Notes to the reviewed condensed consolidated financial statements
for the year ended 31 March

1  Basis of preparation
The reviewed condensed consolidated financial statements for the year ended 31 March 2021 have been prepared in accordance with International Financial Reporting Standards (“IFRS”), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by Financial Reporting Standards Council (“FRSC”), the Listings Requirements of the JSE Limited and the requirements of the Companies Act of South Africa. Chief Financial Officer, L McDonald CA(SA), supervised the preparation of these reviewed condensed consolidated financial statements. The accounting policies are consistent with IFRS as well as those applied in the audited annual financial statements as at 31 March 2020. The reviewed condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2020, which have been prepared in accordance with IFRS. These condensed consolidated financial statements for the year ended 31 March 2021 have been reviewed by PricewaterhouseCoopers Inc., and their unmodified review conclusion is included on page 11.

2  Standards issued not yet effective
Management have reviewed accounting standards issued and not yet effective and with the exception of IFRS 9 Financial Instruments, IAS 39 Financial Instruments: Recognition and Measurement and IFRS 7 Financial Instruments: Disclosure – Interest rate benchmark reform (Phases 1 and 2); IFRS 16 Leases Covid-19-related rent concessions amendment and amendments to IAS 1 Presentation of Financial Statements on classification of liabilities as current or non-current, none are considered to have a material impact on the group. The group has early adopted IFRS 16 Leases Covid-19-related rent concessions amendment (refer to note 9). There is no impact on the group from the interest rate benchmark reform ("IBOR") phase 1 amendment. The group is assessing the impact of IBOR Phase 2 reform. The group does not anticipate that any standards or amendments to existing standards that have been published and are mandatory for the group’s accounting periods beginning on or after 1 April 2021 or later periods, which the group has not early adopted, would have a material impact on the group.

3  Fair value measurement
The group fair values its investment properties (categorised as level 3 values) and interest rate swaps (categorised as level 2 values). There were no transfers into or out of level 3 other than as shown below.

3.1  Investment properties
The movement of investment properties for the year is as follows:

<table>
<thead>
<tr>
<th></th>
<th>2021 Reviewed Rm</th>
<th>2020 Audited Rm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening net carrying amount</td>
<td>4 149</td>
<td>4 881</td>
</tr>
<tr>
<td>Acquisition and development of investment properties</td>
<td>1</td>
<td>160</td>
</tr>
<tr>
<td>Disposals</td>
<td>(1)</td>
<td>(4)</td>
</tr>
<tr>
<td>Transfer to owner-occupied property, plant and equipment</td>
<td>(2 489)</td>
<td>–</td>
</tr>
<tr>
<td>Fair value adjustments recognised in profit or loss</td>
<td>(99)</td>
<td>(888)</td>
</tr>
<tr>
<td>Closing net carrying amount</td>
<td>1 561</td>
<td>4 149</td>
</tr>
</tbody>
</table>
Fair value measurement

The group’s investment properties have been categorised as level 3 values based on the inputs to the valuation technique used. The group has elected to measure investment properties at fair value. The fair value is determined using the discounted cash flow method by discounting the rental income (based on expected net cash flows of the underlying hotels) after considering capital expenditure requirements. The expected cash flows are discounted using an appropriate discount rate. The core discount rate is calculated using the South African bond yield 10Y at the time of valuation, to which premiums are added for market risk and equity and debt costs. The discount rate takes into account a risk premium associated with the local economy as well as that specific to the local property market and the hotel industry. At 31 March 2021, the group’s investment properties were independently valued by professionally qualified valuers having recent experience in the location and category of the group’s investment property being valued. The valuation is currently performed on an annual basis on the entire portfolio of investment properties by an independent valuator.

Basis of preparation of cash flow forecasts

The Covid-19 pandemic has had a significant impact on the hospitality sector, with continued restrictions in travelling and conferencing. The recovery period in the sector is dependent on the vaccine rollout in South Africa, and feeder countries, which raises uncertainty in travel and the future expected trading in each hotel. A conservative view with a slow recovery has been forecast, and each property individually considered. In order to ensure the cost efficiencies achieved in the operational restructuring flowed through to the cash flow forecasts, each hotel prepared a detailed budget for FY22 and FY23 assuming a slow recovery from September 2021 once the vaccine rollout has stabilised and any potential third wave has passed and the corporate, conferencing and international segments have recovered somewhat, to reach pre-Covid occupancy levels by FY24. Occupancies for the group’s owned hotel portfolio including offshore are assumed to increase from the 12.2% currently to 32.3% in FY22, increasing to 60.4% in FY24 which is closer to the group’s long-term occupancy levels. Average room rates (“ARRs”) are assumed to increase by a compound annual revenue growth rate (“CAGR”) of 4.4% between FY22 and FY24. Based on a review of the FY24 revenue and Ebitdar levels of each hotel, management is comfortable that the individual hotel trading assumptions are reasonable.

From FY24 onwards, ARRs were increased by CPI +1% while occupancies for the majority of hotels were capped at 65% unless they have historically traded better. Operating expenses including payroll were escalated by CPI with the exception of utilities which escalates by 10% per annum. No expansion capex has been forecast and maintenance capex has been reviewed by unit and reduced as much as possible. More focus will be placed on repairs and maintenance to ensure that the properties are kept in good condition.
Other valuation inputs

The risk free rate applied decreased by 1.01 percentage points to 9.49% at 31 March 2021 when compared to the prior year (31 March 2020: 10.50%). Although the risk-free rate decreased, the independent valuer, has taken a further conservative view on the discount rate and terminal capitalisation rates, supported by management, which has resulted in higher discount rates being maintained in the current year, in line with rates used in the prior year. As a consequence of the various inputs applied for individual hotels, fair values of certain properties increased while others decreased but the aggregate fair value of the total portfolio decreased by 3%.

As at 31 March 2021 the significant unobservable inputs were as follows:

- A weighted average rental growth rate of 28.04%* (2020: 5.19%);
- A terminal capitalisation rate of 9.00% – 12.00% (2020: 9.00% – 13.50%); and
- A risk-adjusted discount rate of 12.00% – 14.50% (2020: 12.00% – 14.50%).

* The weighted average rental growth calculated at 28.04% is as a result of the initial recovery in Ebitdar in year one to three from the low and in some instances negative Ebitdar base due to the impact of the Covid-19 pandemic. From year four, most of the Ebitdar growth rates are in line with the long-term growth rate of 6%.

Sensitivities

The table below indicates the sensitivities of the aggregate investment property portfolio by increasing or decreasing value inputs as follows:

<table>
<thead>
<tr>
<th></th>
<th>2021 Increase</th>
<th>2021 Decrease</th>
<th>2020 Increase</th>
<th>2020 Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>5% change in the net cash flows</td>
<td>77 Rm</td>
<td>(203 Rm)</td>
<td>203 Rm</td>
<td>(202 Rm)</td>
</tr>
<tr>
<td>25bps change in the terminal capitalisation rate</td>
<td>(20) Rm</td>
<td>20 Rm</td>
<td>(55) Rm</td>
<td>58 Rm</td>
</tr>
<tr>
<td>50bps change in the discount rate</td>
<td>(51) Rm</td>
<td>54 Rm</td>
<td>(135) Rm</td>
<td>143 Rm</td>
</tr>
</tbody>
</table>

3.2 Interest rate swaps

Hedge accounting is applied to the group’s interest rate swaps. The group’s primary interest-rate risk arises from long-term borrowings (excluding bank overdrafts). In line with group policy, a portion of the group debt is hedged.

Fixed interest rate swaps ranged from 6.69% to 7.42% as at 31 March 2021 referenced against the three-month JIBAR of 3.68% (2020: Fixed interest rate swaps ranged from 6.69% to 7.42% as at 31 March 2020 referenced against the three-month JIBAR of 5.61%).

The fair value of the group’s derivatives used for hedge accounting is a liability of R69 million (31 March 2020: R50 million) and is calculated as the present value of the estimated future cash flows based on observable yield curves, which is consistent with the prior year. As at 31 March 2021, the group’s interest rate hedges have been assessed as effective.
Impairment of property, plant and equipment

As a result of the restrictions put in place to combat the second wave of Covid-19 infections, management performed an impairment assessment on property, plant and equipment. The impairment test was performed by reviewing the cash flow forecasts for the period FY22 to FY26. The cash flow forecasts for the South African and offshore properties were prepared on the basis set out in note 3 “Basis of preparation of cash flow forecasts”. As a result of the delayed recovery, the group impaired property, plant and equipment by R237 million (2020: R716 million). The recoverable amount has been determined by the higher of value in use and the fair value less costs to sell using a discounted cash flow model (“DCF”). The weighted average cost of capital (“WACC”) utilised in the valuation ranges between 13.5% and 14.0% (2020: 14.0%) for the South African hotels and ranges between 9.7% and 17.5% (2020: 9% to 13.5%) for the offshore properties. The terminal growth rate applied for the offshore properties is 1.7% (2020: 1.4% to 2.1%) and 4.5% (2020: 5.0%) for the South African properties.

The carrying values of land, buildings, plant and equipment of the following hotel properties were impaired by the following amounts during the year.

<table>
<thead>
<tr>
<th>Property</th>
<th>2021 Rm</th>
<th>2020 Rm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Garden Court Eastgate</td>
<td>13</td>
<td>115</td>
</tr>
<tr>
<td>Garden Court Hatfield</td>
<td>–</td>
<td>86</td>
</tr>
<tr>
<td>Southern Sun Hyde Park</td>
<td>22</td>
<td>–</td>
</tr>
<tr>
<td>StayEasy Eastgate</td>
<td>–</td>
<td>63</td>
</tr>
<tr>
<td>Southern Sun Rosebank</td>
<td>5</td>
<td>35</td>
</tr>
<tr>
<td>Holiday Inn Sandton</td>
<td>27</td>
<td>40</td>
</tr>
<tr>
<td>Internally managed – Inland</td>
<td>67</td>
<td>339</td>
</tr>
<tr>
<td>The Edward</td>
<td>11</td>
<td>–</td>
</tr>
<tr>
<td>Garden Court Umhlanga</td>
<td>1</td>
<td>–</td>
</tr>
<tr>
<td>Southern Sun The Marine</td>
<td>2</td>
<td>–</td>
</tr>
<tr>
<td>Internally managed – Coastal</td>
<td>14</td>
<td>–</td>
</tr>
<tr>
<td>The Westin – Trading income HPF</td>
<td>12</td>
<td>–</td>
</tr>
<tr>
<td>Southern Sun Ikoyi</td>
<td>35</td>
<td>172</td>
</tr>
<tr>
<td>Southern Sun Dar es Salaam</td>
<td>3</td>
<td>84</td>
</tr>
<tr>
<td>Southern Sun Maputo</td>
<td>–</td>
<td>89</td>
</tr>
<tr>
<td>Southern Sun Ridgeway¹</td>
<td>106</td>
<td>32</td>
</tr>
<tr>
<td>Offshore</td>
<td>144</td>
<td>377</td>
</tr>
<tr>
<td>Total</td>
<td>237</td>
<td>716</td>
</tr>
</tbody>
</table>

¹ The impairment of Southern Sun Ridgeway in the current year is mainly related to the increase in the WACC rate from 12.1% in FY20 to 17.5% in FY21 driven by the increase in the in-country risk premium
Sensitivities
The table below indicates the sensitivities of the aggregate recoverable amounts of property, plant and equipment for the following changes to assumptions and would have the inverse effect on the aggregate impairments recognised for the cash flow and terminal growth rate assumptions:

<table>
<thead>
<tr>
<th></th>
<th>2021 Increase Rm</th>
<th>2021 Decrease Rm</th>
<th>2020 Increase Rm</th>
<th>2020 Decrease Rm</th>
</tr>
</thead>
<tbody>
<tr>
<td>5% change in the net cash flows</td>
<td>154</td>
<td>(154)</td>
<td>120</td>
<td>(120)</td>
</tr>
<tr>
<td>25bps change in the terminal growth rate</td>
<td>33</td>
<td>(36)</td>
<td>50</td>
<td>(48)</td>
</tr>
<tr>
<td>50bps change in the discount rate</td>
<td>(129)</td>
<td>137</td>
<td>(133)</td>
<td>148</td>
</tr>
</tbody>
</table>

5 Changes in liabilities arising from financing activities
5.1 Interest-bearing borrowings
Changes arising from financing activities for the year ended 31 March 2021 related to interest-bearing borrowings, excluding bank overdrafts from short-term borrowings, are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Long term Rm</th>
<th>Short term Rm</th>
<th>Total Rm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 April 2020</td>
<td>3 974</td>
<td>–</td>
<td>3 974</td>
</tr>
<tr>
<td>Borrowings raised</td>
<td>141</td>
<td>100</td>
<td>241</td>
</tr>
<tr>
<td>Borrowings repaid</td>
<td>(566)</td>
<td>–</td>
<td>(566)</td>
</tr>
<tr>
<td>Currency translation</td>
<td>(175)</td>
<td>–</td>
<td>(175)</td>
</tr>
<tr>
<td>Reclassification to short-term borrowings</td>
<td>(385)</td>
<td>385</td>
<td>–</td>
</tr>
<tr>
<td>Other</td>
<td>2</td>
<td>–</td>
<td>2</td>
</tr>
<tr>
<td>Balance at 31 March 2021</td>
<td>2 991</td>
<td>485</td>
<td>3 476</td>
</tr>
<tr>
<td>Balance at 1 April 2019</td>
<td>2 885</td>
<td>290</td>
<td>3 175</td>
</tr>
<tr>
<td>Borrowings raised</td>
<td>2 179</td>
<td>–</td>
<td>2 179</td>
</tr>
<tr>
<td>Borrowings repaid</td>
<td>(1 361)</td>
<td>(290)</td>
<td>(1 651)</td>
</tr>
<tr>
<td>Currency translation</td>
<td>268</td>
<td>–</td>
<td>268</td>
</tr>
<tr>
<td>Other</td>
<td>3</td>
<td>–</td>
<td>3</td>
</tr>
<tr>
<td>Balance at 31 March 2020</td>
<td>3 974</td>
<td>–</td>
<td>3 974</td>
</tr>
</tbody>
</table>

The group’s Mozambican US Dollar-denominated facilities equating to R385 million and due in March 2022 have been reclassified to short-term borrowings. Terms have been agreed to refinance these facilities for a further five years. The approval from the Mozambican Central Bank is still outstanding and expected to be received within the next three months.
5.2 Lease liabilities

Changes arising from lease liabilities for the year under review are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Non-current portion 2021 Rm</th>
<th>Current portion 2021 Rm</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 1 April 2020</td>
<td>1 024</td>
<td>13</td>
</tr>
<tr>
<td>New leases raised</td>
<td>278</td>
<td>–</td>
</tr>
<tr>
<td>Transfer to current lease liability</td>
<td>(14)</td>
<td>14</td>
</tr>
<tr>
<td>Rent concessions</td>
<td>(26)</td>
<td>(13)</td>
</tr>
<tr>
<td>Finance costs accrued</td>
<td>38</td>
<td>–</td>
</tr>
<tr>
<td>Modification of lease contract</td>
<td>46</td>
<td>–</td>
</tr>
<tr>
<td>At 31 March 2021</td>
<td>1 346</td>
<td>14</td>
</tr>
</tbody>
</table>

Total cash outflow of R89 million relating to finance costs has been included in cash flows from operating activities.

<table>
<thead>
<tr>
<th></th>
<th>Non-current portion 2020 Rm</th>
<th>Current portion 2020 Rm</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 1 April 2019</td>
<td>957</td>
<td>–</td>
</tr>
<tr>
<td>New leases raised</td>
<td>209</td>
<td>–</td>
</tr>
<tr>
<td>Principal elements of lease payments</td>
<td>(128)</td>
<td>–</td>
</tr>
<tr>
<td>Transfer to current lease liability</td>
<td>(13)</td>
<td>13</td>
</tr>
<tr>
<td>Other</td>
<td>(1)</td>
<td>–</td>
</tr>
<tr>
<td>At 31 March 2020</td>
<td>1 024</td>
<td>13</td>
</tr>
</tbody>
</table>
Notes to the reviewed condensed consolidated financial statements

for the year ended 31 March

6 Business combinations

6.1 Acquisition of Vexicure Proprietary Limited and Ash Brook Investments 72 Proprietary Limited

On 1 October 2020 and 1 November 2020, respectively HPF increased its interests in Vexicure Proprietary Limited (the operating/tenant company at its Westin hotel) from 5% to 85% and increased its interest in Ash Brook Investments 72 Proprietary Limited (the operating/tenant company in its Radisson Blu Gautrain hotel) from 15% to 100%.

At acquisition date, the liabilities for these companies exceeded their assets and the negative fair value is represented by trade receivables, inventory and trade payables. Cash balances of R24 million were acquired with the companies. Both entities are currently in loss-making positions with a slow recovery anticipated and therefore the goodwill was impaired.

The fair value of net liabilities acquired is as follows:

<table>
<thead>
<tr>
<th></th>
<th>Total 2021 Rm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fair value of net liabilities acquired</td>
<td>(30)</td>
</tr>
<tr>
<td>Cash purchase consideration</td>
<td>–</td>
</tr>
<tr>
<td>Goodwill on acquisition</td>
<td>30</td>
</tr>
<tr>
<td>Goodwill impairment</td>
<td>(30)</td>
</tr>
</tbody>
</table>

7 Related party transactions

7.1 Transactions with non-controlling interests

The company acquired additional ordinary shares in Hospitality over the course of the year. An ordinary resolution was proposed in terms of section 60 of the Companies Act to allow the board to acquire assets in exchange for ordinary shares in Tsogo Sun Hotels. On 10 July 2020 this resolution was duly approved by the company’s shareholders and the company entered into and finalised share-for-share agreements with various institutional investors to acquire, in aggregate, 60 489 777 Hospitality shares from their respective clients, in aggregate constituting 10.46% of Hospitality’s issued share capital. The shares were acquired in exchange for the issue and allotment of 107 066 885 Tsogo Sun Hotels ordinary shares at an exchange ratio of 1.77 Tsogo Sun Hotels shares for every 1 Hospitality share acquired.

The group also entered into and finalised share-for-share agreements with related parties being the trustees of the HCI Foundation and Elsitime Proprietary Limited, to acquire in aggregate 33 367 919 Hospitality shares constituting 5.8% of Hospitality’s issued share capital. These shares were acquired in exchange for the issue and allotment of 59 061 217 Tsogo Sun Hotels ordinary shares at the same exchange ratio of 1.77. Marcel von Aulock and Laurelle McDonald hold 75% and 25% respectively of the issued share capital of Elsitime Proprietary Limited.
On 30 September 2020 the board of directors of Hospitality and the board of directors of Tsogo Sun Hotels approved a transaction by which Tsogo Sun Hotels offered to acquire all of the ordinary shares with no par value in the issued share capital of Hospitality, other than the Hospitality Shares already owned by Tsogo Sun Hotels, its subsidiaries and treasury shares. On 11 March 2021, all remaining Hospitality shares have been acquired by Tsogo Sun Hotels resulting in Hospitality becoming a 100% held subsidiary of the group. A successful application was received for the delisting of all Hospitality shares from the main board of the Johannesburg Stock Exchange, being the securities exchange operated by the JSE Limited. Due to the resultant delisting from the JSE Limited exchange, Hospitality is no longer a REIT.

The group has also concluded certain transactions with Tsogo Sun Gaming Limited (“Tsogo Sun Gaming”), the more significant transactions are shown below:

<table>
<thead>
<tr>
<th>Description</th>
<th>2021 Rm</th>
<th>2020 Rm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotel management fees and royalties received from Tsogo Sun Gaming</td>
<td>10</td>
<td>50</td>
</tr>
<tr>
<td>Management fees received from Tsogo Sun Gaming for shared services</td>
<td>5</td>
<td>18</td>
</tr>
<tr>
<td>Fees received from Tsogo Sun Gaming for administration services for hotels</td>
<td>13</td>
<td>33</td>
</tr>
<tr>
<td>Management fees paid to Tsogo Sun Gaming for shared services</td>
<td>(1)</td>
<td>(14)</td>
</tr>
<tr>
<td>Tenant recoveries by Tsogo Sun Gaming</td>
<td>(4)</td>
<td>(5)</td>
</tr>
<tr>
<td>Insurance premiums paid to Tsogo Sun Gaming</td>
<td>(30)</td>
<td>–</td>
</tr>
<tr>
<td>Insurance claims received or receivable from Tsogo Sun Gaming</td>
<td>11</td>
<td>–</td>
</tr>
</tbody>
</table>

The group had no other significant related party transactions during the year under review.

8 Sale of MAIA

The group has entered into a sale of shares and loans agreement with MH Limited, part of the Minor Hotels Group, dated 13 July 2020 in terms of which Southern Sun Africa (“SSA”) disposed of its entire 50% beneficial interest in United Resorts and Hotels Limited for aggregate proceeds of US$27.8 million being R467 million.

Our intention since the listing has been to reduce our US Dollar-denominated interest-bearing debt. Covid-19 has limited our ability to apply cash resources towards the settlement of this debt. The proceeds from the sale of this hotel were utilised to reduce the US Dollar-denominated debt in Mauritius, increasing the group’s available facilities and improving its liquidity.
9 Rental concessions

As permitted by IFRS 16, the group early adopted the amendment with effect from 1 April 2020 retrospectively although there was no adjustment to the opening balance of retained earnings at the same date. The IASB published an amendment to IFRS 16 that provides an optional practical expedient for lessees from assessing whether a rent concession related to Covid-19 is a lease modification. Lessees can elect to account for such rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concession as variable lease payments in the period(s) in which the event or condition that triggers the reduced payment occurs. No such relief is provided for lessors. Lessors are required to assess whether rent concessions are lease modifications and, if so, account for them accordingly.

The practical expedient applies only to rent concessions occurring as a direct consequence of the Covid-19 pandemic, and only if all of the following conditions are met:

(a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
(b) any reduction in lease payments affects only payments originally due on or before 30 June 2022; and
(c) there is no substantive change to other terms and conditions of the lease.

The group applied the practical expedient to all of its leases where it is a lessee and lease concessions were granted to the group which met the rent concession requirements as set out in IFRS 16. The application was applied retrospectively with effect from 1 April 2020. This had the effect of reducing rental expenses and lease liabilities by R39 million.

The rent concessions received by the group which contribute to the R39 million impact on the rental expense are in relation to GC Marine Parade, Cape Town City Bowl Complex and the Sandton Consortium hotels.

All the group’s rent concessions are as a result of the Covid-19 pandemic and the lease payments are substantially the same as the consideration for the lease immediately preceding the change. The reduced lease payments are not expected to affect lease payments after 30 June 2021 and there is no substantive change to other terms and conditions of the lease.
10 **Segment information**

In terms of IFRS 8 *Operating Segments*, the chief operating decision maker (“CODM”) has been identified as the group’s Chief Executive Officer (“CEO”) and senior management. Management has determined the operating segments based on the reports reviewed by the CODM. There has been no change to the basis of segmentation or to the basis of measurement of segment profit or loss from the annual financial statements apart from the introduction of the “Trading income – HPF” segment which reflects the trading performance of the Westin and Radisson Blu Gautrain hotels since 1 October 2020 and 1 November 2020, respectively.

The CODM assesses the performance of the operating segments based on Ebitdar. The measure excludes the effects of long-term incentives and the effects of non-recurring expenditure. The measure also excludes all headline earning adjustments, impairments and fair value adjustments on non-current and current assets and liabilities.

11 **Capital commitments**

The group spent R62 million on maintenance and expansion capex for the year ended 31 March 2021. The group has committed capital spend of R41 million, of which majority has been placed on hold.

12 **Contingent liabilities**

The group had no significant contingent liabilities as at 31 March 2021.

13 **Events occurring after the balance sheet date**

During May 2021, Tsogo Sun Gaming signed a loss agreement with its insurer Tsogosure Insurance Company Limited to settle the combined business interruption insurance claim of Tsogo Sun Gaming and Tsogo Sun Hotels which is limited to R150 million in aggregate. Tsogo Sun Hotels’ share of this claim is expected to be in the region of R27 million while Hospitality continues to engage with the loss adjustors on its stand-alone business interruption claim which is also limited to R150 million. Any proceeds received in terms of the business interruption claims will contribute to the group’s liquidity. The directors are not aware of any other matter or circumstance arising since the balance sheet date.
Notes to the reviewed condensed consolidated financial statements continued for the year ended 31 March

14 Going concern

The reviewed condensed consolidated annual financial statements are prepared on the going-concern basis. Based on the cash flow forecasts, available cash resources and the other measures the group has taken or plans to take, management believes that the group has sufficient resources to continue operations as a going concern in a responsible and sustainable manner.

In exchange for the waiver of original debt covenants for the September 2020 and March 2021 measurement period, lenders introduced revised covenants comprising Ebitda and liquidity thresholds and measured quarterly at December 2020 and March 2021. The revised covenants established a maximum rolling 12-month negative Ebitda level and a minimum liquidity level of R500 million is required which includes available facilities and cash on hand. An event of default will occur if both the Ebitda and liquidity covenants are breached in one of the measurement periods or the Ebitda covenant is breached for two consecutive measurement periods. The group comfortably met the minimum Ebitda and liquidity thresholds on both occasions. At Hospitality level, lenders introduced a minimum liquidity covenant of R125 million including available facilities and cash on hand. Similarly, Hospitality has met these minimum liquidity requirements.

The lenders to both Tsogo Sun Hotels and Hospitality have approved the covenant waivers for September 2021 on the basis that the rolling negative Ebitdar threshold be reduced to between R533 million (June 2021 measurement period), R453 million (September 2021 measurement period) and R412 million (December 2021 measurement period) and that revised covenants continue to be measured on a quarterly basis. The terms of the revised waiver relating to an event of default remain the same as described above. Covenant levels for later periods will be reassessed during the preparation of the group’s FY23 budgets. As at 31 March 2021, the group has net cash and cash equivalents of R407 million. The group has R3.5 billion of interest-bearing debt (excluding capitalised lease liabilities) and access to R1.5 billion in undrawn facilities to meet its obligations as they become due. In preparing the cash flow forecasts utilised to assess going concern, the continuing impact of the Covid-19 pandemic on the group’s operations and liquidity was considered. Refer to the “Basis of preparation of cash flow forecasts” section in note 3 for further details. Based on the Covid-19 interventions (refer to “Covid-19 status and action plan”) already implemented and the forecasts which indicate some recovery in the corporate, conferencing and international segments in the summer of 2021/2022 once the vaccine rollout has stabilised and any potential third wave of Covid-19 infections has passed, management believes that the company should meet these revised covenant levels.

Given the uncertainty around trading levels, management incorporated a 10% revenue contingency into the forecasts. This contingency cannot be attributed to any division but has been incorporated at group level in order to stress test the group’s going concern assumption. Even after incorporating this contingency, the group is able to meet its debt obligations.

The directors have assessed the cash flow forecasts together with the other actions taken or proposed by management (refer to the “Covid-19 status and action plan” and “Funding capacity and covenants” sections for further detail) and are of the view that the group has sufficient liquidity to meet its obligations and to counteract the losses.
## Condensed consolidated income statement

for the year ended 31 March

<table>
<thead>
<tr>
<th>Change %</th>
<th>2021 Reviewed Rm</th>
<th>2020 Audited Rm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rooms revenue</td>
<td>(79)</td>
<td>593</td>
</tr>
<tr>
<td>Food and beverage revenue</td>
<td>(75)</td>
<td>269</td>
</tr>
<tr>
<td>Property rental income</td>
<td></td>
<td>52</td>
</tr>
<tr>
<td>Other income</td>
<td></td>
<td>249</td>
</tr>
<tr>
<td>Income</td>
<td>(74)</td>
<td>1 163</td>
</tr>
<tr>
<td>Property and equipment rentals</td>
<td></td>
<td>9</td>
</tr>
<tr>
<td>Amortisation and depreciation</td>
<td>(407)</td>
<td>(348)</td>
</tr>
<tr>
<td>Employee costs</td>
<td>(520)</td>
<td>(1 321)</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>(890)</td>
<td>(1 871)</td>
</tr>
<tr>
<td>Impairment of property, plant and equipment</td>
<td>(237)</td>
<td>(716)</td>
</tr>
<tr>
<td>Profit on sale of joint venture</td>
<td>355</td>
<td>–</td>
</tr>
<tr>
<td>Impairment of goodwill</td>
<td>(30)</td>
<td>–</td>
</tr>
<tr>
<td>Fair value adjustment of investment properties</td>
<td>(99)</td>
<td>(888)</td>
</tr>
<tr>
<td>Operating loss</td>
<td></td>
<td>14</td>
</tr>
<tr>
<td>Finance income</td>
<td></td>
<td>33</td>
</tr>
<tr>
<td>Finance costs</td>
<td>(379)</td>
<td>(400)</td>
</tr>
<tr>
<td>Share of loss of associates and joint ventures</td>
<td>(128)</td>
<td>(3)</td>
</tr>
<tr>
<td>Loss before income tax</td>
<td></td>
<td>(1 130)</td>
</tr>
<tr>
<td>Income tax credit/(expense)</td>
<td></td>
<td>148</td>
</tr>
<tr>
<td>Loss for the year</td>
<td></td>
<td>(982)</td>
</tr>
</tbody>
</table>

### Loss attributable to:

<table>
<thead>
<tr>
<th></th>
<th>2021 Reviewed Rm</th>
<th>2020 Audited Rm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity holders of the company</td>
<td>(896)</td>
<td>(896)</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>(86)</td>
<td>(329)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(982)</td>
<td>(1 225)</td>
</tr>
</tbody>
</table>

**Basic and diluted loss attributable to the ordinary equity holders of the company per share (cents)**

<table>
<thead>
<tr>
<th></th>
<th>2021 Reviewed Rm</th>
<th>2020 Audited Rm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of shares in issue (million)</td>
<td>1 478</td>
<td>1 061</td>
</tr>
<tr>
<td>Weighted number of shares in issue (million)</td>
<td>1 233</td>
<td>1 061</td>
</tr>
<tr>
<td>Basic and diluted loss per share (cents)</td>
<td>14</td>
<td>(72.7)</td>
</tr>
</tbody>
</table>
## Condensed consolidated statement of comprehensive income

for the year ended 31 March

<table>
<thead>
<tr>
<th></th>
<th>2021 Reviewed Rm</th>
<th>2020 Audited Rm</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Loss for the year</strong></td>
<td>(982)</td>
<td>(1 225)</td>
</tr>
<tr>
<td><strong>Other comprehensive (loss)/income for the year, net of tax</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Items that may be reclassified subsequently to profit or loss:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash flow hedges</td>
<td>(19)</td>
<td>(50)</td>
</tr>
<tr>
<td>Currency translation adjustments</td>
<td>(273)</td>
<td>256</td>
</tr>
<tr>
<td>Income tax relating to items that may subsequently be reclassified to profit or loss</td>
<td>6</td>
<td>15</td>
</tr>
<tr>
<td><strong>Items that may not be reclassified subsequently to profit or loss:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Remeasurements of post-employment defined benefit liability</td>
<td>(1)</td>
<td>2</td>
</tr>
<tr>
<td>Income tax relating to items that may not subsequently be reclassified to profit or loss</td>
<td>–</td>
<td>(1)</td>
</tr>
<tr>
<td><strong>Total comprehensive loss for the year</strong></td>
<td>(1 269)</td>
<td>(1 002)</td>
</tr>
<tr>
<td><strong>Total comprehensive loss attributable to:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity holders of the company</td>
<td>(1 170)</td>
<td>(660)</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>(99)</td>
<td>(342)</td>
</tr>
<tr>
<td><strong>Total comprehensive loss attributable to:</strong></td>
<td>(1 269)</td>
<td>(1 002)</td>
</tr>
</tbody>
</table>
### Supplementary information

**for the year ended 31 March**

<table>
<thead>
<tr>
<th>2021 Reviewed Rm</th>
<th>2020 Audited Rm</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Reconciliation of loss attributable to equity holders of the company to headline (loss)/earnings and adjusted headline (loss)/earnings</strong></td>
<td></td>
</tr>
<tr>
<td>Loss attributable to equity holders of the company</td>
<td>(896)</td>
</tr>
<tr>
<td>Loss on disposal of property, plant and equipment</td>
<td>1</td>
</tr>
<tr>
<td>Impairment of property, plant and equipment</td>
<td>237</td>
</tr>
<tr>
<td>Fair value adjustment of investment properties</td>
<td>99</td>
</tr>
<tr>
<td>Impairment relating to IHL (Associate)</td>
<td>10</td>
</tr>
<tr>
<td>Impairment relating to RBH (Associate)</td>
<td>5</td>
</tr>
<tr>
<td>Share of associates’ (IHL) headline earnings adjustment</td>
<td>100</td>
</tr>
<tr>
<td>Gain on disposal of investment in joint venture</td>
<td>(355)</td>
</tr>
<tr>
<td>Impairment of goodwill</td>
<td>30</td>
</tr>
<tr>
<td>Total tax effect of adjustments</td>
<td>(18)</td>
</tr>
<tr>
<td>Total non-controlling interest effects of adjustments</td>
<td>4</td>
</tr>
<tr>
<td><strong>Headline (loss)/earnings</strong></td>
<td></td>
</tr>
<tr>
<td>Transaction costs</td>
<td>6</td>
</tr>
<tr>
<td>Fair value adjustment on RDI investment</td>
<td>–</td>
</tr>
<tr>
<td>Restructuring costs</td>
<td>36</td>
</tr>
<tr>
<td>Pre-opening expenses</td>
<td>3</td>
</tr>
<tr>
<td>Impairment of inventory</td>
<td>8</td>
</tr>
<tr>
<td>Derecognition of Southern Sun Maputo deferred tax</td>
<td>–</td>
</tr>
<tr>
<td>Share of associates’ exceptional items</td>
<td>3</td>
</tr>
<tr>
<td>Tax impact of Hospitality ceasing to be a REIT(^1)</td>
<td>105</td>
</tr>
<tr>
<td>Total tax effects of other exceptional items</td>
<td>(11)</td>
</tr>
<tr>
<td>Total non-controlling interest effects of exceptional items</td>
<td>–</td>
</tr>
<tr>
<td><strong>Adjusted headline (loss)/earnings</strong></td>
<td></td>
</tr>
<tr>
<td>Number of shares in issue (million)</td>
<td>1 478</td>
</tr>
<tr>
<td>Weighted number of shares in issue (million)</td>
<td>1 233</td>
</tr>
<tr>
<td>Basic and diluted headline (loss)/earnings per share (cents)</td>
<td>(63.5)</td>
</tr>
<tr>
<td>Basic and diluted adjusted (loss)/headline earnings per share (cents)</td>
<td>(51.4)</td>
</tr>
</tbody>
</table>

\(^1\) Management considers Hospitality ceasing to be a REIT and the resulting recognition of deferred tax balances to be a once-off event not related to the ongoing operations of the group. The tax effects of Hospitality ceasing to be a REIT has accordingly been treated as an exceptional item in the current year’s adjusted headline loss measure.
Reconciliation of operating loss to Ebitdar

Ebitdar pre-exceptional items is made up as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>2021 Reviewed Rm</th>
<th>2020 Audited Rm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating loss</td>
<td>(656)</td>
<td>(766)</td>
</tr>
<tr>
<td>Amortisation and depreciation</td>
<td>407</td>
<td>348</td>
</tr>
<tr>
<td>Property rentals</td>
<td>(22)</td>
<td>84</td>
</tr>
<tr>
<td>Long-term incentive expense</td>
<td>14</td>
<td>17</td>
</tr>
<tr>
<td></td>
<td>(257)</td>
<td>(317)</td>
</tr>
</tbody>
</table>

Add/(less): Exceptional losses/(gains)

<table>
<thead>
<tr>
<th>Description</th>
<th>2021 Reviewed Rm</th>
<th>2020 Audited Rm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss on disposal of property, plant and equipment</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Impairment of property, plant and equipment</td>
<td>237</td>
<td>716</td>
</tr>
<tr>
<td>Fair value adjustment of investment properties</td>
<td>99</td>
<td>888</td>
</tr>
<tr>
<td>Fair value adjustment on RDI investment</td>
<td>–</td>
<td>1</td>
</tr>
<tr>
<td>Gain on disposal of investment in joint venture</td>
<td>(355)</td>
<td>–</td>
</tr>
<tr>
<td>Impairment of goodwill</td>
<td>30</td>
<td>–</td>
</tr>
<tr>
<td>Impairment of inventory</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>Impairment relating to IHL (Associate)</td>
<td>10</td>
<td>–</td>
</tr>
<tr>
<td>Impairment relating to RBH (Associate)</td>
<td>5</td>
<td>17</td>
</tr>
<tr>
<td>Pre-opening expenses</td>
<td>3</td>
<td>–</td>
</tr>
<tr>
<td>Restructuring costs</td>
<td>36</td>
<td>40</td>
</tr>
<tr>
<td>Transaction costs</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td><strong>Ebitdar</strong></td>
<td><strong>(177)</strong></td>
<td><strong>1 352</strong></td>
</tr>
</tbody>
</table>
## Condensed consolidated cash flow statement

for the year ended 31 March

<table>
<thead>
<tr>
<th>Cash flows from operating activities</th>
<th>2021 Reviewed Rm</th>
<th>2020 Audited Rm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit before interest and income tax</td>
<td>(656)</td>
<td>(766)</td>
</tr>
<tr>
<td>Adjust for non-cash movements and dividends received</td>
<td>455</td>
<td>2 121</td>
</tr>
<tr>
<td>Increase in working capital</td>
<td>195</td>
<td>(34)</td>
</tr>
<tr>
<td>Cash (utilised in)/generated from operations</td>
<td>(6)</td>
<td>1 321</td>
</tr>
<tr>
<td>Finance income</td>
<td>33</td>
<td>40</td>
</tr>
<tr>
<td>Finance costs</td>
<td>(379)</td>
<td>(394)</td>
</tr>
<tr>
<td>Income tax paid</td>
<td>(42)</td>
<td>(121)</td>
</tr>
<tr>
<td>Dividends paid to non-controlling interests</td>
<td>–</td>
<td>(245)</td>
</tr>
<tr>
<td>Dividends received</td>
<td>–</td>
<td>22</td>
</tr>
<tr>
<td>Net cash (utilised in)/generated from operating activities</td>
<td>(394)</td>
<td>623</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash flows from investment activities</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase of property, plant and equipment</td>
<td>(56)</td>
<td>(329)</td>
</tr>
<tr>
<td>Proceeds from disposals of property, plant and equipment</td>
<td>3</td>
<td>–</td>
</tr>
<tr>
<td>Additions to investment properties</td>
<td>(1)</td>
<td>(160)</td>
</tr>
<tr>
<td>Proceeds from disposal of investment property</td>
<td>–</td>
<td>3</td>
</tr>
<tr>
<td>Purchase of intangible assets</td>
<td>(6)</td>
<td>(6)</td>
</tr>
<tr>
<td>Acquisition of business – intellectual property</td>
<td>–</td>
<td>(8)</td>
</tr>
<tr>
<td>Proceeds from disposal of joint venture</td>
<td>467</td>
<td>–</td>
</tr>
<tr>
<td>Additions to investment in associates</td>
<td>–</td>
<td>(8)</td>
</tr>
<tr>
<td>Acquisition of subsidiary</td>
<td>24</td>
<td>–</td>
</tr>
<tr>
<td>Other loans granted</td>
<td>(9)</td>
<td>(29)</td>
</tr>
<tr>
<td>Net cash generated from/(utilised in) investment activities</td>
<td>422</td>
<td>(537)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash flows from financing activities</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Borrowings raised</td>
<td>241</td>
<td>2 179</td>
</tr>
<tr>
<td>Borrowings repaid</td>
<td>(566)</td>
<td>(1 651)</td>
</tr>
<tr>
<td>Principal elements of lease payments</td>
<td>–</td>
<td>(128)</td>
</tr>
<tr>
<td>Other current liabilities repaid</td>
<td>(5)</td>
<td>(7)</td>
</tr>
<tr>
<td>Net cash (utilised for)/generated from financing activities</td>
<td>(330)</td>
<td>393</td>
</tr>
</tbody>
</table>

Net (decrease)/increase in cash and cash equivalents | (302) | 479 |
Cash and cash equivalents at beginning of the year, net of bank overdrafts | 722 | 212 |
Foreign currency translation | (13) | 31 |
Cash and cash equivalents at end of the year, net of bank overdrafts | 407 | 722 |
## Condensed consolidated balance sheet

as at 31 March

<table>
<thead>
<tr>
<th></th>
<th>2021 Reviewed Rm</th>
<th>2020 Audited Rm</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>9 106</td>
<td>7 554</td>
</tr>
<tr>
<td>Right-of-use assets</td>
<td>1 045</td>
<td>799</td>
</tr>
<tr>
<td>Investment properties</td>
<td>1 561</td>
<td>4 149</td>
</tr>
<tr>
<td>Goodwill</td>
<td>354</td>
<td>354</td>
</tr>
<tr>
<td>Other intangible assets</td>
<td>54</td>
<td>56</td>
</tr>
<tr>
<td>Investments in associates</td>
<td>305</td>
<td>446</td>
</tr>
<tr>
<td>Investments in joint ventures</td>
<td>–</td>
<td>124</td>
</tr>
<tr>
<td>Post-employment benefit liability</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Non-current receivables</td>
<td>14</td>
<td>14</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Deferred income tax assets</td>
<td>297</td>
<td>84</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td>12 742</td>
<td>13 586</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventories</td>
<td>62</td>
<td>58</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>365</td>
<td>454</td>
</tr>
<tr>
<td>Other income tax assets</td>
<td>5</td>
<td>–</td>
</tr>
<tr>
<td>Other current assets</td>
<td>12</td>
<td>3</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>918</td>
<td>1 281</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>1 362</td>
<td>1 796</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>14 104</td>
<td>15 382</td>
</tr>
<tr>
<td><strong>EQUITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Capital and reserves attributable to equity holders of the company</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ordinary share capital and premium</td>
<td>5 333</td>
<td>4 642</td>
</tr>
<tr>
<td>Other reserves</td>
<td>1 805</td>
<td>599</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>205</td>
<td>1 102</td>
</tr>
<tr>
<td><strong>Total shareholders’ equity</strong></td>
<td>7 343</td>
<td>6 343</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>97</td>
<td>2 352</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>7 440</td>
<td>8 695</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>2021 Reviewed Rm</td>
<td>2020 Audited Rm</td>
</tr>
<tr>
<td>-------------------------</td>
<td>-----------------</td>
<td>----------------</td>
</tr>
<tr>
<td>Interest-bearing borrowings</td>
<td>2 991</td>
<td>3 974</td>
</tr>
<tr>
<td>Lease liabilities</td>
<td>1 346</td>
<td>1 024</td>
</tr>
<tr>
<td>Derivative financial instruments</td>
<td>59</td>
<td>50</td>
</tr>
<tr>
<td>Deferred income tax liabilities</td>
<td>256</td>
<td>175</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>37</td>
<td>37</td>
</tr>
<tr>
<td>Provisions</td>
<td>58</td>
<td>58</td>
</tr>
<tr>
<td>Total non-current liabilities</td>
<td>4 747</td>
<td>5 318</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Current liabilities</th>
<th>2021 Reviewed Rm</th>
<th>2020 Audited Rm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest-bearing borrowings</td>
<td>996</td>
<td>559</td>
</tr>
<tr>
<td>Lease liabilities</td>
<td>14</td>
<td>13</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>774</td>
<td>622</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>74</td>
<td>75</td>
</tr>
<tr>
<td>Current portion derivative financial instruments</td>
<td>10</td>
<td>–</td>
</tr>
<tr>
<td>Current income tax liabilities</td>
<td>49</td>
<td>100</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>1 917</td>
<td>1 369</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>6 664</td>
<td>6 687</td>
</tr>
</tbody>
</table>

Total equity and liabilities 14 104 15 382
# Condensed consolidated statement of changes in equity

for the year ended 31 March

## Attributable to equity holders of the company

<table>
<thead>
<tr>
<th></th>
<th>Ordinary share capital and premium Rm</th>
<th>Other reserves Rm</th>
<th>Retained earnings Rm</th>
<th>Total attributable to the parent Rm</th>
<th>Non-controlling interests Rm</th>
<th>Total equity Rm</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance at 1 April 2019</strong></td>
<td>4 642</td>
<td>289</td>
<td>2 059</td>
<td>6 990</td>
<td>2 939</td>
<td>9 929</td>
</tr>
<tr>
<td>Change in accounting policy</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- adoption of IFRS 16 Leases</td>
<td>-</td>
<td>-</td>
<td>(63)</td>
<td>(63)</td>
<td>-</td>
<td>(63)</td>
</tr>
<tr>
<td><strong>Restated balance at 1 April 2019</strong></td>
<td>4 642</td>
<td>289</td>
<td>1 996</td>
<td>6 927</td>
<td>2 939</td>
<td>9 866</td>
</tr>
<tr>
<td>Total comprehensive loss</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Change in accounting policy</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- adoption of IFRS 16 Leases</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Loss for the year</strong></td>
<td>-</td>
<td>-</td>
<td>(896)</td>
<td>(896)</td>
<td>(329)</td>
<td>(1 225)</td>
</tr>
<tr>
<td>Cash flow hedges, net of tax</td>
<td>-</td>
<td>(21)</td>
<td>-</td>
<td>(21)</td>
<td>(14)</td>
<td>(35)</td>
</tr>
<tr>
<td>Currency translation adjustment</td>
<td>-</td>
<td>255</td>
<td>-</td>
<td>255</td>
<td>1</td>
<td>256</td>
</tr>
<tr>
<td>Remeasurements of post-employment defined benefit liability net of tax</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>2</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>Shareholders’ redemption provision</td>
<td>-</td>
<td>24</td>
<td>-</td>
<td>24</td>
<td>-</td>
<td>24</td>
</tr>
<tr>
<td>Share-based payments conversion</td>
<td>-</td>
<td>35</td>
<td>-</td>
<td>35</td>
<td>-</td>
<td>35</td>
</tr>
<tr>
<td>Share-based payments charge</td>
<td>-</td>
<td>17</td>
<td>-</td>
<td>17</td>
<td>-</td>
<td>17</td>
</tr>
<tr>
<td>Ordinary dividends</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(245)</td>
<td>(245)</td>
</tr>
<tr>
<td><strong>Balance at 31 March 2020</strong></td>
<td>4 642</td>
<td>599</td>
<td>1 102</td>
<td>6 343</td>
<td>2 352</td>
<td>8 695</td>
</tr>
<tr>
<td>Total comprehensive income</td>
<td>-</td>
<td>(273)</td>
<td>(897)</td>
<td>(1 170)</td>
<td>(99)</td>
<td>(1 269)</td>
</tr>
<tr>
<td>Loss for the year</td>
<td>-</td>
<td>-</td>
<td>(896)</td>
<td>(896)</td>
<td>(86)</td>
<td>(982)</td>
</tr>
<tr>
<td>Cash flow hedges, net of tax</td>
<td>-</td>
<td>(1)</td>
<td>-</td>
<td>(1)</td>
<td>(12)</td>
<td>(13)</td>
</tr>
<tr>
<td>Currency translation adjustment</td>
<td>-</td>
<td>(272)</td>
<td>-</td>
<td>(272)</td>
<td>(1)</td>
<td>(273)</td>
</tr>
<tr>
<td>Remeasurements of post-employment defined benefit liability net of tax</td>
<td>-</td>
<td>-</td>
<td>(1)</td>
<td>(1)</td>
<td>-</td>
<td>(1)</td>
</tr>
<tr>
<td>Acquisition of NCI in HPF</td>
<td>691</td>
<td>1 465</td>
<td>-</td>
<td>2 156</td>
<td>(2 156)</td>
<td>-</td>
</tr>
<tr>
<td>Share-based payments charge</td>
<td>-</td>
<td>14</td>
<td>-</td>
<td>14</td>
<td>-</td>
<td>14</td>
</tr>
<tr>
<td><strong>Balance at 31 March 2021</strong></td>
<td>5 333</td>
<td>1 805</td>
<td>205</td>
<td>7 343</td>
<td>97</td>
<td>7 440</td>
</tr>
</tbody>
</table>
## Segmental analysis

for the year ended 31 March

<table>
<thead>
<tr>
<th></th>
<th>Revenue$^1$</th>
<th>Ebitdar$^2$</th>
<th>Ebitdar margin</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2021 Rm</td>
<td>2020 Rm</td>
<td>2021 Rm</td>
</tr>
<tr>
<td>Manco</td>
<td>68</td>
<td>266</td>
<td>(27)</td>
</tr>
<tr>
<td>Rental income – HPF</td>
<td>27</td>
<td>310</td>
<td>27</td>
</tr>
<tr>
<td>Trading income – HPF$^4$</td>
<td>38</td>
<td>–</td>
<td>(24)</td>
</tr>
<tr>
<td>Internally managed$^5$</td>
<td>904</td>
<td>3 501</td>
<td>(131)</td>
</tr>
<tr>
<td>Coastal</td>
<td>429</td>
<td>1 885</td>
<td>(92)</td>
</tr>
<tr>
<td>Inland</td>
<td>334</td>
<td>1 344</td>
<td>(56)</td>
</tr>
<tr>
<td>Other</td>
<td>141</td>
<td>272</td>
<td>17</td>
</tr>
<tr>
<td>Offshore</td>
<td>135</td>
<td>569</td>
<td>(22)</td>
</tr>
<tr>
<td>Internal management fees$^3$</td>
<td>(34)</td>
<td>(183)</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1 138</strong></td>
<td><strong>4 463</strong></td>
<td><strong>(177)</strong></td>
</tr>
</tbody>
</table>

$^1$ All revenue and income from hotel operations is derived from external customers. No one customer contributes more than 10% to the group’s total revenue.

$^2$ Refer reconciliation of operating loss to Ebitdar on page 26.

$^3$ Included in Manco.

$^4$ This segment reflects the trading performance of the Westin and Radisson Blu Gautrain hotels since the acquisition of their related operating/tenant companies on 1 October 2020 and 1 November 2020, respectively. Refer to note 6 and the “Corporate actions” section.

$^5$ Trading relating to the Arabella Hotel, Golf and Spa, Mount Grace Hotel and Spa, the Hazyview Sun, The Edward and Southern Sun The Marine are included in the “Internally managed” as a consequence of these properties transferring from investment properties to owner-occupied property, plant and equipment during the year. These hotels were included in the “Rental income – HPF” segment in FY20.
Revenue from contracts with customers
for the year ended 31 March

The group derives revenue over time, with the exception of food and beverage revenue which is recognised at a point in time, together with its hotel customer reward programmes in terms of which revenue is recognised as the rewards are redeemed or they expire. The group has no contract assets. The table below presents revenue by segment which excludes other income as these are accounted for under different accounting policies, which are included in the segmental analysis on page 31. Disaggregation of revenue from contracts with customers for the period under review:

<table>
<thead>
<tr>
<th></th>
<th>Rooms revenue recognised over time</th>
<th>Food and beverage recognised at a point in time</th>
<th>Other revenue recognised over time</th>
<th>Revenue from external customers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2021 Rm</td>
<td>2020 Rm</td>
<td>2021 Rm</td>
<td>2020 Rm</td>
</tr>
<tr>
<td>Internally managed</td>
<td>508</td>
<td>2 429</td>
<td>234</td>
<td>901</td>
</tr>
<tr>
<td>Coastal</td>
<td>302</td>
<td>1 337</td>
<td>122</td>
<td>478</td>
</tr>
<tr>
<td>Inland</td>
<td>146</td>
<td>903</td>
<td>84</td>
<td>372</td>
</tr>
<tr>
<td>Other income</td>
<td>60</td>
<td>189</td>
<td>28</td>
<td>51</td>
</tr>
<tr>
<td>Manco</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Offshore</td>
<td>85</td>
<td>362</td>
<td>35</td>
<td>162</td>
</tr>
<tr>
<td></td>
<td>593</td>
<td>2 791</td>
<td>269</td>
<td>1 063</td>
</tr>
</tbody>
</table>

Reconciliation to segmental analysis on page 31:
Revenue from contracts with customers per above 1 111 4 144
Property rental income 52 331
Reallocation of rates and taxes and costs recovered from HPF (25) (12)
Total income per segmental analysis 1 138 4 463