1 296	6 981	3 781	873	84	42	14 354	9%/91%
Basil Sgourdos, CFO	1 023	1 023	4 137	2 241	517	80	17	9 038	11%/89%

1 The executive directors received a 5% increase in base salary effective from 1 April 2021.
2 This is the at-target and also maximum STI as a percentage to base salary. STI goals are shown on pages 129 and 130 of this remuneration report.
3 Represents the grant date fair value of awards to be made during FY22 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 is based on indicative values and may therefore differ from the final fair value granted.
4 The grant of the FY22 PSU and SO awards will be partly settled in Naspers shares (72.5%) and partly in Prosus shares (27.5%), aligned with the free float ownership in Naspers and Prosus (subject to obtaining requisite approval to amend the remuneration policy).
5 Medical insurance, life and disability insurance.
6 Executive directors are executive directors of both Naspers and Prosus. Their remuneration as executive directors of these entities is currently split 10/90 between Naspers and Prosus.

Implementation of remuneration policy continued

FY22 STI goals

Bob Van Dijk

Target and maximum STI opportunity: 100% base salary

Group financial goals	Weighting %	Description	Maximum payout
Revenue	10	Achieve revenue target (on an economic-interest basis and excluding M&A).	€129 641
Core headline earnings (including Tencent)	10	Achieve core headline earnings at target, including Tencent.	€129 641
Core headline earnings (excluding Tencent)	20	Achieve core headline earnings at target, excluding Tencent.	€259 281
Free cash flow	10	Achieve free cash outflow at target.	€129 641
	50		**€648 203**

Strategic, operational and environment, social and governance (ESG) goals	Weighting %	Description	Maximum payout
Classifieds	10	Deliver organic topline growth and organic trading profit at target	€129 641
Food Delivery	10	Deliver organic topline growth and managing organic trading loss at target	€129 641
Payments and Fintech	5	Deliver organic topline growth and managing organic trading loss at target	€64 820
B2C	5	Deliver organic topline growth and organic trading profit at target	€64 820
Edtech	5	Deliver organic topline growth and managing organic trading loss at target	€64 820
Holding company discount	10	Take structural action to address the holding company discount to NAV	€129 641
Sustainability: Diversity and inclusion	2.5	Promote diversity and inclusion in the company and ensure high employee engagement	€32 410
Sustainability: Climate sustainability	2.5	Be carbon-neutral on scope 1 and scope 2 emissions at the group level by year-end FY22.	€32 410
	50		**€648 203**

Basil Sgourdos

Target and maximum STI opportunity: 100% of base salary

Group financial goals	Weighting %	Description	Maximum payout
Core headline earnings (including Tencent)	8	Achieve core headline earnings at target, including Tencent.	USD$96 027
Core headline earnings (excluding Tencent)	17	Achieve core headline earnings at target, excluding Tencent.	USD$204 058
Free cash flow	25	Achieve free cash outflow at target.	USD$300 085
	50		**USD$600 171**

Strategic, operational and ESG goals	Weighting %	Description	Maximum payout
Holding company discount	15	Take structural action to address the holding company discount to NAV	USD$180 051
Taxation	12.5	Prudent and optimal tax management structure	USD$150 043
Investor relations	10	Ensure the IR programme is effective and impactful	USD$120 034
Group finance	5	Develop finance team to drive excellent delivery	USD$60 017
Governance, internal audit and risk management	2.5	Ensure that effective systems of internal control are operated throughout the group's controlled entities	USD$30 009
Sustainability: Diversity and inclusion	2.5	Promote diversity and inclusion in the function and ensure high employee engagement	USD$30 009
Sustainability: Climate sustainability	2.5	Be carbon-neutral on scope 1 and scope 2 emissions at the group level by year-end FY22	USD$30 009
	50		**USD$600 171**

All financial, strategic, operational and ESG goals are measurable and audited.

The committee undertakes a thorough assessment to ensure that targets are sufficiently stretched in the context of potential remuneration delivered.

Implementation of remuneration policy continued

LTI awards to be made in FY22

LTI awards comprise a significant portion of total executive compensation and are designed to incentivise the delivery of sustainable longer-term growth and provide alignment with our shareholders. The entirety of our executives' LTI is determined by the performance of the company and growth in the valuation of the underlying assets and, as such, is deemed 'at risk'.

The committee will continue to award PSUs to senior executives in FY22, having introduced the programme in FY20. PSUs constituted approximately 60% of the LTI awards made to the executive directors in FY21 and this will be approximately 60% for FY22.

We have set out on page 136 information on the LTI to be made during FY22. The balance of the CEO's and CFO's FY22 LTI grants is focused towards consumer internet business, excluding Tencent and Mail.ru.

Over time, settlement of PSU and SO awards will gradually be re-balanced between Prosus and Naspers shares, aligned with the free-float ownership in Prosus and Naspers (subject to obtaining requisite approval to amend the remuneration policy). Accordingly, the grant of the FY22 PSU and SO awards will be partly settled in Naspers shares (72.5%) and partly in Prosus shares (27.5%).

Statement of compliance

Termination payments

No termination payments were made to executive and non-executive directors on termination of employment or office in FY21.

Malus and clawbacks

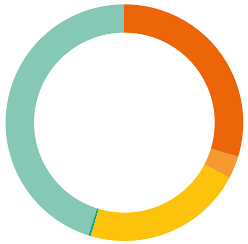
Malus and clawback provisions apply to the STI and LTI awarded to executive directors and senior management. In FY21, no malus or clawback was applied to any remuneration of the executive directors and senior management.

CEO shareholding requirement

The CEO meets the current requirement to maintain a shareholding in Naspers of ten times his annual salary.

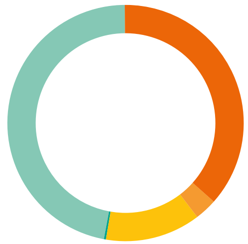
Figure 1 **the approximate balance of the unvested LTIs for the CEO and CFO, post the FY22 allocation**[1]

BOB VAN DIJK



	%
Naspers PSUs	29.9
Prosus PSUs[2]	2.6
Naspers SOs	22.5
Prosus SOs[2]	0.3
Ecommerce SARs	44.7
Total	100

BASIL SGOURDOS



	%
Naspers PSUs	37.2
Prosus PSUs[2]	3.4
Naspers SOs	11.9
Prosus SOs[2]	0.4
Ecommerce SARs	47.1
Total	100

1 Based on the estimated fair value of unvested awards as at 31 March 2021 and the indicative fair value of offers to be made in FY22.
2 Subject to obtaining requisite approval to amend the remuneration policy.

Implementation of remuneration policy continued

Non-executive directors

Non-executive directors' fees

Given the global scale and complexity of the businesses that the group operates and has an interest in, it is important that we can attract and retain the best globally orientated board members.

The committee conducts a regular benchmarking exercise to ascertain whether the fees for non-executive directors are competitive, fair and reasonable. The committee is informed by the external market when reviewing the fee structure and levels for our non-executive directors. This includes market fee levels for Naspers and Prosus's industry peers internationally, and those fee levels observed in the Top 10 AEX and JSE companies.

At the Naspers AGM on 21 August 2020, shareholders approved an increase of up to 5% YoY for fees for non-executive directors, the chair of the board, committee members and the chairs of committees for the year ended 31 March 2021. However, given the then uncertain impact of Covid-19, the board decided not to implement any increase in fees for the financial year ended 31 March 2021. Based on a recent review of the external market data and inputs from our advisory partners, the committee is confident that a 5% increase of the non-executive directors' fees for FY22 and FY23 is warranted and accordingly will submit the proposal at the August 2021 AGM for shareholder approval.

No additional fees are paid to board members serving on the projects committee or on the valuations subcommittee of the human resources and remuneration committee. Non-executive directors do not receive any longer-term or equity-based compensation.

Non-executive directors serve on the board of both Naspers and Prosus and receive no additional compensation for their dual responsibilities to Naspers and Prosus. Fees are split between Naspers and Prosus on a 30/70 basis, pro-rated from the date of listing of Prosus. The split was determined based on the underlying assets and the amount of time required to ensure that sufficient time is allocated to assume the dual responsibilities.

The non-executive chair does not receive additional remuneration for attending meetings or being a member of or chairing any committee of the board or attending Tencent board and committee meetings.

Non-executive directors' fees

	FY21[1]							FY20						
US$'000	Directors' fees		Committee and trustee fees		Other fees[2]		Total	Directors' fees		Committee and trustee fees		Other fees[2]		Total
Non-executive directors	Paid by company	Paid by subsidiary	Paid by company	Paid by subsidiary	Paid by company	Paid by subsidiary	FY21	Paid by company	Paid by subsidiary	Paid by company	Paid by subsidiary	Paid by company	Paid by subsidiary	FY20
JP Bekker[3]	533	22	–	7	–	–	562	590	21	–	8	–	–	619
EM Choi	224	–	64	–	–	–	288	283	–	64	–	–	–	347
HJ du Toit[4]	–	–	–	–	–	–	–	–	–	–	–	–	–	0
CL Enenstein	234	–	105	–	–	50	389	287	–	104	–	–	50	441
DG Eriksson[5]	234	–	260	–	–	–	494	252	–	259	–	–	–	511
M Girotra	234	–	49	–	–	–	283	120	–	24	–	–	–	144
RCC Jafta	234	65	150	23	–	–	472	259	67	165	9	–	–	500
FLN Letele	231	–	26	–	–	–	257	242	–	26	–	–	–	268
D Meyer	234	–	26	–	–	–	260	256	–	26	–	–	–	282
R Oliveira de Lima	234	–	53	–	–	50	337	286	–	54	–	–	50	390
SJZ Pacak	234	–	59	–	–	–	293	249	–	29	–	–	–	278
TMF Phaswana[6]	–	–	–	–			–	270	–	54	–			324
MR Sorour[7]	234	150	–	–	–	120	504	259	150	–	–	–	120	529
JDT Stofberg	231	–	26	–	–	–	257	263	–	26	–	–	–	289
BJ van der Ross	234	–	29	–	–	–	263	252	–	78	–	–	–	330
Y Xu[8]	177	–	–	–	–	–	177	–	–	–	–	–	–	–
Total	**3 502**	**237**	**847**	**30**	**–**	**220**	**4 836**	**3 868**	**238**	**909**	**17**	**–**	**220**	**5 252**

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 school, 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.

Implementation of remuneration policy continued

General notes

Directors' fees include fees for services as directors, where appropriate, of Prosus N.V. and 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, nominations committee and the Naspers social, ethics and sustainability committee. Non-executive directors are subject to regulations on appointment and rotation in terms of Naspers's memorandum of incorporation, Prosus's articles of association, Dutch legal requirements and the South African Companies Act.

With effect from 15 April 2021, Angelien Kemna was appointed as an independent non-executive director. Mrs Kemna holds no Prosus N, A1 or Naspers N, A ordinary shares.

The group arranges for, and pays, directors' and officers' liability insurance for the directors and officers of the group.

As at the date of this report, the group has not provided any personal loans, advances or guarantees to the executive and non-executive directors.

Koos Bekker and Cobus Stofberg each has an indirect 25% interest in Wheatfields 221 Proprietary Limited, which controls 168 605 Naspers Beleggings (RF) Limited ordinary shares, 16 860 500 Keeromstraat 30 Beleggings (RF) Limited ordinary shares, 179 988 (2020: 179 988) Naspers A shares and 657 609 (2020: 657 609) Prosus A1 shares.

Compliance

There were no deviations from the executive and non-executive directors' remuneration policy in FY21.

Figure 1

Executive and non-executive directors' interest in Naspers shares

The non-executive directors of Naspers had the following interests in Naspers A ordinary shares on 31 March 2021:

	31 March 2021			31 March 2020		
	Naspers A ordinary shares			Naspers A ordinary shares		
	Beneficial			Beneficial		
Name	Direct	Indirect	Total	Direct	Indirect	Total
SJZ Pacak	–	105	105	–	105	105
JDT Stofberg	–	175	175	–	175	175
Total	**–**	**280**	**280**	**–**	**280**	**280**

Figure 2

The executive and non-executive directors had the following interests in Naspers N ordinary shares on 31 March 2021:

	31 March 2021			31 March 2020		
	Naspers N ordinary shares			Naspers N ordinary shares		
	Beneficial			Beneficial		
Name	Direct	Indirect[1]	Total	Direct	Indirect	Total
JP Bekker	–	4 688 691	4 688 691	–	4 688 691	4 688 691
EM Choi	–	–	–	–	–	–
HJ du Toit[2]	3 512	–	3 512	–	–	–
CL Enenstein	–	415	415	–	415	415
DG Eriksson	–	–	–	–	–	–
M Girotra	–	–	–	–	–	–
RCC Jafta	–	–	–	–	–	–
FLN Letele	1 474	–	1 474	1 474	–	1 474
D Meyer	–	–	–	–	–	–
R Oliveira de Lima	–	–	–	–	–	–
SJZ Pacak[3]	316 635	134 000	450 635	376 635	111 548	488 183
TMF Phaswana[4]	–	–	–	–	830	830
V Sgourdos[5]	32 483	98 410	130 893	32 483	87 367	119 850
MR Sorour[6]	2 145	159 295	161 440	2 145	165 024	167 169
JDT Stofberg	183 317	291 888	475 205	183 317	291 888	475 205
BJ 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	–	–	–	–	–	–
Total	**593 925**	**6 377 447**	**6 971 372**	**650 413**	**6 269 034**	**6 919 447**

1 Naspers SOs that have been released (vested), but have not yet been exercised, are included in the indirect column. Bob van Dijk – 1 003 928 (2020: 922 451). Basil Sgourdos – 98 410 (2020: 87 367). Steve Pacak – 54 000 (2020: 54 000).
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 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.
4 Resigned as a director of Prosus and Naspers on 1 April 2020.
5 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.
6 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.

Implementation of remuneration policy continued

Non-executive directors' fees

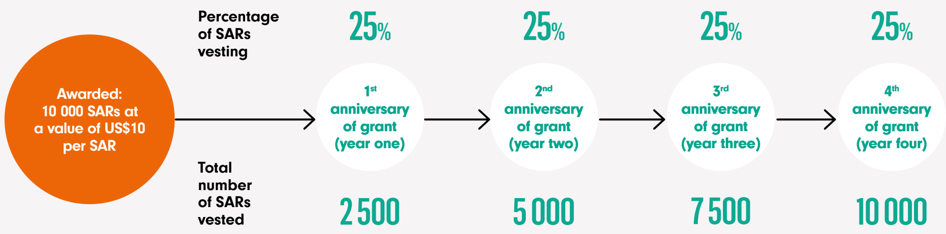
In US$ (unless otherwise stated)		Naspers: 31 March 2022[1]	Prosus: 31 March 2022[1]	31 March 2022[1]	31 March 2021
Board					
	Chair[2]	156 973	366 270	523 243	498 325
	Member	62 789	146 508	209 297	199 330
	Daily fees when travelling to and attending meetings outside home country	1 050	2 450	3 500	3 500
Committees					
Audit committee	Chair	38 675	90 241	128 915	122 775
	Member	15 470	36 096	51 566	49 110
Risk committee	Chair	22 972	53 601	76 573	72 925
	Member	9 189	21 440	30 629	29 170
Human resources and remuneration committee	Chair	27 177	63 413	90 590	86 275
	Member	10 871	25 365	36 236	34 510
Nomination committee	Chair	14 648	34 178	48 825	46 500
	Member	5 859	13 671	19 530	18 600
Social, ethics and sustainability committee	Chair	20 104	46 909	67 013	63 825
	Member	8 042	18 764	26 805	25 530
Other	Trustee of group share schemes/other personnel funds	R16 934	R39 514	R56 448	R53 760

1 Following the listing of Prosus on Euronext Amsterdam, Naspers non-executive directors serve on the boards of both Naspers and Prosus. As a result of the non-executive directors assuming these dual responsibilities, the proposed fees will be split between Naspers and Prosus, on a 30/70 basis.
2 The chair of Naspers does not receive additional remuneration for attending meetings or being a member of or chairing any committee of the board.

Additional information

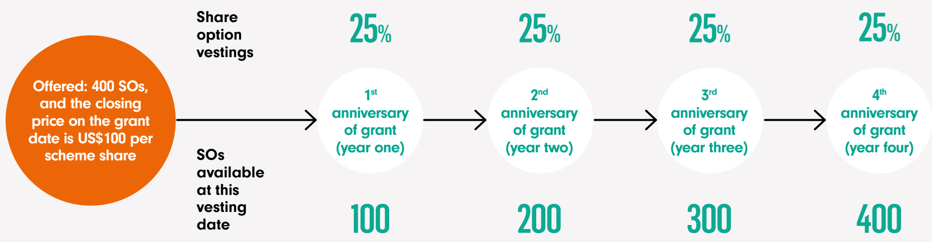
Graphic overview of our LTI plans

SAR How does a share appreciation right (SAR) work?



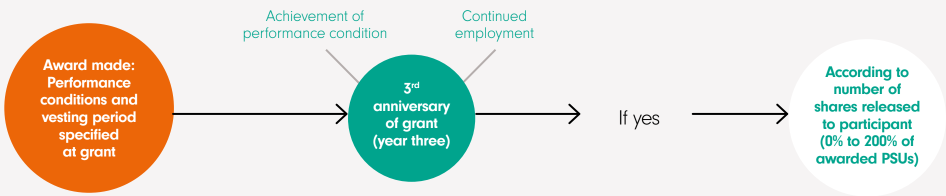
After two years the employee, assuming they didn't exercise their first 2 500 after year one, they may exercise 5 000 of their 10 000 SARs. If the value of an SAR at this point has increased to US$14, the employee made a gain of US$4 per SAR, giving the employee a total gain of US$20 000 (5 000 SARs x US$4 gain per SAR). So, if exercised, the employee would be awarded a value of US$20 000.

SO How does a stock option (SO) work?



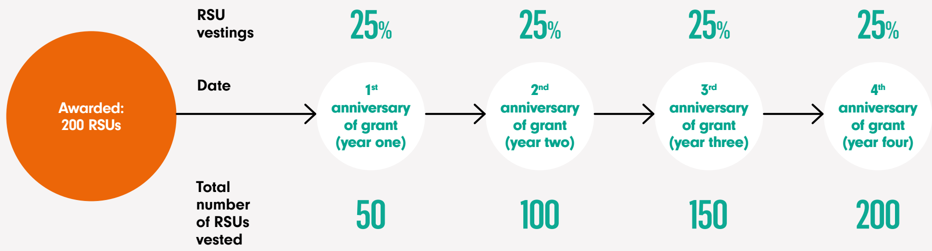
Let's say that two years after the grant date, the employee chooses to exercise and pay for 200 scheme shares, ie US$100 x 200 = US$20 000; if the market price of a scheme share has increased to say US$120, and the employee decides to sell them, that is a gain of US$20 per share. This means the employee shares in the success of the group by earning a benefit of US$4 000, ie US$20 x 200 scheme shares.

PSU How does a performance share unit (PSU) work?



The vesting of a PSU is determined not just by time. In order for an award to vest, certain business performance conditions must also be met.

RSU How does a restricted share unit (RSU) work?



Employee is awarded 200 RSUs on grant date. On each of the vesting dates they will automatically receive 50 shares. Let's assume that on the first vesting date the price is US$100 per share, the employee would then receive a benefit, at that point, to the value of US$5 000, ie 50 shares times an assumed US$100 per share.

Note: the CEO and his direct reports are not eligible to receive RSUs.

Additional information continued

LTI policies

Date and price of SOs, SARs and PSUs/RSUs

Our LTI policy does not allow for the backdating of LTI awards, or for the offer price to be adjusted so as to bring underwater SOs or SARs 'into the money'. There is no strike price for a PSU or an RSU, these are full-value shares and PSUs vest only on the achievement of the performance conditions determined at grant.

Offer prices may be adjusted within the rules of the scheme to take account of material structural changes to the group, for example, when Prosus was listed in 2019, Naspers shareholders and employees holding Naspers SOs received Prosus capitalisation/Naspers N capitalisation shares (depending on which share trust they participated in), linked to each option.

LTI dividend policy

Employees of the Naspers group holding unvested SOs, RSUs or PSUs do not receive ordinary dividends. Upon vesting, then participants are treated as per all other shareholders with regard to ordinary dividends.

Prudent approach

Vesting periods are conservative relative to the companies with which we compete for talent. Our LTI plans typically vest over four years, with equal tranches vesting annually. The PSU plan has a three-year cliff-vesting. Across the consumer internet sector, a three- or four-year vesting period is commonly observed, with grants often vesting monthly after the first year.

In FY21 we have broadened the use of RSUs as an effective LTI for our employees. RSUs are a common and widely spread LTI vehicle across the competitive consumer technology sector. RSUs will continue to be complemented with SAR allocations on our unlisted assets, aligning the incentive to the performance delivery and value creation in theunderlying business segments. With that, RSUs do not come in addition to SARs, but are part of the blend of LTI offered.

Note that RSUs are not available to the CEO, CFO, or other senior executives across the group.

Our SAR and SO plans typically have a 10-year expiry term. This is a common term length across the consumer internet sector where early-stage businesses take longer to reach maturity and create shareholder value.

LTI scheme limits

We place limits on how much of the capitalisation (CAP) table is available for employee compensation. In general, no more than 5% of the Naspers CAP table can be used for unvested employee compensation. For the SARs plans that relate to our unlisted assets, no more than 15% of the CAP table can be used for unvested employee compensation. Depending on the life stage of the business, the scheme limit can be lower. When the business takes funding from Naspers, the SARs scheme is diluted as additional shares are issued.

Offer price

Also called grant price, strike price or purchase price. The price of the share on the date the share option or SAR was granted, at which the participant can buy the share at a later date (or in the case of a SAR, use to calculate a gain).

Exercise price

The price of the share at the time the participant chooses to exercise their SOs or SARs. The value gain to the participant is calculated by subtracting the offer price from the exercise price.

Offer date

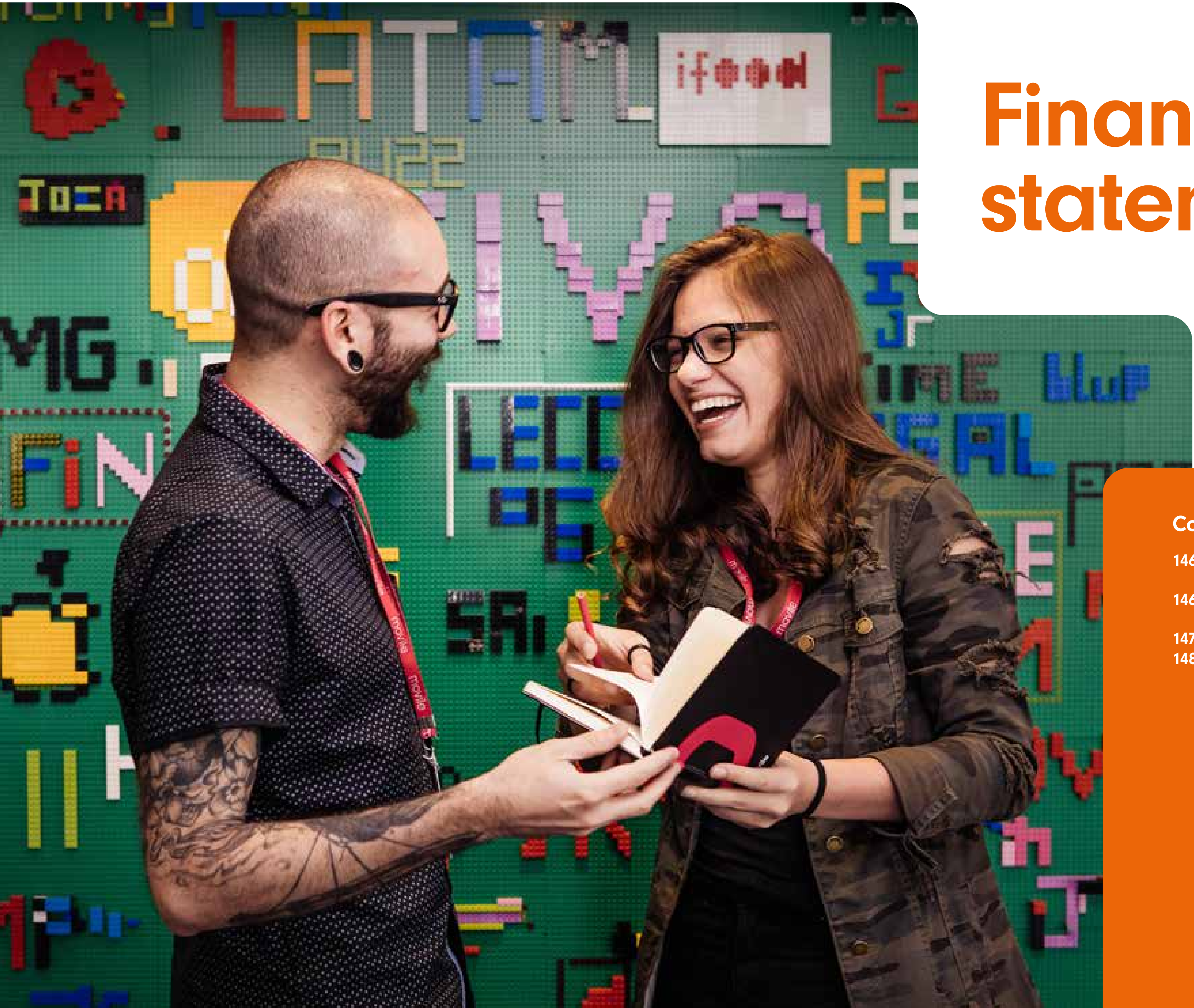
Also called grant date. The date on which an LTI is offered to the participant, giving that participant the right to buy or receive shares at a date in the future.

Performance management

Pay for performance is one of the pillars of our reward philosophy. Personal performance and business performance are the determining factors in whether an individual receives a base salary increase, an annual performance-related incentive payout and/or an LTI in the form of SOs or SARs, PSUs (for executives only) or RSUs (not for executives).

Personal goals are arrived at as an outcome of the annual business planning process. As budgets and operating plans are designed prior to the end of the financial year, so too are the personal performance goals at an individual level. These goals, if achieved, drive the accomplishment of the financial and operating plan of the business.

Managers engage in continuous conversations with their people throughout the financial year to ensure that their plans are on track. At the end of the financial year both the overall performance of the business and the individual's achievement of their personal goals are considered, and this may translate into the payment of an annual performance-related STI. While we do not force-rank performance scores, we do expect that any performance-related incentive payments reflect the overall performance where appropriate. Individuals who have performed well against their performance-related incentive goals, are eligible to be considered for an LTI grant and a pay increase. Only strong performers are considered for LTI awards.



Financial statements

Contents

Summarised consolidated annual financial statements

Chief executive and financial director responsibility statement

The directors, whose names are stated below, hereby confirm that:

a. the annual financial statements set out on pages 148 to 171, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;

b. no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;

c. internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer; and

d. the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function within the combined assurance model pursuant to principle 15 of the King Code. Where we are not satisfied, we have disclosed to the audit committee and the auditors the deficiencies in design and operational effectiveness of the internal financial controls and any fraud that involves directors, and have taken the necessary remedial action.

Bob van Dijk
Chief executive

Basil Sgourdos
Financial director

19 June 2021

Statement of responsibility by the board of directors

for the year ended 31 March 2021

Naspers Limited. In discharging this responsibility they rely on the management of the group to prepare the consolidated annual financial statements, separately available on www.naspers.com, in accordance with International Financial Reporting Standards (IFRS) and the Companies Act 71 of 2008. The summarised consolidated 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 summarised consolidated annual financial statements and are satisfied that the systems and internal financial controls implemented by management are effective.

The directors believe that the company and group have adequate resources to continue operations as a going concern in the foreseeable future, based on forecasts and available cash resources. The summarised consolidated annual financial statements support the viability of the company and the group. The preparation of the summarised consolidated annual financial statements was supervised by the financial director, Basil Sgourdos CA(SA).

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 annual financial statements from which the summarised consolidated annual financial statements were derived. The directors believe that representations made to the independent auditor during audit were valid and appropriate. PricewaterhouseCoopers Inc.'s audit report is presented on page 147.

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

Koos Bekker
Chair

Bob van Dijk
Chief executive

19 June 2021

Independent auditor's report on the summarised consolidated financial statements

To the Shareholders of Naspers Limited

Our opinion

The summarised consolidated financial statements of Naspers Limited set out on pages 148 to 166 of the Integrated Annual Report, which comprise the summarised consolidated statement of financial position as at 31 March 2021, the summarised consolidated income statement, and summarised consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and related notes to the summarised consolidated financial statements, are derived from the audited consolidated financial statements of Naspers Limited for the year ended 31 March 2021.

In our opinion, the accompanying summarised consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the JSE Limited's (JSE) requirements for summary financial statements, as set out in note 2 to the summarised consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Summarised Consolidated Financial Statements

The summarised consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summarised consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon.

The Audited Consolidated Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 19 June 2021. That report also includes communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period.

Director's Responsibility for the Summarised Consolidated Financial Statements

The directors are responsible for the preparation of the summarised consolidated financial statements in accordance with the JSE's requirements for summarised financial statements, set out in note 2 to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summarised consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements.*

PricewaterhouseCoopers Inc.

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

Summarised consolidated income statement

for the year ended 31 March

	Notes	2021 US$'m	Restated* 2020 US$'m
Revenue from contracts with customers	7	**5 934**	4 001
Cost of providing services and sale of goods		**(4 088)**	(2 692)
Selling, general and administration expenses		**(2 932)**	(1 960)
Other (losses)/gains – net	9	**(103)**	(69)
Operating loss		**(1 189)**	(720)
Interest income	8	**101**	245
Interest expense	8	**(268)**	(229)
Other finance income – net	8	**207**	76
Share of equity-accounted results	11	**7 095**	3 932
Impairment of equity-accounted investments		**(32)**	(21)
Dilution gains/(losses) on equity-accounted investments		**1 000**	(52)
Net gains on acquisitions and disposals	9	**308**	351
Profit before taxation		**7 222**	3 582
Taxation[1]		**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
Per share information for the year			
Earnings per ordinary share (US cents)		**1 243**	709
Diluted earnings per ordinary share (US cents)		**1 204**	690
Headline earnings for the year (US$'m)	6	**4 142**	2 166
Headline earnings per ordinary share (US cents)		**970**	496
Diluted headline earnings per ordinary share (US cents)		**933**	478
Net number of ordinary shares issued ('000)			
— weighted average for the year		**426 823**	436 756
— diluted weighted average for the year		**427 951**	438 481

1 Refer to note 12 for details on the tax credit.
* 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.

Summarised consolidated statement of comprehensive income

for the year ended 31 March

	Notes	2021 US$'m	Restated* 2020 US$'m
Profit for the year		**7 268**	3 351
Total other comprehensive income/(loss), net of tax, for the year		**8 973**	(1 372)
Items that may be subsequently reclassified to profit or loss			
Translation of foreign operations		**2 023**	(1 321)
Share of equity-accounted investments' movement in OCI		**(424)**	122
Items that may not be subsequently reclassified to profit or loss			
Fair-value gains/(losses) on financial assets through OCI		**555**	(292)
Share of equity-accounted investments' movement in OCI and net asset value[1]	11	**6 819**	119
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

1 This relates primarily to gains on translation of the group's equity-accounted investment in Tencent as well as increases in share prices of its listed investments.
* 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.

Summarised consolidated statement of financial position

as at 31 March

	Notes	2021 US$'m	Restated* 2020 US$'m
Assets			
Non-current assets		**46 130**	26 807
Property, plant and equipment		**545**	457
Goodwill	10	**2 186**	2 237
Other intangible assets		**825**	898
Investments in associates	11	**40 566**	22 235
Investments in joint ventures		**160**	74
Other investments and loans		**1 795**	826
Other receivables		**17**	5
Derivative financial instruments		**9**	55
Deferred taxation		**27**	20
Current assets		**7 687**	9 512
Inventory		**397**	260
Trade receivables		**185**	139
Other receivables and loans	14	**1 882**	542
Derivative financial instruments		**18**	–
Short-term investments		**1 439**	4 060
Cash and cash equivalents		**3 758**	4 303
		7 679	9 304
Assets classified as held for sale	13	**8**	208
Total assets		**53 817**	36 319

	Notes	2021 US$'m	Restated* 2020 US$'m
Equity and liabilities			
Capital and reserves attributable to the group's equity holders		**29 194**	21 750
Share capital and premium		**932**	3 362
Other reserves		**(3 753)**	(8 846)
Retained earnings		**32 015**	27 234
Non-controlling interests		**11 667**	8 178
Total equity		**40 861**	29 928
Non-current liabilities		**8 647**	4 184
Capitalised lease liabilities		**240**	231
Liabilities – interest bearing	16	**7 860**	3 508
– non-interest bearing		**48**	20
Other non-current liabilities		**216**	205
Post-employment medical liability		**22**	17
Derivative financial instruments		**32**	2
Deferred taxation		**229**	201
Current liabilities		**4 309**	2 207
Current portion of long-term debt		**110**	67
Trade payables		**395**	322
Accrued expenses and other current liabilities[1]		**3 774**	1 711
Dividend payable		**2**	1
Provisions		**17**	10
Derivative financial instruments		**2**	38
Bank overdrafts		**9**	32
		4 309	2 181
Liabilities classified as held for sale	13	**–**	26
Total equity and liabilities		**53 817**	36 319

1 The increase in the carrying amount relates primarily to the current portion of the written put option liabilities and the cash-settled share-based compensation liability. These liabilities are US$1.3bn and US$977.0m respectively.

* 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.

Summarised consolidated statement of changes in equity

for the year ended 31 March

	Share capital and premium US$'m	Foreign currency translation reserve US$'m	Valuation reserve US$'m	Existing control business combination reserve US$'m	Share-based compensation reserve US$'m	Retained earnings US$'m	Share-holders' funds US$'m	Non-controlling interests US$'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 the beginning of the year	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 income 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 movements	–	–	–	–	(99)	36	(63)	(2)	(65)
Share-based compensation expense	–	–	–	–	119	–	119	(2)	117
Transfers to retained earnings	–	–	–	–	(99)	99	–	–	–
Other share-based compensation movements[2]	–	–	–	–	(119)	(63)	(182)	–	(182)
Transactions with non-controlling shareholders[3]	–	–	–	(166)	1	(9)	(174)	233	59
Recognition of Prosus's 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	–	–	–
Realisation 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[4]	–	–	–	9	12	(38)	(17)	0	(17)
Balance at 31 March 2020	3 362	(2 974)	281	(8 029)	1 876	27 234	21 750	8 178	29 928

* 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 During the prior year Naspers effected a share repurchase programme.
2 Retained earnings include a decrease of US$479.5 related to the modification of equity-settled schemes (2020: US$62.6m related to the settlement of share-based compensation benefits).
3 Relates primarily to transactions with non-controlling interest amounted to US$1.83bn (2020: US$31.0m). This related primarily to the minority buyout in Movile Mobile Commerce Holdings S.L., MIH Internet Sea Pte Ltd, Letgo Global B.V., Frontier Car Group, Silver Indonesia JVCo B.V. and the share repurchase of Prosus N.V.
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.
5 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.

Summarised consolidated statement of changes in equity continued

for the year ended 31 March

	Share capital and premium US$'m	Foreign currency translation reserve US$'m	Valuation reserve US$'m	Existing control business combination reserve US$'m	Share-based compensation reserve US$'m	Retained earnings US$'m	Share-holders' funds US$'m	Non-controlling interests US$'m	Total US$'m
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 income 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 movements	–	–	–	–	42	(432)	(390)	109	(281)
Share-based compensation expense	–	–	–	–	64	–	64	109	173
Transfers to retained earnings	–	–	–	–	(48)	48	–	–	–
Other share-based compensation movements[2]	–	–	–	–	26	(480)	(454)	–	(454)
Transactions with non-controlling shareholders[3]	–	–	–	(1 104)	(70)	(15)	(1 189)	(677)	(1 866)
Direct equity movements	–	(8)	(233)	134	(6)	113	–	–	–
Direct movements from associates	–	–	(235)	–	–	235	–	–	–
Realisation 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)
Other movements[4]	–	–	–	51	–	(40)	11	–	11
Dividends paid[5]	–	–	–	–	–	(149)	(149)	(59)	(208)
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 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 Refer to note 16 for share repurchase programme in the current year. During the prior year Naspers effected a share repurchase programme.
2 Retained earnings include 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 Relates primarily to transactions with non-controlling interest amounted to US$1,83bn (2020: US$31.0m). This related primarily to the minority buyout in Movile Mobile Commerce Holdings, MIH Internet Sea Pte Ltd, Letgo Global B.V., Frontier Car Group, Silver Indonesia JVCo B.V. and the share repurchase of Prosus N.V.
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.
5 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.

Summarised consolidated statement of cash flows

for the year ended 31 March

	Notes	Year ended 31 March 2021 US$'m	Restated* 2020 US$'m
Cash flows from operating activities			
Cash from operations		**(144)**	(394)
Interest income received		**123**	261
Dividends received from investments and equity-accounted investments		**459**	387
Interest costs paid		**(253)**	(235)
Taxation paid		**(112)**	(215)
Net cash generated from/(utilised in) operating activities		**73**	(196)
Cash flows from investing activities			
Acquisitions and disposals of tangible and intangible assets		**(135)**	(109)
Acquisitions of subsidiaries, associates and joint ventures	14	**(1 917)**	(867)
Disposals of subsidiaries, businesses, associates and joint ventures	14	**241**	109
Acquisition of short-term investments[1]		**(3 088)**	(3 868)
Maturity of short-term investments[1]		**5 705**	7 022
Loans advanced to related parties		**(210)**	–
Cash paid for other investments[2]	14	**(1 322)**	(33)
Cash movement in other investments		**(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]		**–**	1 568
Payments for the repurchase of shares	16	**(2 340)**	(1 426)
Proceeds from long- and short-term loans raised	16	**4 593**	1 300
Repayments of long- and short-term loans		**(155)**	(1 047)
Outflow from equity-settled share-based compensation transactions		**(117)**	(195)
Additional investment in existing subsidiaries[4]		**(1 704)**	(68)
Dividends paid by the holding company		**(218)**	(209)
Repayments of capitalised lease liabilities		**(56)**	(34)
Additional investment from non-controlling shareholders		**53**	127
Other movements resulting from financing activities		**(3)**	(10)
Net cash generated from financing activities		**53**	6

	Notes	Year ended 31 March 2021 US$'m	Restated* 2020 US$'m
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	13	**–**	(19)
Cash and cash equivalents at the end of the year		**3 749**	4 271

1 Relates to short-term cash investments with maturities of more than three months from date of acquisition.
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.
4 Relates to transactions with non-controlling interests resulting in changes in effective interest of existing subsidiaries. Includes the repurchase of Prosus shares on the market in the current year.

Notes to the summarised consolidated financial statements

for the year ended 31 March 2021

1. General information

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 its primary listing on Euronext Amsterdam and a secondary listing on the JSE Limited's stock exchange and A2X Markets. Naspers is the majority shareholder of Prosus.

The summarised 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. Basis of presentation and accounting policies

Information on the summarised consolidated financial statements

The summarised consolidated financial statements for the year ended 31 March 2021 have been prepared in accordance with International Financial Reporting Standard (IFRS), the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council as well as the requirements of the Companies Act of South Africa and the JSE Listings Requirements.

The summarised consolidated financial statements do not include all the disclosures required for complete annual financial statements prepared in accordance with IFRS as issued by the International Accounting Standards Board (IASB). The accounting policies in these summarised consolidated financial statements are consistent with those applied in the previous consolidated annual financial statements for the year ended 31 March 2020, except for the subsequent measurement of written put option liabilities as further described below.

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

The summarised consolidated financial statements presented here report earnings per share, diluted earnings per share, headline earnings per share and diluted headline earnings per share (collectively referred to as earnings per share). These are calculated as the relationship of the number of ordinary shares of Naspers issued (net of treasury shares) as at 31 March 2021, to the earnings and headline earnings attributable to the shareholders of Prosus. The group has in issue 435 511 058 N ordinary shares and 961 193 A ordinary shares to shareholders as at 31 March 2021.

All amounts disclosed are in millions of US dollars (US$'m) unless otherwise stated.

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 42 'Segment information' in the consolidated financial statements as included in the annual financial statements for the year ended 31 March 2021. The group proportionately consolidates its share of the results of its associates and joint ventures in its disclosure of segment results in note 5.

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.

Going concern

The summarised consolidated financial statements are prepared on the going concern basis. Based on forecasts and available cash resources, the group has 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.

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.

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.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2021

2. Basis of presentation and accounting policies continued

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

The group has adopted this change in accounting policy retrospectively, however 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. The previous remeasurements accumulated in retained earnings have been reclassified to the 'Existing control business combination reserve'. Consequently, comparative figures on the 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 summarised 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 summarised consolidated financial statements including the impact on the group's basic, diluted and headline earnings per share.

Summarised 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'.

Summarised 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 have been reclassified to 'Existing control business combination reserve'.

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

Covid-19 impact on the summarised 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 summarised consolidated 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 our 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 on the statement of financial position. Impairment testing was primarily focused on the group's goodwill, carrying value of equity-accounted associates and joint ventures, expected credit losses of related party receivables, trade and other receivables and any inventory writedowns.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2021

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

Covid-19 impact on the summarised consolidated financial statements continued

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 Ecommerce CGUs were used as the recoverable amounts. The group recognised goodwill impairment for the CGU's 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$70.7m (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 10.

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 joint venture closing operations in certain regions and the associates' performance during the current year falling below expectations.

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 aggregate 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 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.

Risk management

The integrated annual report for the year ended 31 March 2021 describes certain risks which could have an adverse effect on the group's financial position and results. Those risks are valid and should be read in conjunction with these summarised consolidated financial statements.

Despite the impact of the Covid-19 pandemic, the group has remained resilient and performed well during the year ended 31 March 2021. Like most companies, the group faced challenges particularly in countries where governments took necessary, but drastic action by implementing lockdown regulations to limit the spread of the disease. However, the continued migration of consumers to online platforms has had a positive impact on the group and is reflected in the financial position, financial performance and cash flows generated during the year ended 31 March 2021.

Changes in the settlement and classification of share appreciation right (SAR) schemes

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 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.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2021

4. Independent audit

The summarised consolidated financial statements have been audited by the company's auditor, PricewaterhouseCoopers Inc. (PwC). The individual auditor assigned to perform the audit is Vicky Myburgh. PwC's unqualified audit reports on the consolidated annual financial statements and the summarised consolidated financial statements for the year ended 31 March 2021 are available for inspection at the registered office of the company. The auditor's report does not necessarily cover all the information contained in the summarised consolidated financial statements. Shareholders are therefore advised that, in order to obtain a full understanding of the nature of the auditor's work, they should obtain a copy of that report, together with the consolidated annual financial statements from the registered office of the company. These documents will be available from the company's registered office from 21 June 2021.

5. Segmental review

	Revenue			Adjusted EBITDA[1]			Trading (loss)/profit[2]		
	Year ended 31 March			Year ended 31 March			Year ended 31 March		
	2021 US$'m	2020 US$'m	% change	**2021 US$'m**	2020 Restated* US$'m	% change	**2021 US$'m**	2020 Restated* US$'m	% change
Ecommerce	**6 849**	4 680	46	**(261)**	(681)	62	**(439)**	(823)	47
– Classifieds	**1 609**	1 299	24	**74**	92	(20)	**15**	44	(66)
– Payments and Fintech	**577**	428	35	**(59)**	(60)	2	**(68)**	(67)	(1)
– Food Delivery	**1 486**	751	98	**(313)**	(596)	47	**(355)**	(624)	43
– Etail	**2 856**	1 756	63	**110**	(22)	>100	**61**	(63)	>100
– Travel	**–**	146	(100)	**–**	(19)	100	**–**	(22)	100
– Other	**321**	300	7	**(73)**	(76)	4	**(92)**	(91)	(1)
Social and Internet Platforms	**22 526**	17 189	31	**7 229**	5 455	33	**6 154**	4 699	31
– Tencent	**22 155**	16 779	32	**7 151**	5 328	34	**6 126**	4 601	33
– Mail.ru	**371**	410	(10)	**78**	127	(39)	**28**	98	(71)
Media	**211**	272	(22)	**(2)**	15	(113)	**(8)**	8	>(100)
Corporate segment	**–**	–	–	**(146)**	(151)	3	**(152)**	(159)	4
Intersegmental	**–**	(5)	100	**–**	–	–	**–**	–	–
Total economic interest	**29 586**	22 136	34	**6 820**	4 638	47	**5 555**	3 725	49
Less: Equity-accounted investments	**(23 652)**	(18 135)	(30)	**(6 903)**	(4 987)	(38)	**(5 779)**	(4 200)	(38)
Total consolidated	**5 934**	4 001	48	**(83)**	(349)	76	**(224)**	(475)	53

* 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' subsegment, 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 Adjusted EBITDA is a non-IFRS measure that represents operating profit/loss, as adjusted to exclude depreciation; amortisation; retention option expenses linked to business combinations; other losses/gains – net, which includes dividends received from investments, profits and losses on sale of assets, fair-value adjustments of financial instruments, impairment losses, compensation received from third parties for property, plant and equipment impaired, lost or stolen, and gains or losses on settlement of liabilities; cash-settled share-based compensation expenses deemed to arise from shareholder transactions by virtue of employment; and subsequent fair-value remeasurement of cash-settled share-based compensation expenses, equity-settled share-based compensation expenses for group share option schemes as well as those deemed to arise on shareholder transactions (but not excluding share-based payment expenses for which we have a cash cost on settlement with participants).

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

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2021

5. Segmental review continued

Reconciliation of consolidated adjusted EBITDA and trading loss to consolidated operating loss

	Year ended 31 March	
	2021 US$'m	2020 US$'m
Consolidated adjusted EBITDA[1]	**(83)**	(349)
Depreciation	**(110)**	(96)
Amortisation of software	**(16)**	(16)
Interest on capitalised lease liabilities	**(15)**	(14)
Consolidated trading loss[2]	**(224)**	(475)
Interest on capitalised lease liabilities	**15**	14
Amortisation of other intangible assets	**(138)**	(104)
Other (losses)/gains – 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)
Consolidated operating loss	**(1 189)**	(720)

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

2 Trading profit/(loss) 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.

On 24 April 2020, the Naspers Limited board approved a prospective change in the settlement mechanism for the group's 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 at 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. While 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 summarised 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 excludes the share of its associate equity-settled share-based compensation expenses.

6. Headline earnings

Headline earnings represent 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 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.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2021

6. Headline earnings continued

A reconciliation of net profit attributable to shareholders to headline earnings is outlined below.

Calculation of headline earnings

	Year ended 31 March	
	2021 US$'m	Restated* 2020 US$'m
Net profit attributable to shareholders	**5 304**	3 097
Adjusted for:		
– impairment of property, plant and equipment and other assets	**11**	–
– impairment of goodwill and other intangible assets	**72**	13
– gain recognised on loss of control	**–**	(17)
– gain recognised on loss on of significant influence	**–**	(13)
– gains recognised on disposals of investments	**(360)**	(391)
– remeasurement of previously held interest	**–**	(73)
– dilution (gains)/losses on equity-accounted investments	**(1 000)**	52
– remeasurements included in equity-accounted earnings[1]	**(102)**	(622)
– impairment of equity-accounted investments	**32**	21
	3 957	2 067
Total tax effects of adjustments	**(173)**	11
Total adjustment for non-controlling interest	**358**	88
Headline earnings	**4 142**	2 166

* 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 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 impairment of assets recognised by associates.

7. Revenue from contracts with customers

		Year ended 31 March	
	Reportable segment(s) where revenue is included	**2021 US$'m**	2020 US$'m
Online sale of goods revenue	Classifieds and Etail	**3 343**	1 868
Classifieds listings revenue	Classifieds	**725**	790
Payment transaction commissions and fees	Payments and Fintech	**513**	380
Mobile and other content revenue	Other Ecommerce	**147**	173
Food Delivery revenue	Food Delivery	**733**	310
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 (ie 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.

8. Finance (cost)/income

	Year ended 31 March	
	2021 US$'m	Restated* 2020 US$'m
Interest income	**101**	245
– loans and bank accounts	**77**	241
– other[1]	**24**	4
Interest expense	**(268)**	(229)
– loans and overdrafts	**(247)**	(209)
– capitalised lease liabilities	**(16)**	(14)
– other	**(5)**	(6)
Other finance income – net	**207**	76
On translation of assets and liabilities	**80**	47
Fair-value adjustments on derivative financial instruments	**127**	29

1 Includes interest received on tax. Refer to note 12.

* 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.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2021

9. Profit before taxation

In addition to the items already detailed, profit before taxation has been determined after taking into account, inter alia, the following:

	Year ended 31 March	
	2021 US$'m	2020 US$'m
Depreciation of property, plant and equipment	**110**	96
Amortisation	**154**	59
– other intangible assets	**138**	43
– software	**16**	16
Impairment losses on financial assets measured at amortised cost	**15**	17
Net realisable value adjustments on inventory, net of reversals[1]	**7**	5
Other (losses)/gains – net	**(103)**	(69)
– 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
– fair-value adjustments on financial instruments	**(4)**	4
– gains recognised on loss of significant influence	**–**	13
– Covid-19 donation	**(13)**	(84)
– other	**(8)**	5
Net gains on acquisitions and disposals	**308**	351
– gains recognised on disposal of investments – net	**242**	390
– gains recognised on sale of business – net	**118**	–
– gains recognised on loss of control transactions	**–**	17
– transaction-related costs[2]	**(56)**	(113)
– securities tax paid on internal restructuring	**–**	(18)
– remeasurement of previously held interest	**–**	73
– other	**4**	2

1 Net realisable value writedowns relate primarily to the Etail segment.
2 Includes transaction-related cost regarding acquisition and disposal transactions. The prior year also includes transaction related cost for the listing of Prosus.

10. Goodwill

Movements in the group's goodwill for the year are detailed below:

	Year ended 31 March	
	2021 US$'m	2020 US$'m
Goodwill		
– cost	**2 324**	2 360
– accumulated impairment	**(87)**	(240)
Opening balance	**2 237**	2 120
– foreign currency translation effects	**49**	(278)
– acquisitions of subsidiaries and businesses	**43**	566
– disposals of subsidiaries and businesses	**(72)**	(7)
– transferred to assets classified as held for sale	**–**	(152)
– impairment	**(71)**	(12)
Closing balance	**2 186**	2 237
– cost	**2 350**	2 324
– accumulated impairment	**(164)**	(87)

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 the budgets and forecasts taking into account the impact of the pandemic.

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 the group's other major business operations. The positive impact on the group's major business operations was predominantly from regions where online services and sale of goods were the primary solutions 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 CGUs which is the group's best estimate amid this current uncertain economic environment. The group recognised goodwill impairment of US$70.7m (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. The group will continue to monitor the performance of its businesses as circumstances change and/or information becomes available that may indicate that the goodwill may be impaired.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2021

11. Investments in associates

The movements in the carry value of the group's investments in associates for the year are detailed in the table below:

	Year ended 31 March	
	2021 US$'m	2020 US$'m
Opening balance	**22 235**	19 746
– Associates acquired – gross consideration	**2 352**	437
– Associates disposed of	**(20)**	(575)
– Share of current-year changes in OCI and NAV	**6 819**	129
– Share of equity-accounted results	**7 114**	3 953
– Impairment	**(11)**	(21)
– Dividends received	**(458)**	(377)
– Foreign currency translation effects	**1 546**	(999)
– Dilution gains/(losses)[1]	**989**	(58)
Closing balance	**40 566**	22 235

1 The total dilution gains/(losses) presented in the income statement of US$989.4m (2020: a net dilution loss of US$57.8m) 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 the reclassification of a portion of the group's foreign currency translation reserves following shareholding dilutions and the partial disposal of associates.

12. Commitments and contingent liabilities

Commitments relate to amounts for which the group has contracted, but that have not yet been recognised as obligations in the statement of financial position.

	Year ended 31 March	
	2021 US$'m	2020 US$'m
Commitments	**155**	151
– capital expenditure	**60**	29
– other service commitments	**81**	109
– lease commitments[1]	**14**	13

1 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 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).

Furthermore, 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 summarised 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 summarised consolidated statement of cash flows.

13. Assets 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 note 14.

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 was concluded in February 2021. Refer to note 14.

Assets and liabilities classified as held for sale are detailed in the table below:

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

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2021

14. Business combinations, other acquisitions and disposals

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 the 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, Latin America, 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 venture's 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 of 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 fair-value gains on the 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.

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$7m. 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 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 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. 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 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 19.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2021

15. Non-controlling interest in Prosus N.V.

The Prosus group represents a significant portion of Naspers's NAV as it comprises the international ecommerce and internet assets, including the investment in Tencent. 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 www.prosus.com.

16. Significant financing transactions

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 carrying a semi-annual fixed interest rate of 4.027% due in 2050, eight-year €500m notes carrying a fixed interest rate of 1.539% per annum due in 2028, and 12-year €500m notes carrying a fixed interest rate of 2.031% per annum due in 2032.

In December 2020, the group issued bonds totalling US$2.23bn. These bonds consist of 30-year US$1.50bn carrying a semi-annual fixed interest rate of 3.832% due in 2051, a tap of €350m due in 2028, and a tap of €250m 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 €500m 1.539% senior notes due in 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 €500m 2.031% senior notes due in 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. The bonds are listed on the Irish Stock Exchange (Euronext Dublin).

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 by the acquisition of up to US$1.4bn Prosus N ordinary shares and US$3.6bn Naspers N ordinary shares on the market by Prosus. The Prosus 11 874 493 N ordinary share repurchase was completed in February 2021 and Prosus had acquired 10 568 947 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 19 for additional Naspers N ordinary shares acquired by Prosus subsequent to year-end.

17. Financial instruments

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.

The summarised consolidated financial statements do not include all financial risk management information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the group's risk management information disclosed in note 42 of the consolidated financial statements for the year ended 31 March 2021. There have been no material changes in the group's credit, liquidity, market risks or key inputs used in measuring fair value since 31 March 2020.

The fair values of the group's financial instruments that are measured at fair value at each financial year-end presented, are categorised as follows:

	Fair-value measurements at 31 March 2021 using:			
	Carrying value US$'m	Quoted prices in active markets for identical assets or liabilities (level 1) US$'m	Significant other observable inputs (level 2) US$'m	Significant unobservable inputs (level 3) US$'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**
Derivatives contained in acquisition agreements	**15**	**15**	**–**	**–**
Cash and cash equivalents[1]	**996**	**–**	**996**	**–**
Liabilities				
Forward exchange contracts	**2**	**–**	**2**	**–**
Earn-out obligations	**13**	**–**	**–**	**13**
Derivatives embedded in leases	**2**	**–**	**–**	**2**
Cross-currency interest rate swap	**30**	**–**	**30**	**–**

1 Relates 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.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2021

17. Financial instruments continued

	Fair-value measurements at 31 March 2020 using:			
	Carrying value US$'m	Quoted prices in active markets for identical assets or liabilities (level 1) US$'m	Significant other observable inputs (level 2) US$'m	Significant unobservable inputs (level 3) US$'m
Assets				
Financial assets at fair value through other comprehensive income	804	711	3	90
Financial assets at fair value through profit or loss	13	–	–	13
Cash and cash equivalents[1]	650	–	650	–
Derivatives contained in lease agreements	6	–	–	6
Cross-currency interest rate swap	49	–	49	–
Liabilities				
Forward exchange contracts	38	–	38	–
Derivatives contained in lease agreements	2	–	–	2
Earn-out obligations	22	–	–	22
Interest rate and cross-currency swaps	–	–	–	–

1 Relates 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.

There have been no transfers between levels 1 or 2 during the current year, nor were there any significant changes to the valuation techniques and inputs used in measuring fair value.

Valuation techniques and key inputs used to measure significant level 2 and level 3 fair values

Level 2 fair-value measurement

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.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2021

17. Financial instruments continued

Valuation techniques and key inputs used to measure significant level 2 and level 3 fair values continued

Level 3 fair-value measurements continued

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

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

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

1 Financial assets at fair value through other comprehensive income.
2 Financial assets at fair value through profit or loss.

The carrying value of financial instruments is a reasonable approximation of their fair values except for the publicly traded bonds detailed below:

	31 March 2021		31 March 2020	
Financial liabilities	**Carrying value US$'m**	**Fair value US$'m**	Carrying value US$'m	Fair value US$'m
Publicly traded bonds	**7 827**	**7 935**	3 450	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 values of the publicly traded bonds are level 2 financial instruments. The publicly traded bonds are listed on the Irish Stock Exchange (Euronext Dublin).

18. Related party transactions and balances

The group entered into various related party transactions in the ordinary course of business with a number of related parties, including associates and joint ventures. Transactions that are eliminated on consolidation as well as gains or losses eliminated through the application of the equity method are not included.

	Year ended 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 is 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.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2021

18. Related party transactions and balances continued

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

	Year ended 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 of loans and receivables[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 is 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 14. 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 (March 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.

19. Events after the reporting period

The following transactions were entered into by the group subsequent to 31 March 2021 up until the date of signing these summarised 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 on a fully diluted and as converted basis. 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 over 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 36% effective interest (33% 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 its 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 over 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 over the board of directors.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2021

19. Events after the reporting period continued

The group made an additional investment amounting to US$153m, in Think & Learn Private Limited (BYJU'S), 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'S. The group continues to account for its interest in BYJU'S as an investment in an associate on account of its significant influence over the board of directors.

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. The group acquired an additional investment in Delivery Hero in March 2021, which increased its shareholding by 8% to approximately 24.99%. The additional investment was acquired via the market and bilateral trades. At 31 March 2021, while legal ownership had transferred for this 8% additional interest, the access to the returns associated with the ownership had not fully transferred for 4% of this interest. Accordingly, the effective interest in Delivery Hero recognised at 31 March 2021 was 21% with the remaining 4% amounting to US$1.2bn recognised as a contractual right to receive the shares or cash. In May 2021, the bilateral trades for the remaining 4% were completed, resulting in an increase in the effective shareholding of Delivery Hero to 24.99% as the access to the returns associated with the ownership for these shares have been transferred. The group paid an additional US$188.0m for the increase in share price for this interest between March and May 2021. In addition, the financial asset amounting to US$1.2bn recognised at 31 March 2021 for the right to receive this interest or cash was derecognised against 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 B.V. 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 expected to close in the first half of the 2022 financial year.

The group acquired 100% effective interest for US$1.8bn in Stack Overflow. Stack Overflow is a leading knowledge-sharing platform for the global community of developers and technologist. The group will account for this investment as a subsidiary.

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 16) 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.

Other information to the summarised consolidated financial statements

for the year ended 31 March 2021

A. Non-IFRS financial measures and alternative performance measures

A.1 Core headline earnings

Core headline earnings represent headline earnings, excluding certain non-operating items. Specifically, headline earnings are adjusted for the following items to derive core headline earnings: (i) equity-settled share-based payment expenses on transactions where there is no cash cost to us. These include those relating to share-based incentive awards settled by issuing treasury shares as well as certain share-based payment expenses that are deemed to arise on shareholder transactions; (ii) subsequent fair-value remeasurement of cash-settled share-based incentive expenses (iii) cash-settled share-based compensation expenses deemed to arise from shareholder transactions by virtue of employment (iv) deferred taxation income recognised on the first-time recognition of deferred tax assets as this generally relates to multiple prior periods and distorts current-period performance; (v) fair-value adjustments on financial and unrealized currency translation differences, as these items obscure our underlying operating performance; (vi) one-off gains and losses (including acquisition-related costs) resulting from acquisitions and disposals of businesses as these items relate to changes in our composition and are not reflective of our underlying operating performance; (vii) the amortisation of intangible assets recognized in business combinations and acquisitions; and (viii) the donations due to Covid-19, as these expenses are not considered operational in nature. These adjustments are made to the earnings of businesses controlled by us as well as our share of earnings of associates and joint ventures, to the extent that the information is available.

Impact of 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 written put option liabilities previously recognised in the income statement in 'Other finance income - net' are now recognised through equity. Remeasurements of written put option liabilities previously recognised in the income statement were adjusted from headline earnings to derive core headline earnings. Consequently, the change in accounting policy has no impact on core headline earnings.

Impact of share-based compensation expenses on core headline earnings

Effective April 2020, the group changed the definition of core headline earnings related to the treatment of the group's SAR share-based compensation benefits. Core headline earnings 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 CODM reviews core headline earnings to include the impact of share-based compensation expenses based on the grant date fair value for all of the group's SAR share-based compensation benefits. The non-IFRS measure therefore excludes the remeasurement portion of the group's cash-settled share-based compensation benefits. 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 do not require restatement.

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.

Reconciliation of core headline earnings

	Year ended 31 March	
	2021 US$'m	Restated* 2020 US$'m
Headline earnings (refer to note 6)	**4 142**	2 166
Adjusted for:		
– equity-settled share-based payment expenses	**382**	494
– remeasurement of cash-settled share-based incentive expenses	**648**	–
– reversal of deferred tax assets	**4**	–
– tax paid on cancellation of shares	**–**	140
– amortisation of other intangible assets	**332**	316
– fair-value adjustments and currency translation differences	**(2 142)**	(580)
– retention option expense	**57**	42
– transaction-related costs	**37**	118
– Covid-19 donations	**9**	167
– Other[1]	**6**	–
Core headline earnings	**3 475**	2 863
Per share information for the year		
Core headline earnings per ordinary share (US cents)	**814**	656
Diluted core headline earnings per ordinary share (US cents)[2]	**777**	637
Net number of ordinary shares issued ('000)		
– weighted average for the year	**426 823**	436 756
– diluted weighted average	**427 951**	438 481

1 Other adjustments relate mainly to the increase in provisions related to disposals.
2 The diluted core headline earnings per share include a decrease of US$150.6m (2020: US$70.6m) relating to the future dilutive impact of potential ordinary shares issued by equity-accounted investees.
* 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.

Other information to the summarised consolidated financial statements continued

for the year ended 31 March 2021

A. Non-IFRS financial measures and alternative performance measures continued

A.1 Core headline earnings continued

Equity-accounted results

The group's equity-accounted investments contributed to the summarised consolidated report as follows:

	Year ended 31 March	
	2021 US$'m	2020 US$'m
Share of equity-accounted results	**7 095**	3 932
– gains on acquisitions and disposals	**(1 132)**	(842)
– impairment of investments	**933**	227
Contribution to headline earnings	**6 896**	3 317
– amortisation of other intangible assets	**355**	301
– equity-settled share-based payment expenses	**735**	556
– fair-value adjustments and currency translation differences	**(2 734)**	(554)
– Covid-19 donations	**–**	114
Contribution to core headline earnings	**5 252**	3 734
Tencent	**5 721**	4 174
Mail.ru	**(34)**	70
MakeMyTrip	**–**	(13)
Delivery Hero	**(230)**	(167)
Other	**(205)**	(330)

The group applies an appropriate lag period of not more than three months in reporting the results of equity-accounted investments.

A.2 Growth in local currency, excluding acquisition and disposals

The group applies certain adjustments to segmental revenue and trading profit reported in the summarised consolidated financial statements to present the growth in such metrics in local currency and excluding the effects of changes in the composition of the group. Such underlying adjustments provide a view of the company's underlying financial performance that management believes is more comparable between periods by removing the impact of changes in foreign exchange rates and changes in the composition of the group on its results. Such adjustments are referred to herein as 'growth in local currency, excluding acquisitions and disposals'. The group applies the following methodology in calculating growth in local currency, excluding acquisitions and disposals:

- Foreign exchange/constant currency adjustments have been calculated by adjusting the current period's results to the prior period's average foreign exchange rates, determined as the average of the monthly exchange rates for that period. The local currency financial information quoted is calculated as the constant currency results, arrived at using the methodology outlined above, compared to the prior period's actual IFRS results. The relevant average exchange rates (relative to the US dollar) used for the group's most significant functional currencies, were:

	Year ended 31 March	
Currency (1FC = US$)	**2021**	2020
South African rand (ZAR)	**0.0614**	0.0667
Euro (EUR)	**1.1691**	1.1103
Chinese yuan renminbi (CNY)	**0.1479**	0.1433
Brazilian real (BRL)	**0.1830**	0.2398
Indian rupee (INR)	**0.0135**	0.0141
Polish zloty (PLN)	**0.2593**	0.2569
Russian rouble (RUB)	**0.0134**	0.0152
British pound sterling (GBP)	**1.3152**	1.2702
Turkish lira (YTL)	**0.1344**	0.1692
Romanian lei (RON)	**0.2405**	0.2330
Hungarian forint (HUF)	**0.0033**	0.0033

- Adjustments made for changes in the composition of the group relate to acquisitions, mergers and disposals of subsidiaries and equity-accounted investments, as well as to changes in the group's shareholding in its equity-accounted investments. For acquisitions, adjustments are made to remove the revenue and trading profit/(loss) of the acquired entity from the current reporting period and, in subsequent reporting periods, to ensure that the current reporting period and the comparative reporting period contain revenue and trading profit/(loss) information relating to the same number of months. For mergers, adjustments are made to include a portion of the prior period's revenue and trading profit/(loss) of the entity acquired as a result of a merger. For disposals, adjustments are made to remove the revenue and trading profit/(loss) of the disposed entity from the previous reporting period to the extent that there is no comparable revenue or trading profit/(loss) information in the current period and, in subsequent reporting periods, to ensure that the previous reporting period does not contain revenue and trading profit/(loss) information relating to the disposed business.

Other information to the summarised consolidated financial statements continued

for the year ended 31 March 2021

A. Non-IFRS financial measures and alternative performance measures continued

A.2 Growth in local currency, excluding acquisition and disposals continued

The following significant changes in the composition of the group during the respective reporting periods have been adjusted for in arriving at the pro forma financial information:

Year ended 31 March 2021

Transaction	Basis of accounting	Reportable segment	Acquisition/ Disposal
Acquisition of the group's interest in Shipper	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in Eruditus	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in Meesho	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in EMicro Transit	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in Klar	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in EMPG	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in OfferUp	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in DotPe	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in FinWizard	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in Carsmile	Subsidiary	Ecommerce	Acquisition
Acquisition of the group's interest in Kiwi Finance	Subsidiary	Ecommerce	Acquisition
Acquisition of the group's interest in Honor	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in HCL	Subsidiary	Ecommerce	Acquisition
Acquisition of the group's interest in Icon	Subsidiary	Media	Acquisition
Acquisition of the group's interest in Swipe	Subsidiary	Media	Acquisition
Acquisition of the group's interest in Grupo ZAP	Joint Venture	Ecommerce	Acquisition
Acquisition of the group's interest in Brainly	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in Encuentra	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in Max Poster	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in Iyzico	Subsidiary	Ecommerce	Acquisition
Acquisition of the group's interest in Wibmo	Subsidiary	Ecommerce	Acquisition
Acquisition of the group's interest in Red Dot	Subsidiary	Ecommerce	Acquisition
Acquisition of the group's interest in Extreme Digital	Subsidiary	Ecommerce	Acquisition
Acquisition of the group's interest in ElasticRun	Associate	Ecommerce	Acquisition
Increase of the group's interest in Brainly	Associate	Ecommerce	Acquisition
Increase of the group's interest in Udemy	Associate	Ecommerce	Acquisition
Increase in the group's interest in Swiggy	Associate	Ecommerce	Acquisition
Increase of the group's interest in Remitly	Associate	Ecommerce	Acquisition
Step up of the group's interest in Zoop	Subsidiary	Ecommerce	Disposal/Acquisition
Step up of the group's interest in Frontier Car Group	Subsidiary	Ecommerce	Disposal/Acquisition
Step up of the group's interest in PaySense	Subsidiary	Ecommerce	Disposal/Acquisition
Disposal of the group's interest in Apontador	Subsidiary	Ecommerce	Disposal
Disposal of the group's interest in TruckPad	Associate	Ecommerce	Disposal
Disposal of the group's interest in Dubizzle	Subsidiary	Ecommerce	Disposal
Disposal of the group's interest in WeCashAnyCar	Subsidiary	Ecommerce	Disposal
Disposal of the group's interest in BuscaPé	Subsidiary	Ecommerce	Disposal
Disposal of the groups interest in Wavy	Subsidiary	Ecommerce	Disposal
Disposal of the group's interest in letgo	Subsidiary	Ecommerce	Disposal
Disposal of the group's interest in Kreditech	Associate	Ecommerce	Disposal
Disposal of the group's interest in MakeMyTrip	Associate	Ecommerce	Disposal
Disposal of the group's interest in LBS	Subsidiary	Ecommerce	Disposal
Dilution of the group's interest in SimilarWeb	Associate	Ecommerce	Disposal
Dilution of the group's interest in Delivery Hero	Associate	Ecommerce	Disposal
Dilution of the group's interest in Tencent	Associate	Social and Internet Platforms	Disposal
Dilution of the group's interest in Mail.ru	Associate	Social and Internet Platforms	Disposal

The net adjustment made for all acquisitions and disposals on continuing operations that took place during the year ended 31 March 2021 amounted to a positive adjustment of US$17m on revenue and a negative adjustment of US$23m on trading profit. These adjustments include a change in estimate related to Mail.ru's deferred revenue in the prior year.

Other information to the summarised consolidated financial statements continued

for the year ended 31 March 2021

A. Non-IFRS financial measures and alternative performance measures continued

A.2 Growth in local currency, excluding acquisition and disposals continued

The adjustments to the amounts, reported in terms of IFRS, that have been made in arriving at the pro forma financial information are presented in the table below:

	Year ended 31 March							
	2020	2021						
	A	B	C	D	E	F[2]	G[3]	H[4]
	IFRS[1] US$'m	Group composition disposal adjustment US$'m	Group composition acquisition adjustment US$'m	Foreign currency adjustment US$'m	Local currency growth US$'m	IFRS[1] US$'m	Local currency growth % change	IFRS % change
Revenue								
Ecommerce	4 680	(353)	481	(325)	2 366	6 849	**55**	**46**
– Classifieds	1 299	(115)	310	(93)	208	1 609	**18**	**24**
– Payments and Fintech	428	(11)	37	(28)	151	577	**36**	**35**
– Food Delivery	751	(17)	6	(189)	935	1 486	**>100**	**98**
– Etail	1 756	(11)	95	25	991	2 856	**57**	**63**
– Travel	146	(146)	–	–	–	–	**–**	**(100)**
– Other	300	(53)	33	(40)	81	321	**33**	**7**
Social and Internet Platforms	17 189	(115)	–	736	4 716	22 526	**28**	**31**
– Tencent	16 779	(54)	–	786	4 644	22 155	**28**	**32**
– Mail.ru	410	(61)	–	(50)	72	371	**21**	**(10)**
Media	272	–	4	(14)	(51)	211	**(19)**	**(22)**
Corporate segment	–	–	–	–	–	–	**–**	**–**
Intersegmental	(5)	–	–	1	4	–	**80**	**100**
Group economic interest	22 136	(468)	485	398	7 035	29 586	**32**	**34**

1 Figures presented on an economic-interest basis as per the segmental review.
2 A + B + C + D + E.
3 E/(A + B) x 100.
4 (F/A) – 1 x 100.

Other information to the summarised consolidated financial statements continued

for the year ended 31 March 2021

A.2 Growth in local currency excluding acquisition and disposals continued

The adjustments to the amounts, reported in terms of IFRS, that have been made in arriving at the pro forma financial information are presented in the table below:

	Year ended 31 March							
	2020	2021						
	A	B	C	D	E	F[2]	G[3]	H[4]
	IFRS[1] Restated US$'m	Group composition disposal adjustment US$'m	Group composition acquisition adjustment US$'m	Foreign currency adjustment US$'m	Local currency growth US$'m	IFRS[1] US$'m	Local currency growth % change	IFRS % change
Trading profit								
Ecommerce	(823)	100	(50)	(19)	353	(439)	**49**	**47**
— Classifieds	44	45	(38)	(28)	(8)	15	**(9)**	**(66)**
— Payments and Fintech	(67)	5	(7)	(3)	4	(68)	**6**	**(1)**
— Food Delivery	(624)	17	(3)	(2)	257	(355)	**42**	**43**
— Etail	(63)	8	(2)	3	115	61	**>100**	**>100**
— Travel	(22)	22	–	–	–	–	**–**	**100**
— Other*	(91)	3	–	11	(15)	(92)	**(17)**	**(1)**
Social and Internet Platforms	4 699	(72)	–	190	1 337	6 154	**29**	**31**
— Tencent	4 601	(15)	–	194	1 346	6 126	**29**	**33**
— Mail.ru	98	(57)	–	(4)	(9)	28	**(22)**	**(71)**
Media	8	–	–	3	(19)	(8)	**<(100)**	**<(100)**
Corporate segment*	(159)	–	(1)	4	4	(152)	**3**	**4**
Group economic interest	3 725	28	(51)	178	1 675	5 555	**45**	**49**

* 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' subsegment, 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 Figures presented on an economic-interest basis as per the segmental review.
2 A + B + C + D + E.
3 E/(A + B) x 100.
4 (F/A) – 1 x 100.

Refer to note 5 for details of the group's change to the definition of trading profit/(loss).

The Board of Directors
Naspers Limited
40 Heerengracht
Cape Town
8001

To the Directors of Naspers Limited

Report on the Assurance Engagement on the Compilation of Pro Forma Financial Information included in the Naspers Summarised Consolidated Financial Statements for the year ended 31 March 2021

We have completed our assurance engagement to report on the compilation of the pro forma financial information of Naspers Limited (the "Company") by the directors. The pro forma financial information, as set out in note A of the Naspers summarised consolidated financial statements, consists of Pro Forma information for the year ended 31 March 2021 in order to separately present a measure of Core headline earnings, a reconciliation between Headline earnings and Core headline earnings and the contribution of equity accounted investments to Core headline earnings (Core headline earnings measures) as at 31 March 2021 (note A.1) and to present the impact of foreign currency, excluding current period acquisitions and disposals, to reflect the constant currency with the prior period (Organic growth figures) on certain earnings measures as at 31 March 2021 (note A.2). The applicable criteria on the basis of which the directors have compiled the pro forma financial information are specified in the JSE Limited (JSE) Listings Requirements and described in notes A.1 and A.2 of the Naspers summarised consolidated financial statements.

The pro forma financial information has been compiled by the directors in order to separately present a measure of Core headline earnings, a reconciliation between Headline earnings and Core headline earnings and the contribution of equity accounted investments to Core headline earnings (Core headline earnings measures) as at 31 March 2021 (note A.1) and to illustrate the impact of foreign currency, excluding current period acquisitions and disposals, to reflect the constant currency with the prior period (Organic growth figures) on certain earnings measures as at 31 March 2021 (note A.2). As part of this process, information about the Company's financial performance has been extracted by the directors from the Company's financial statements for the year ended 31 March 2021, on which an audit report has been published.

Directors' responsibility

The directors of the Company are responsible for compiling the pro forma financial information on the basis of the applicable criteria specified in the JSE Listings Requirements and described in notes A.1 and A.2 of the Naspers summarised consolidated financial statements.

Our independence and quality control

We have complied with the independence and other ethical requirements of the Code of Professional Conduct for Registered Auditors, issued by the Independent Regulatory Board for Auditors' (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. 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).

The firm applies International Standard on Quality Control 1 and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting accountant's responsibility

Our responsibility is to express an opinion about whether the pro forma financial information has been compiled, in all material respects, by the directors on the basis of the applicable criteria specified in the JSE Listings Requirements and described in notes A.1 and A.2 of the Naspers summarised consolidated financial statements, based on our procedures performed.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (*ISAE*) *3420*, Assurance Eng*agements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the pro forma financial information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information is solely to separately present a measure of Core headline earnings, a reconciliation between Headline earnings and Core headline earnings and the contribution of equity accounted investments to Core headline earnings (Core headline earnings measures) as at 31 March 2021 (note A.1) and to illustrate the impact of foreign currency, excluding current period acquisitions and disposals, to reflect the constant currency with the prior period (Organic growth figures) on certain earnings measures as at 31 March 2021 (note A.2). Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented. A reasonable assurance engagement to report on whether the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the financial information on a Pro Forma basis, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgment, having regard to our understanding of the nature of the Company, the illustrative purpose in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the pro forma financial information.

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

Opinion

In our opinion, the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria specified by the JSE Listings Requirements and described in notes A.1 and A.2 of the Naspers summarised consolidated financial statements.

PricewaterhouseCoopers Inc.

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

PricewaterhouseCoopers Inc., 4 Lisbon Lane, Waterfall City, Jukskei View, 2090
Private Bag X36, Sunninghill, 2157, South Africa
T: +27 (0) 11 797 4000, F: +27 (0) 11 209 5800, www.pwc.co.za

Chief Executive Officer: L S Machaba
The Company's principal place of business is at 4 Lisbon Lane, Waterfall City, Jukskei View, where a list of directors' names is available for inspection.
Reg. no. 1998/012055/21, VAT reg.no. 4950174682.

Further information

Contents

Notice of virtual annual general meeting

Notice is hereby given in terms of the Companies Act 71 of 2008, as amended (the Act), that the 107th annual general meeting of Naspers Limited (the company or Naspers) will be held (subject to any adjournment or postponement) on Friday, 25 August 2021, at 14:00 (SAST). The annual general meeting will be conducted entirely, and be accessible by shareholders, through electronic communication as envisaged.

Electronic participation by shareholders

Given the various regulations in place as a result of Covid-19 requiring that social distancing be adhered to and the number of persons allowed at gatherings be limited, the annual general meeting will be conducted entirely through electronic communications as envisaged in the Act.

To this end, the company has retained the services of The Meeting Specialist Proprietary Limited (TMS) to remotely host the annual general meeting on an interactive electronic platform, in order to facilitate remote participation and voting by shareholders. Our transfer secretaries, JSE Investor Services Proprietary Limited, will act as scrutineer. Shareholders are strongly encouraged to submit votes by proxy before the annual general meeting.

Should any shareholder (or representative or proxy for a shareholder) wish to participate in the annual general meeting electronically, that shareholder should apply in writing (including details on how the shareholder or representative (including proxy) can be contacted) to TMS, via email at proxy@tmsmeetings.co.za and at the address below, to be received by TMS at least seven (7) business days prior to the annual general meeting (ie Friday, 13 August 2021) for TMS to arrange for the shareholder (or representative or proxy) to provide reasonably satisfactory identification to the transfer secretaries for the purposes of section 63(1) of the Act and for TMS to provide the shareholder (or representative or proxy) with details on how to access the annual general meeting by means of electronic participation. The written notification, a form of which is enclosed with this notice of virtual annual general meeting, should contain the following:

- A certified copy of the shareholder's identification document or passport if the shareholder is an individual.
- A certified copy of a resolution or letter of representation given by the shareholder if the shareholder is a company or juristic person, and certified copies of identity documents or passports of the persons who passed the resolution.
- A valid email address and/or mobile phone number.
- An indication that you or your proxy not only wishes to attend the meeting by means of electronic communication, but also to participate and vote by means of electronic communication.

Such participants, who have complied with the notice requirement above, will be contacted between Friday, 13 August 2021 and Monday, 23 August 2021, via email/mobile phone and will be provided with the relevant connection details as well as the passcodes through which you or your proxy(ies) can participate via electronic communication and will be advised of the process for participation via a unique link to the email/mobile phone number provided in the notification. Shareholders who are fully verified (as required under the Act and outlined above) and subsequently registered at the commencement of the annual general meeting will be able to participate in and/or vote by electronic communication.

Should you wish to participate by way of electronic communication, you will be required to connect with the details as provided by the company by no later than 15 minutes prior to the commencement of the annual general meeting during which time registration will take place.

If you choose to participate you will be able to view a live webcast of the annual general meeting, and ask directors questions and submit your votes in real time.

For administrative purposes, and in order to participate and vote, completed notices for electronic participation must be received by TMS via email at proxy@tmsmeetings.co.za before 14:00 (SAST) on Monday, 23 August 2021.

Important dates

The board of directors of the company has determined, in accordance with section 59(1)(a) and (b) of the Act, the following important dates:

Event	Date
Record date for receipt of notice purposes	Friday, 11 June 2021
Notice of meeting distributed to shareholders	Monday, 21 June 2021
Last date to trade to be eligible to vote	Tuesday, 10 August 2021
Record date for voting purposes	Friday, 13 August 2021
For administration purposes, forms of proxy to be lodged by 14:00	Monday, 23 August 2021
Meeting to be held at 14:00	Wednesday, 25 August 2021
Results of meeting released on SENS	Wednesday, 25 August 2021

Record date, attendance and voting

The record date for the meeting (being the date used to determine which shareholders are entitled to participate in and vote at the meeting) is Friday, 13 August 2021. Votes at the annual general meeting will be taken by way of a poll and not on a show of hands.

A shareholder entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, participate in and vote at the meeting in their place. A proxy need not be a shareholder of the company.

Before any person may attend or participate in a shareholders' meeting, they must present reasonably satisfactory identification and the person presiding at the meeting must be reasonably satisfied that the right of that person to participate and vote, either as a shareholder or as proxy for a shareholder, has been reasonably verified. Forms of identification include a valid identity document, driver's licence and passport.

A form of proxy, which includes the relevant instructions for its completion, is attached for the use of holders of certificated shares and 'own name' dematerialised shareholders who wish to be represented at the virtual annual general meeting. Completing a form of proxy will not preclude that shareholder from attending and voting (in preference to their proxy) at the annual general meeting.

Holders of dematerialised shares, other than 'own name' dematerialised shareholders, who wish to vote at the virtual annual general meeting, must instruct their central securities depository participant (CSDP) or broker accordingly in the manner and cut-off time stipulated by their CSDP or broker.

Holders of dematerialised shares, other than 'own name' dematerialised shareholders, who wish to attend the virtual annual general meeting in person (through electronic communication), need to arrange the necessary authorisation as soon as possible through their CSDP or broker.

Notice of virtual annual general meeting continued

A shareholder may appoint a proxy at any time. For practical purposes, the form appointing a proxy and the authority (if any) under which it is signed, must reach TMS, via email to proxy@tmsmeetings.co.za, or the transfer secretaries of the company (JSE Investor Services Proprietary Limited, 13th Floor, 19 Ameshoff Street, Braamfontein 2001 or PO Box 10462, Johannesburg 2000) by no later than 14:00 (SAST) on Monday, 23 August 2021, to allow time to process the proxy. Should you hold Naspers A ordinary shares, the signed form of proxy must reach the registered office of the company by 14:00 (SAST) on Monday, 23 August 2021, to allow for processing. A form of proxy is enclosed with this notice. The form of proxy may also be obtained from the registered office of the company or on the company website as a separate PDF download in the 2021 integrated annual report available under the investors section. All other proxies must be provided to the company secretary before the proxy exercises any rights of the shareholder at the meeting.

Purpose of meeting

The purpose of the meeting is to:

- present the directors' report, the audited annual financial statements of the company, the audit committee report and the social, ethics and sustainability committee report, for the preceding financial year
- consider and, if deemed fit, adopt with or without amendment, the resolutions set out below; and
- consider any matters raised by shareholders of the company, with or without advance notice to the company.

Integrated annual report

The integrated annual report of the company for the year ended 31 March 2021 is available on www.naspers.com or on request during business hours at Naspers's registered address, 40 Heerengracht, Cape Town 8001 (contact person Ms Yasmin Abrahams) and at Naspers's business address in Johannesburg at WeWork, The Link, 4th Floor, 173 Oxford Road, Rosebank 2196 (contact person Mrs Toni Lutz) or by email at cosec@naspers.com.

Ordinary resolutions

For the ordinary resolutions below to be adopted, the support of a majority of votes exercised by shareholders present or represented by proxy at this meeting is required. Ordinary resolutions numbers 7, 8 and 10 require the support of at least 75% of the total number of votes exercised by shareholders present or represented by proxy at this meeting.

1. To consider and accept the annual financial statements of the company and the group for the twelve (12) months ended 31 March 2021 and the reports of the directors, auditor, audit committee, and social, ethics and sustainability committee. The summarised form of the financial statements is attached to this notice. A copy of the complete audited annual financial statements of the company for the financial year ended 31 March 2021 (and the reports of the directors, auditor, audit committee, and social, ethics and sustainability committee) can be obtained from www.naspers.com or on request during business hours at Naspers's registered address, 40 Heerengracht, Cape Town 8001 (contact person Ms Yasmin Abrahams) and at Naspers's business address in Johannesburg at WeWork, The Link, 4th Floor, 173 Oxford Road, Rosebank 2196 (contact person Mrs Toni Lutz) or by email at cosec@naspers.com.

2. To approve the payment of a dividend by Naspers in relation to the N ordinary and A ordinary shares in an amount to be determined by the Naspers Board, of up to a maximum aggregate effective amount (having regard to the terms of the cross-holding agreement, to the extent applicable) equal to the amount received, or to be received, by Naspers from Prosus as a dividend as referred to in the Prosus results announcement dated 19 June 2021.

3. To reappoint, on the recommendation of the company's audit committee, the firm PricewaterhouseCoopers Inc. as independent registered auditor of the company (noting that Mrs V Myburgh is the individual registered auditor of that firm who will undertake the audit) for the period until the next annual general meeting of the company.

4. To confirm the appointment of Mrs AGZ Kemna as a non-executive director. Her abridged curriculum vitae appears on page 99. The board and nomination committee unanimously recommend approval and confirmation of the appointment of the director in question in terms of resolution number 4. Each voting right entitled to be exercised may be exercised once.

5. To elect Messrs HJ du Toit, CL Enenstein, FLN Letele, R Oliveira de Lima and BJ van der Ross who retire by rotation and, being eligible, offer themselves for re-election as directors of the company. Their abridged curricula vitae appear on pages 99 and 100. The board and nomination committee unanimously recommend that the re-election of each of the directors in terms of resolution number 5 be approved by shareholders of the company. Voting on the re-election of directors in ordinary resolution number 5 will be conducted as a series of separate votes, each being for the candidacy of a single individual to fill a single vacancy, and in each vote to fill a vacancy, each voting right entitled to be exercised may be exercised once.

6. To appoint audit committee members as required in terms of the Act, the JSE Listings Requirements and as recommended by the King Report on Corporate Governance for South Africa 2016 (King IV) (Principle 8). The board and nomination committee are satisfied that the company's audit committee members are suitably skilled and experienced independent non-executive directors. Collectively, they have sufficient qualifications and experience to fulfil their duties, as contemplated in regulation 42 of the Companies Regulations 2011. Collectively, they have a comprehensive understanding of financial reporting, internal financial controls, risk management and governance processes in the company, as well as International Financial Reporting Standards (IFRS) and other regulations and guidelines applicable to the company. They keep up to date with developments affecting their required skill sets. The board and nomination committee therefore unanimously recommend Ms M Girotra, Mrs AGZ Kemna and Mr SJZ Pacak for election to the audit committee. Their abridged curricula vitae appear on pages 99 and 100. The appointment of members of the audit committee will be conducted by way of a separate vote for each individual. Each voting right entitled to be exercised may be exercised once.

7. To endorse the company's remuneration policy, as set out in the 2021 remuneration report on pages 118 to 125, by way of a non-binding advisory vote. Should this resolution not be supported by at least 75% of the voting rights entitled to be exercised on this resolution, the company will take the necessary measures to engage with shareholders.

Notice of virtual annual general meeting continued

8. To endorse the implementation report of the remuneration report by the company as set out on pages 126 to 141 of the 2021 remuneration report, by way of a non-binding advisory vote. Should this resolution not be supported by at least 75% of the voting rights entitled to be exercised on this resolution, the company will take the measures as set out in the remuneration policy to engage with shareholders.

9. To place the authorised but unissued share capital of the company under the control of directors and to grant, until the conclusion of the next annual general meeting of the company, an unconditional authority to directors to allot and issue at their discretion (but subject to the provisions of the Act and the JSE Listings Requirements, and the rules of any other exchange on which the shares of the company may be quoted or listed from time to time, and the memorandum of incorporation of the company), the unissued shares of the company, on such terms and conditions and to such persons, whether they be shareholders or not, as the directors in their discretion deem fit.

10. Subject to a minimum of 75% of the votes of shareholders of the company present in person or by proxy at the annual general meeting and entitled to vote, voting in favour, the directors be and are hereby authorised to allot and issue unissued shares of a class of shares already in issue in the capital of the company (and/or options in respect of shares or securities convertible into shares) for cash as the opportunity arises and as the directors in their discretion deem fit, subject to the JSE Listings Requirements (as amended from time to time, and subject to any rulings or dispensations granted by the JSE Limited), which currently include, among others:

- That this authority will not endure beyond the earlier of the next annual general meeting of the company or beyond fifteen (15) months from the date of the passing of this resolution.
- That a paid press announcement giving full details, including intended use of the funds, will be published at the time of any issue representing, on a cumulative basis within one year, 5% or more of the number of shares of that class in issue prior to the issue.
- That the aggregate issue of any particular class of shares in any financial year will not exceed 5% of the issued number of that class of shares (including securities that are compulsorily convertible into shares of that class on the date of this notice).
- That in determining the price at which an issue of shares will be made in terms of this authority, the discount at which the shares may be issued (if applicable), may not exceed 10% of the weighted average traded price of the shares in question, as determined over the thirty (30) business days prior to the date that the price of the issue is determined.
- That the shares will only be issued to 'public shareholders' as defined in the JSE Listings Requirements, and not to related parties.

			31 March 2023[1] (total proposed fee payable by Naspers and Prosus)	31 March 2023[1] (proposed amount payable by Naspers)
1.	Chair		2.5 times member	US$164 821
2.	Member		US$219 762	US$65 929
	All members: Daily fees when travelling to and attending meetings outside home country		US$3 500	US$1 050
	Committees			
3.	Audit committee	Chair	2.5 times member	US$40 608
4.		Member	US$54 144	US$16 243
5.	Risk committee	Chair	2.5 times member	US$24 120
6.		Member	US$32 160	US$9 648
7.	Human resources and remuneration committee	Chair	2.5 times member	US$28 536
8.		Member	US$38 048	US$11 414
9.	Nomination committee	Chair	2.5 times member	US$15 380
10.		Member	US$20 507	US$6 152
11.	Social, ethics and sustainability committee	Chair	2.5 times member	US$21 109
12.		Member	US$28 145	US$8 444
	Other			
13.	Trustees of group share schemes/other personnel funds		R59 270	R17 781

1 Following the listing of Prosus N.V. (Prosus) on Euronext Amsterdam, Naspers non-executive directors serve on the boards of both companies. As a result of the non-executive directors assuming these dual responsibilities, the proposed fees will be split between Naspers and Prosus, on a 30/70 basis.
2 The chair of Prosus does not receive additional remuneration for attending meetings or being a member of or chairing any committee of the board.

Notice of virtual annual general meeting continued

Special resolutions

The special resolutions set out below require the support of at least 75% of votes exercised by shareholders present or represented by proxy at the annual general meeting to be adopted.

Special resolutions numbers 1.1 to 1.13

At the virtual annual general meeting on 21 August 2020, shareholders approved an increase of up to 5% year on year for fees for directors, the chair of the board, committee members, the chairs of committees and trustees of group share schemes and other personnel funds for the year ended 31 March 2022. Given the impact of Covid-19, the board decided not to increase fees for the financial year ended 31 March 2021, but sought approval from shareholders to defer their previous decision and apply it to the financial year ending on 31 March 2022.

Accordingly, approval for the increase of the remuneration of non-executive directors for the year ending 31 March 2023 of up to a 5% on the fees earned for the year ending 31 March 2022 is being sought as set out in the table above.

The reason for and effect of special resolution numbers 1.1 to 1.13 is to grant the company the authority to pay remuneration to its directors for their services as directors.

Each of the special resolution numbers 1.1 to 1.13, in respect of the proposed remuneration for the financial year ending 31 March 2023, will be considered by way of a separate vote.

Special resolution number 2

That the board may authorise the company to generally provide any financial assistance in the manner contemplated in and subject to compliance with the requirements of the memorandum of incorporation of the company and the provisions of section 44 of the Act to a director or prescribed officer of the company or of a related or interrelated company or corporation (irrespective of where any such entity may be incorporated), subject to (ii) below, or to a related or interrelated company or corporation, or to a member or shareholder of a related or interrelated company or corporation, pursuant to the authority hereby conferred upon the board for these purposes by the shareholders. This authority shall: (i) include and also apply to the granting of financial assistance to the Naspers share incentive scheme, the other existing group share-based incentive schemes (details of which appear on pages 148 and 149 in the annual financial statements) and such group share-based incentive schemes that are established in future (collectively the Naspers group share-based incentive schemes) and participants thereunder (which may include directors, future directors, prescribed officers and future prescribed officers of the company or of a related or interrelated company) (participants) for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the company or a related or interrelated company, or for the purchase of any securities of the company or a related or interrelated company, pursuant to the administration and implementation of the Naspers group share-based incentive schemes, in each instance on the terms applicable to the Naspers group share-based incentive scheme in question; and (ii) be limited, in respect of directors and prescribed officers, to financial assistance in relation to the acquisition of securities as contemplated in (i).

The reason for and effect of special resolution number 2 is to authorise the directors generally to approve the provision of financial assistance by the company to the potential participants and/or recipients as set out in the resolution and in particular to facilitate participation under the Naspers share-based incentive schemes and other Naspers group share-based incentive schemes.

Special resolution number 3

That the company, as authorised by the board, may generally provide, in terms of and subject to compliance with the requirements of the memorandum of incorporation of the company and the provisions of section 45 of the Act, any direct or indirect financial assistance to a related or interrelated company or corporation, or to a shareholder of a related or interrelated company or corporation (irrespective of where any such entity may be incorporated), pursuant to the authority hereby conferred upon the board for these purposes.

The reason for and effect of special resolution number 3 is to authorise the directors generally to approve the provision of financial assistance by the company to the potential recipients as set out in the resolution.

Special resolution number 4

That the company or any of its present or future subsidiaries be and are hereby authorised to acquire N ordinary shares issued by the company from any person (including any director or prescribed officer of the company or any person related to any director or prescribed officer of the company on such terms and conditions as may be determined by the directors from time to time, subject to compliance with the applicable requirements of the memorandum of incorporation of the company, the provisions of the Act and of the JSE Listings Requirements. It is recorded that the company or a subsidiary may only make a general repurchase of N ordinary shares in the company subject to the following (which reflects the current requirements under the JSE Listings Requirements):

- Any such acquisition of N ordinary shares will be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the company and the counterparty.
- This general authority will be valid until the earliest of the company's next annual general meeting, or a period not exceeding fifteen (15) months from the date of the passing of this special resolution.
- An announcement will be published as soon as the company or any of its subsidiaries have acquired N ordinary shares constituting, on a cumulative basis, 3% of the number of N ordinary shares in issue prior to the acquisition, pursuant to which the aforesaid 3% threshold is reached, and for each 3% in aggregate acquired thereafter, containing full details of such acquisitions.
- Acquisitions of N ordinary shares in aggregate in any one financial year may not exceed 20% of the company's N ordinary issued share capital as at the date of the passing of this special resolution.
- In determining the price at which N ordinary shares issued by the company are acquired by it or any of its subsidiaries in terms of this general authority, the maximum premium at which such N ordinary shares may be acquired will not exceed 10% of the weighted average of the market value at which such N ordinary shares are traded on the JSE as determined over the five (5) business days immediately preceding the date of repurchase of such N ordinary shares by the company or any of its subsidiaries.
- At any point, the company may only appoint one agent to effect any repurchase on its behalf.
- The company and/or its subsidiaries may not repurchase any N ordinary shares during a prohibited period as defined by the JSE Listings Requirements, unless a repurchase programme is in place where dates and quantities of shares to be traded during the prohibited period are fixed, and full details of the programme have been submitted to the JSE in writing prior to the start of

Notice of virtual annual general meeting continued

the prohibited period. The company will instruct an independent third party, which makes its investment decisions in relation to the company's securities independently of, and uninfluenced by, the company, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE.
- Authorisation for the repurchase is given by the company's memorandum of incorporation.

A resolution, having been passed by the board, authorising the repurchase, and confirming that the company and its subsidiaries passed the solvency and liquidity test and that, from the time that the test was done, there have been no material changes to the financial position of the group. Before the general repurchase is effected, the directors, having considered the effects of the repurchase of the maximum number of N ordinary shares in terms of the foregoing general authority, will ensure that for a period of twelve (12) months after the date of the notice of the annual general meeting:

- The company and the group will be able, in the ordinary course of business, to pay their debts.
- The assets of the company and the group will exceed the liabilities of the company and the group.
- The company and the group's ordinary share capital, reserves and working capital will be adequate for ordinary business purposes.

Additional information on the following appears in the integrated annual report and in the annual financial statements, and is provided in terms of the JSE Listings Requirements for purposes of the general authority:

- Major shareholders
- Share capital of the company

Directors' responsibility statement
The directors, whose names appear in the integrated annual report, collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution number 4 and certify that, to the best of their knowledge and belief, there are no facts that have been omitted that would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that special resolution number 4 contains all information required by the applicable JSE Listings Requirements.

Material changes
Other than the facts and developments disclosed in the integrated annual report and annual financial statements, except for the purposes of the group's share-based incentive schemes, there have been no material changes in the affairs or financial position of the company and its subsidiaries between the date of signature of the audit report to the date of this notice.

The directors have no specific intention, at present, for the company to repurchase any of its N ordinary shares, but believe that such a general authority should be put in place in case an opportunity presents itself during the year, which is in the best interests of the company and its shareholders.

The reason for and effect of special resolution number 4 is for shareholders to grant the company the general authority in terms of the Act and JSE Listings Requirements for the acquisition by the company, or any present or future subsidiary of the company, of the company's issued N ordinary shares.

Special resolution number 5
That the company or any of its present or future subsidiaries be and is hereby specifically authorised, for a period until the earlier of the next annual general meeting or fifteen (15) months from the date of adoption of this resolution, to acquire up to 10% of the number of issued N ordinary shares as at the date hereof (being 43 551 105), through structured repurchase mechanisms implemented by or on behalf of the company or any of its present or future subsidiaries, including through a modified Dutch auction process and/or reverse bookbuild process (as described below), from holders of N ordinary shares at the time of implementing any such repurchase (including any director or prescribed officer of the company or any person related to any director or prescribed officer of the company) but not exclusively from a single Naspers shareholder or related party (as envisaged in the JSE Listings Requirements) at a price to be determined through such structured repurchase mechanisms but which price shall not exceed the higher of:

i. 10% above the weighted average of the market value of the N ordinary shares for the five (5) trading days immediately preceding the date on which the structured repurchase mechanism is implemented, and

ii. 10% above the spot price of the N ordinary shares on the date on which the structured repurchase mechanism is implemented (Specific Repurchase Authorisation). Any repurchase under the Specific Repurchase Authorisation will be implemented on such terms and conditions as may be determined by the directors from time to time, subject to compliance with the applicable requirements of the memorandum of incorporation of the company, the Act and the JSE Listings Requirements, which currently include the following:

   - Authorisation for the repurchase is given by the company's memorandum of incorporation.
   - If the company has announced that it will make a specific repurchase, it must pursue the proposal, unless the JSE permits the company not to do so.
   - The company or a subsidiary may not repurchase securities during a prohibited period (as defined in the JSE Listings Requirements) unless they have in place a repurchase programme where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and have been submitted to the JSE in writing prior to the commencement of the prohibited period. The company must instruct an independent third party, which makes its investment decisions in relation to the issuer's securities independently of, and uninfluenced by, the company, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE.

The company will comply with the applicable provisions of the Act and the JSE Listings Requirements prior to implementing any repurchase in terms of the Specific Repurchase Authorisation. In particular, the board will comply with the applicable requirements of section 48 of the Act read with section 4 of the Act and the board will, in its approval of any repurchase that is to be implemented under the Specific Repurchase Authorisation, confirm that:

- The company and the Naspers group will be able in the ordinary course of business to pay their debts for a period of twelve (12) months after the date of any such board approval.
- The assets of the company and the Naspers group will be in excess of the liabilities of the company and the Naspers group for a period of twelve (12) months after the date of any such board approval.
- The share capital and reserves of the company and the Naspers group will be adequate for ordinary business purposes for a period of twelve (12) months after the date of any such board approval.

Notice of virtual annual general meeting continued

- The working capital of the company and the Naspers group will be adequate for ordinary business purposes for a period of twelve (12) months after the date of any such board approval.

Additional information in respect of the major shareholders, share capital of the company and directors' interests in the company appear in the integrated annual report and annual financial statements of the company and is provided in terms of the JSE Listings Requirements for purposes of the Specific Repurchase Authorisation. The company has not incurred any preliminary expenses as envisaged in the JSE Listings Requirements in relation to the Specific Repurchase Authorisation as at the date hereof.

Material changes

Other than the facts and developments reported on in the integrated annual report and annual financial statements, except for the purposes of the group's share-based incentive schemes, there have been no material changes in the affairs or financial position of the company and its subsidiaries since the date of signature of the audit report and up to the date of this notice.

Directors' responsibility statement

The directors, whose names appear in the list of directors contained in the integrated annual report, collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution number 5 and certify that, to the best of their knowledge and belief, there are no facts that have been omitted that would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that special resolution number 5 contains all information required by the applicable JSE Listings Requirements.

The reason for and effect of special resolution number 5 is to grant the company the authority, in terms of the JSE Listings Requirements and the Act, as applicable, to acquire N ordinary shares through structured mechanisms on an expedited basis (despite the Specific Repurchase Authorisation being valid until the earlier of the next annual general meeting or fifteen (15) months from the date of adoption of the resolution) including through a modified Dutch auction process and/or a reverse bookbuild process. The Specific Repurchase Authorisation is intended to provide the company with additional flexibility and thus enable the board to drive shareholder value. Should the board determine to implement any structured repurchase in terms of the Specific Repurchase Authorisation, any structured repurchase implemented will involve the company announcing the ambit of any proposed structured repurchase, including the number of N ordinary shares to be acquired in terms of such structured repurchase within the parameters set in the Specific Repurchase Authorisation. The structured repurchase will then be open for a period of time for all holders of N ordinary shares to tender shares in terms of the structured repurchase proposed, which offer period will be open for sufficient time to allow all holders of N ordinary shares to participate in the structured repurchase. Thereafter, a clearing price will be determined by the company for any such structured repurchase having regard to tenders received that allows the company to acquire the number of N ordinary shares proposed to be repurchased. The Specific Repurchase Authorisation is separate from and in addition to the general authority proposed for approval in special resolution number 4 and any repurchase made under this Specific Repurchase Authorisation (if granted) will not affect any authority granted under special resolution number 4.

Special resolution number 6

That the company or any of its present or future subsidiaries be and are hereby authorised to acquire A ordinary shares issued by the company from any person (including any director or prescribed officer of the company or any person related to any director or prescribed officer of the company), in terms of and subject to compliance with the requirements of the memorandum of incorporation of the company and the provisions of the Act.

The reason for and effect of special resolution number 6 is for shareholders to grant the company the authority in terms of the Act for the acquisition by the company, or any present or future subsidiary of the company, of the company's A ordinary shares.

Material changes

Other than the facts and developments reported on in the integrated annual report and annual financial statements, except for the purposes of the group's share-based incentive schemes, there have been no material changes in the affairs or financial position of the company and its subsidiaries since the date of signature of the audit report and up to the date of this notice.

Ordinary resolution

11. Each of the directors of the company or the company secretary is hereby authorised to do all things, perform all acts and sign all documentation necessary to effect the implementation of the ordinary and special resolutions adopted at the annual general meeting.

Other business

To transact such other business as may be transacted at an annual general meeting.

By order of the board

L Bagwandeen
Company secretary

19 June 2021
Cape Town

Form of proxy

Incorporated in the Republic of South Africa
Registration number: 1925/001431/06
JSE share code: NPN ISIN: ZAE000015889 LSE share code: NPSN ISIN: US 6315122092
(Naspers or the company)

Virtual 107th annual general meeting of shareholders

For use by holders of certificated shares or 'own name' dematerialised shareholders at the virtual 107th annual general meeting of shareholders of the company to be held (subject to any adjournment or postponement) on Wednesday, 25 August 2021, at 14:00 (SAST). The annual general meeting will be held entirely by electronic communication.

I/We (please print)			
of			
being a holder of		certificated shares or	
'own name' dematerialised shares of Naspers and entitled to (see note 1)		votes, hereby appoint	
1.			or, failing him/her,
2.			or, failing him/her,
3.	the chair of the annual general meeting as my/our proxy to act for me/us at the annual general meeting, which will be held (subject to any adjournment or postponement) on Wednesday, 25 August 2021, at 14:00 (SAST) (entirely through electronic communication) for the purpose of considering and, if deemed fit, passing, with or without amendment, the resolutions to be proposed thereat and at each adjournment or postponement, and to vote for or against the resolutions and/or abstain from voting in respect of the shares in the issued share capital of the company registered in my/our name(s) (see note 2) as follows:		

	In favour of	Against	Abstain
Ordinary resolutions			
1. Acceptance of annual financial statements			
2. Confirmation and approval of payment of dividends			
3. Reappointment of PricewaterhouseCoopers Inc. as auditor			
4. To confirm the appointment of AGZ Kemna as a non-executive director			
5. To re-elect the following directors:			
5.1 HJ du Toit			
5.2 CL Enenstein			
5.3 FLN Letele			
5.4 R Oliveira de Lima			
5.5 BJ van der Ross			
6. Appointment of the following audit committee members:			
6.1 M Girotra			
6.2 AGZ Kemna			
6.3 SJZ Pacak			
7. To endorse the company's remuneration policy			
8. To endorse the implementation report of the remuneration report			
9. Approval of general authority placing unissued shares under the control of the directors			
10. Approval of general issue of shares for cash			
11. Authorisation to implement all resolutions adopted at the annual general meeting			
Special resolution number 1			
Approval of the remuneration of the non-executive directors for financial year 31 March 2022:			
1.1 Board: Chair			
1.2 Board: Member			
1.3 Audit committee: Chair			
1.4 Audit committee: Member			
1.5 Risk committee: Chair			
1.6 Risk committee: Member			
1.7 Human resources and remuneration committee: Chair			
1.8 Human resources and remuneration committee: Member			
1.9 Nomination committee: Chair			
1.10 Nomination committee: Member			
1.11 Social, ethics and sustainability committee: Chair			
1.12 Social, ethics and sustainability committee: Member			
1.13 Trustees of group share schemes/other personnel funds			
Special resolution number 2			
Approve generally the provision of financial assistance in terms of section 44 of the Act			
Special resolution number 3			
Approve generally the provision of financial assistance in terms of section 45 of the Act			

Form of proxy continued

	In favour of	Against	Abstain
Special resolution number 4			
General authority for the company or its subsidiaries to acquire N ordinary shares in the company			
Special resolution number 5			
Granting the Specific Repurchase Authorisation			
Special resolution number 6			
General authority for the company or its subsidiaries to acquire A ordinary shares in the company			

and generally to act as my/our proxy at the said virtual annual general meeting. (Tick whichever is applicable. If no indication is given, the proxy holder will be entitled to vote or to abstain from voting as the proxy holder deems fit.)

Signed at.. on this.. day of..2021

Signature... Assisted by (where applicable) ....

Notes to the form of proxy

1. The following provisions apply to proxies:

1.1. A shareholder of the company may appoint any individual (including an individual who is not a shareholder of the company) as a proxy to participate in, speak and vote at the annual general meeting of the company.

1.2. A shareholder may appoint two or more persons concurrently as proxies and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder.

1.3. A proxy instrument must be in writing, dated and signed by the shareholder.

1.4. A proxy may delegate the proxy's authority to act on behalf of the shareholder to another person, subject to any restrictions set out in the instrument appointing the proxy.

1.5. A copy of the instrument appointing a proxy must be delivered to the company, or to any other person on behalf of the company, before the proxy exercises any rights of the shareholder at the annual general meeting.

1.6. Irrespective of the form of instrument used to appoint the proxy: (i) if the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in exercising any rights as a shareholder; (ii) the appointment is revocable unless the proxy appointment expressly states otherwise; and (iii) if the appointment is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing or making a later inconsistent appointment of a proxy and delivering a copy of the revocation instrument to the proxy and the company.

1.7. The proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction, except to the extent that the memorandum of incorporation of the company, or the instrument appointing the proxy, provides otherwise.

2. A certificated or 'own name' dematerialised shareholder may insert the names of two alternative proxies of their choice in the space provided, deleting 'the chair of the annual general meeting'. The person whose name appears first on the form of proxy and whose name has not been deleted and who attends the meeting, will be entitled and authorised to act as proxy to the exclusion of those whose names follow.

3. A shareholder's instructions to the proxy must be indicated by that shareholder in the appropriate space provided, failing which the proxy will not be entitled to vote at the annual general meeting in respect of the shareholder's votes exercisable at that meeting, provided where the proxy is the chair, failure to so comply will be deemed to authorise the chair to vote in favour of the resolutions.

4. A shareholder may appoint a proxy at any time. For practical purposes, forms of proxy in respect of holders of Naspers N ordinary shares must be lodged at or posted to The Meeting Specialist Proprietary Limited, JSE Building, One Exchange Square, Gwen Lane, Sandown 2196 or PO Box 62043, Marshalltown 2107 or proxy@tmsmeetings.co.za or the transfer secretaries of the company, JSE Investor Services Proprietary Limited, 13th Floor, 19 Ameshoff Street, Braamfontein 2001 or PO Box 10462, Johannesburg 2000. Forms of proxy in respect of holders of Naspers A ordinary shares must

Notes to the form of proxy continued

be lodged at or posted to the registered office of the company, 40 Heerengracht, Cape Town 8001 or PO Box 2271, Cape Town 8000 or cosec@naspers.com. Forms of proxy lodged in this manner are to be received by not later than 14:00 (SAST) on Monday, 23 August 2021, or such later date if the annual general meeting is postponed to allow for processing of such proxies. All other proxies must be handed to the company secretary prior to the start of the meeting.

5. The completion and lodging of this form of proxy will not preclude the certificated shareholder or 'own name' dematerialised shareholder from attending the annual general meeting and speaking and voting in person at the meeting to the exclusion of any appointed proxy.

6. An instrument of proxy will be valid for any adjournment or postponement of the annual general meeting, as well as for the meeting to which it relates, unless the contrary is stated therein, but will not be used at the resumption of an adjourned annual general meeting if it could not have been used at the annual general meeting from which it was adjourned for any reason other than that it was not lodged timeously for the meeting from which the adjournment took place.

7. A vote cast or act done in accordance with the terms of a form of proxy will be deemed to be valid despite:
   - the death, insanity, or any other legal disability of the person appointing the proxy, or
   - revocation of the proxy, or
   - transfer of a share for which the proxy was given, unless notice on any of the above-mentioned matters has been received by the company at its registered office or by the chair of the annual general meeting at the place of the annual general meeting, if not held at the registered office, before the commencement or resumption (if adjourned) of the annual general meeting at which the vote was cast or the act was done or before the poll on which the vote was cast.

8. The chair may reject or accept any form of proxy which is completed other than in accordance with these instructions, provided that in the event of acceptance, the chair is satisfied as to the manner in which a shareholder wishes to vote.

9. If the shareholding is not indicated on the form of proxy, the proxy will be deemed to be authorised to vote the total shareholding registered in the shareholder's name.

10. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the company secretary or waived by the chair.

11. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the company secretary.

TO BE COMPLETED BY SHAREHOLDERS WHO WISH TO PARTICIPATE ELECTRONICALLY IN THE NASPERS VIRTUAL ANNUAL GENERAL MEETING

The virtual annual general meeting

- Shareholders or their proxies who wish to participate in the annual general meeting via electronic communication (participants), must deliver the form below (the application) to The Meeting Specialist Proprietary Limited via email to proxy@tmsmeetings.co.za
- Participants will be able to vote during the annual general meeting through an electronic participation platform. Such participants, should they wish to have their vote(s) counted at the annual general meeting, must provide The Meeting Specialist Proprietary Limited with the information requested below.
- Each shareholder, who has complied with the requirements below, will be contacted between Friday, 13 August 2021 and Monday, 23 August 2021 via email/mobile phone with a unique link to allow them to participate electronically in the annual general meeting.
- The cost of the participant's phone call or data usage will be at his/her own expense and will be billed separately by his/her own telephone service provider.
- The cut-off time, for administrative purposes, to participate electronically in the annual general meeting will be 14:00 (SAST) on Friday, 13 August 2021.
- The participant's unique link will be forwarded to the email/mobile phone number provided below.
- Personal information of participants is processed solely for the purposes of holding the Naspers annual general meeting and to meet regulatory requirements under the Companies Act. The terms of the Naspers Privacy Policy apply accordingly – please see www.naspers.com/privacy for further information
- Should a participant experience any issue with the electronic communication during the virtual annual general meeting, they should contact Farhana Adam on +27 (0)84 433 4836 or Michael Wenner on +27 (0)61 440 0654 to assist them.

Application form

Name and surname of shareholder: ....

Name and surname of shareholder representative (if applicable):..

ID number: ....

Email address: ....

Mobile phone number: ....

Telephone number: ....

Name of CSDP or broker (if applicable): ....

(if shares are held in dematerialised format): ....

SCA number or broker account number: ....

Number of shares: ....

Signature: ....

Date: ....

Notes to the form of proxy continued

Terms and conditions for participation at the Naspers annual general meeting via electronic communication

- The cost of electronic participation at the annual general meeting, including dialling in using a telecommunication line/webcast/web-streaming to participate in the annual general meeting is for the expense of the participant and will be billed separately by the participant's own telephone service provider.
- The participant acknowledges that the electronic communication and/or services, including telecommunication lines/webcast/web-streaming are provided by a third party and indemnifies Naspers, JSE Limited and The Meeting Specialist Proprietary Limited against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the electronic communication and/or services, including telecommunication lines/webcast/ web-streaming, whether or not caused by any act or omission on the part of the participant or anyone else. In particular, but not exclusively, the participant hereby irrevocably and conditionally confirms and acknowledges that he/she will have no claim against Naspers, JSE Limited and The Meeting Specialist Proprietary Limited, whether for damages or otherwise (whether on a direct or indirect basis), arising from, in relation to or in connection with the use of the electronic communication and/or services, including the use of the telecommunication lines/webcast/ web-streaming or any defect in it or from total or partial failure of the electronic communication and/or services, including the telecommunication lines/webcast/web-streaming and connections linking the telecommunication lines/webcast/web-streaming to the annual general meeting.
- Participants will be able to vote during the annual general meeting through an electronic participation platform. Such participants, should they wish to have their vote(s) counted at the annual general meeting, must act in accordance with the requirements set out above.
- Once the participant has received the link, the onus to safeguard this information remains with the participant.
- The application will only be deemed successful if this application form has been completed and fully signed by the participant and emailed to The Meeting Specialist Proprietary Limited at proxy@tmsmeetings.co.za.

Shareholder name: ....

Signature: ....

Date: ....

Shareholder and corporate information

Administration and corporate information

Company 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
Tel: +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
Tel: +27 (0)11 520 7951/0/2

ADR programme
Bank of New York Mellon maintains a Global BuyDIRECT℠ plan for Naspers Limited.

For additional information, 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℠
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
Webber Wentzel (in alliance with Linklaters)
PO Box 61771
Marshalltown 2107, South Africa
Werksmans Inc.
PO Box 1474
Cape Town 8000, South Africa

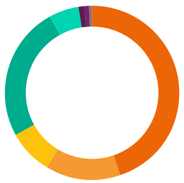
Investor relations
Eoin Ryan
InvestorRelations@naspers.com
Tel: +1 347-210-4305

Analysis of shareholders and shareholders' diary

Analysis of N ordinary shareholders

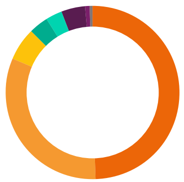
Size of holdings	Number of shareholders	Number of N ordinary shares owned
1 – 100 shares	58 703	1 853 878
101 – 1 000 shares	20 882	6 302 747
1 001 – 5 000 shares	3 119	6 782 919
5 001 – 10 000 shares	666	4 765 266
More than 10 000 shares	1 562	415 806 248
Total	**84 932**	**435 511 058**

GEOGRAPHIC DISPERSION



	%
South Africa	44.8
UK	13.83
Europe (excluding UK)	8.49
North America	24.87
Asia	5.52
Rest of the world	1.12
Unknown	1.05
Shareholdings below threshold	0.32

SHAREHOLDER TYPES

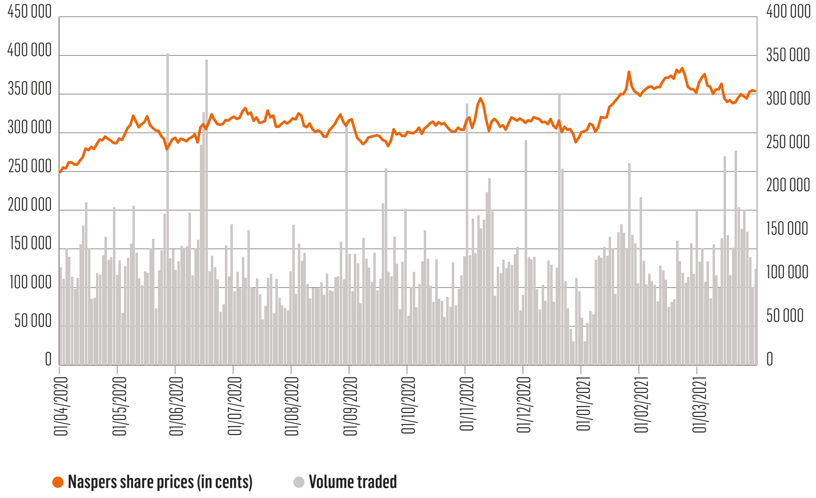


	%
Foreign institutions	49.69
Domestic institutions	31.89
Private stakeholders/investors	6.14
Domestic brokers	3.6
Employees, etc	2.98
Other	4.33
Unknown	1.05
Shareholdings below threshold	0.32

The following shareholders hold 5% and more of the N ordinary issued share capital of the company:

Name	% of N ordinary shares held	Number of N ordinary shares owned
Public Investment Corporation of South Africa	14.30	62 256 494

Naspers share price and trade volume for FY21



Public shareholder spread (N ordinary shares)

To the best knowledge of the directors, the spread of public shareholders under section 4.25 of the JSE 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

Naspers voting control structure

The aim of the Naspers voting control structure is to ensure the continued independence of the group. When entering foreign countries in the broad media or communications spheres, and when dealing with regulators, it is critical that we give an assurance of our continuity of identity: in other words, that we will not, after we have entered a territory or secured a licence, be taken over by unknown entities with whom the country or regulator may be uncomfortable. We believe that this assurance of independence and continuity is critical for our entry into, and operation in, many markets.

International

Differentiated voting rights and control structures are commonly used in the media and internet sectors to secure independence and deter raids and efforts to seize control. Many international media and technology companies have differentiated rights or control structures. Some more well-known examples include:

Schibsted and Tele2 in Norway; Altice in the Netherlands; MTG in Sweden; Daily Mail and General Trust in the United Kingdom; JD.Com and Alibaba in China; and Alphabet (Google), Facebook, LinkedIn, 21st Century Fox, News Corporation, Discovery, Liberty Global, Snap Inc, Zillow and Zynga in the United States.

In recent times many internet and tech companies in particular have implemented similar structures.

Structure

The issued share capital of Naspers comprises two classes of shares:

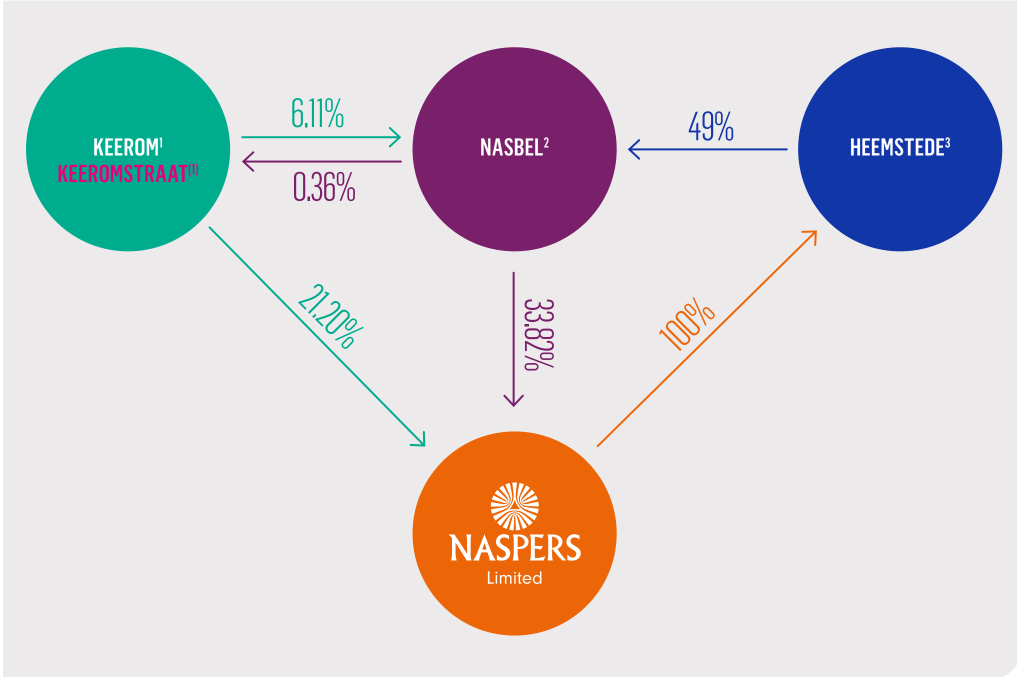
- N class ordinary shares, that have one vote per share and are listed on the JSE Limited's stock exchange (JSE). As at 31 March 2021 there are 435 511 058 N ordinary shares in issue.
- Unlisted A class ordinary shares, that have 1 000 votes per share, but have relatively insignificant economic participation. (The dividends declared to A ordinary shareholders are equal to one fifth of the dividends per share to which N ordinary shareholders are entitled.) As at 31 March 2021 there are 961 193 A shares in issue.

A majority of A class ordinary shares is held by two companies that together comprise the control structure of Naspers.

Keeromstraat 30 Beleggings (RF) Limited (Keerom)[1] and Naspers Beleggings (RF) Limited (Nasbel)[2] hold such A class ordinary shares that together they control more than 50% (currently 55%) of the voting rights in Naspers. These two companies exercise such rights in consultation with one another. No other entities are part of the control structure.

Keerom has 2 825 shareholders and its constitutional documents provide that no shareholder is entitled to exercise more than 50 votes regardless of shareholding.

The effective voting interests of these two companies are shown in this diagram:



Nasbel has 2 593 shareholders, one of which is Heemstede Beleggings Proprietary Limited (Heemstede)[3] (a subsidiary of Naspers) that holds 49% of the shares in Nasbel.

The boards of directors of Keerom and Nasbel operate independently.

NASPERS

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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.

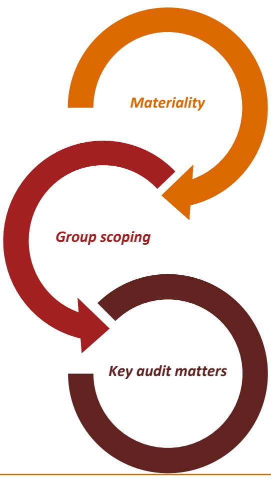
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

Report on the audit of the consolidated and separate financial statements

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**
<u>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)</u> 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

<table>
<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>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.</td><td>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.</td></tr>
<tr><td><u>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)</u>

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</td><td>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</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
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.	• 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.

Report on the audit of the consolidated and separate financial statements

Key audit matter	How our audit addressed the key audit matter
<u>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)</u> 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$'m	31 March 2020 US$'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.

Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2021

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$'m	2020 US$'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]		Nature of business	Country of incorporation	Functional currency	Year-end
	2021 %	2020 %				
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$'m**	2020 US$'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:

		Year of			31 March	
Currency of year end balance	Listing date[1]	final repayment	Fixed interest rate	Interest payments	2021 US$'m	2020 US$'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	2021	2020
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$'m	2020 US$'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	
	2021	2020
Increase/(decrease) in written put option liabilities and loss/(gain) in equity	**US$'m**	US$'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	2020
	US$'m	US$'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$'m	2020 US$'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$'m	2020 US$'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	
		Restated*
	2021 US$'m	2020 US$'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$'m	Restated* 2020 US$'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:

	Weighted average interest rate	31 March 2021 US$'m	31 March 2020 US$'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.

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		Year ended 31 March 2020	
	US$'m	**US$'m**	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$'m	**Net gains/ (losses) recognised in profit or loss US$'m**	**Total interest income US$'m**	**Impairment US$'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$'m	Net gains/ (losses) recog-nised in profit or loss US$'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$'m	Net gains/ (losses) recog-nised in profit or loss[1] US$'m	Total interest income[1] US$'m	Impair-ment[1] US$'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	31 March 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	Valuation	Retained	
	A shares R'm	N shares R'm	reserve R'm	reserve R'm	earnings R'm	Total 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**	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	2020
	R'm	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	2020
	R'000	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	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	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	31 March 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	31 March 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	2020
	R'm	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

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1925/001431/06
Incorporated in South Africa

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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:
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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

...by building leading
consumer internet companies that
address societal needs