2024

Consolidated Annual Financial Statements
for the year ended 31 March 2024

TSOGO SUN
CASINOS . HOTELS

ENTERTAIN. IT'S WHAT WE DO.

Contents

CONSOLIDATED FINANCIAL STATEMENTS

02 Statement of responsibility by the board of directors
02 Directors' approval of the consolidated financial statements
03 Chief Executive Officer and Chief Financial Officer's responsibility statement
03 Declaration by the Company Secretary
04 Report of the audit and risk committee
05 Directors' report
07 Independent auditor's report to the shareholders
11 Consolidated statement of profit or loss
12 Consolidated statement of comprehensive income
13 Consolidated statement of financial position
14 Consolidated statement of changes in equity
15 Consolidated statement of cash flows
16 Notes to the consolidated financial statements
81 Analysis of shareholding
IBC Glossary

Statement of responsibility by the board of directors

for the year ended 31 March 2024

The company's directors are required by the Companies Act of South Africa, 71 of 2008, as amended, to maintain adequate accounting records and to prepare financial statements for each financial year that fairly present the state of affairs of the group at the end of the financial year and of the results of operations and cash flows for the year. In preparing the accompanying consolidated financial statements, the Johannesburg Stock Exchange ("JSE") Listings Requirements, together with IFRS Accounting Standards ("IFRS") have been followed, suitable accounting policies have been used, applied consistently, and reasonable and prudent judgements and estimates have been made. Any changes to accounting policies are approved by the board of directors and the effects thereof are fully explained in the consolidated financial statements. The consolidated financial statements incorporate full and responsible disclosure.

The board of directors recognises and acknowledges its responsibility for the group's systems of internal financial control. The group's policy on business conduct, which covers ethical behaviour, compliance with legislation and sound accounting practice, underpins its internal financial control process. The control systems include written accounting and control policies and procedures, clearly defined lines of accountability and delegation of authority, comprehensive financial reporting and analysis against approved budgets. The responsibility for operating these systems is delegated by the directors who confirm that they have reviewed the effectiveness thereof. The directors consider that the systems are appropriately designed to provide reasonable, but not absolute, assurance that assets are safeguarded against material loss or unauthorised use and that transactions are properly authorised and recorded. The directors are also responsible for the controls over, and the security of the company's website and, where applicable, for establishing and controlling the process for electronically distributing annual reports and other financial information to the company's shareholders and to the Companies and Intellectual Property Commission.

The directors considered the going concern status of the group taking into account the current financial position and their best estimate of the cash flow forecasts. The cash flow and liquidity projections for the group have been prepared for a period exceeding 12 months from the reporting date and included performing sensitivity analyses. On the basis of this review, and in light of the current financial position and existing borrowing facilities, the directors consider the going concern method to be appropriate for the presentation of the financial statements. Refer to note 3(a) *Critical accounting estimates and judgements – Going concern* in the notes to the consolidated financial statements.

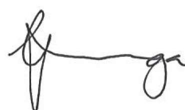
The group's independent auditor, Deloitte & Touche, has audited the consolidated financial statements and the auditor's unmodified report appears on pages 07 to 10. Deloitte & Touche was given unrestricted access to all financial records and related data, including minutes of all meetings of shareholders, the board of directors and committees of the board. The directors believe that all representations made to the independent auditor during the audit are valid and appropriate.

Directors' approval of the consolidated financial statements

for the year ended 31 March 2024

The preparation of the consolidated financial statements set out on page 01 to page 81 has been supervised by the Chief Financial Officer, G Lunga CA(SA). These consolidated financial statements were approved by the board of directors on 31 July 2024 and are signed on its behalf by:

CG du Toit
Chief Executive Officer



G Lunga
Chief Financial Officer

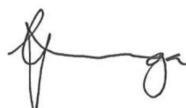
Chief Executive Officer and Chief Financial Officer's responsibility statement

for the year ended 31 March 2024

Each of the directors, whose names are stated below, hereby confirm that:
the annual financial statements, set out on pages 01 to 81, fairly present in all material respects the financial position, financial performance and cash flows of Tsogo Sun Limited in terms of IFRS;

- to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to Tsogo Sun Limited and its consolidated subsidiaries have been provided to effectively prepare the financial statements of Tsogo Sun Limited;
- 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 as executive directors with primary responsibility for implementation and execution of controls;
- where we are not satisfied, we have disclosed to the audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have taken steps to remedy the deficiencies; and
- we are not aware of any fraud involving directors.

CG du Toit
Chief Executive Officer



G Lunga
Chief Financial Officer

31 July 2024

Declaration by the Company Secretary

In terms of section 88(2)(e) of the Companies Act of South Africa, 71 of 2008, as amended ("the Act"), we confirm that for the year ended 31 March 2024, Tsogo Sun Limited has lodged with the Companies and Intellectual Property Commission all such returns and notices as are required of a public company in terms of the Act and that all such returns and notices are true, correct and up to date.

Tsogo Sun Casino Management Company Proprietary Limited
Company Secretary

31 July 2024

Report of the audit and risk committee

for the year ended 31 March 2024

COMMITTEE MANDATE AND TERMS OF REFERENCE

In terms of the Companies Act of South Africa, 71 of 2008, as amended ("the Act"), the committee reports that it has adopted formal terms of reference, and that it has discharged all of its responsibilities for the year in compliance with the terms of reference.

STATUTORY DUTIES

The committee is satisfied that in respect of the financial year it has performed all the functions required by law to be performed by an audit and risk committee, including as set out in section 94 of the Act and in terms of the committee's terms of reference and as set out in the corporate governance report. In this connection, and with specific regard to the preparation of the annual financial statements, the committee has:

- Evaluated the independence and effectiveness of the external auditor, Deloitte & Touche, and is satisfied that the external auditor was independent of the group having given due consideration to the parameters enumerated under section 92 of the Act. The committee evaluated and is satisfied that the audit firm and the individual auditor was suitable for appointment as contemplated in terms of paragraph 3.84(g)(ii) of the JSE Listings Requirements. Ms C Emslie was the individual registered auditor and member of the aforementioned firm who undertook the audit. Deloitte & Touche has been the auditor of the group for one year, this being the first year;
- Ensured and satisfied itself that the appointments of the external auditor, the designated auditor and IFRS adviser are in compliance with the Act, the Auditing Profession Act, 2005 and the JSE Listings Requirements;
- Reviewed the scope of the external audit, the effectiveness of the audit process, risk areas of operations covered in the scope, planned levels of materiality, resourcing and the terms of the external auditor's engagement letter;
- Monitored and assessed the limited non-audit services provided by the external auditor and the service fees charged for the provision thereof, ensuring that the independence of the external auditor was not compromised;
- Reviewed the information provided by the audit firm and individual auditor in their assessment of the suitability of the reappointment of the auditor;
- Reviewed and assessed the group's internal control policies and procedures in place for the identification, assessment and reporting of risks, as well as the group's process of risk management;
- Evaluated that the group has established appropriate financial reporting procedures and that these are operating;
- Reviewed and approved the group accounting policies;
- Considered all significant transactions and accounting matters that occurred during the year and satisfied itself that the accounting treatments were in terms of IFRS;
- Considered the impact of auditing, regulatory and accounting developments during the year, particularly the implications of new, revised or amended accounting pronouncements as issued by the International Accounting Standards Board ("IASB") which were effective for the group from 1 April 2023;
- Evaluated and is satisfied with the implementation of the combined assurance framework and plan;
- Considered and evaluated the group's assessment of the Chief Executive Officer and Chief Financial Officer's responsibility statement as required by the JSE Listings Requirements;
- The audit and risk committee reviewed compliance within debt covenants;
- Reviewed the scope of the internal audit being performed, and evaluated the effectiveness, as well as the fees and terms of engagement, of the outsourced internal audit function;
- Considered the reappointment of the outsourced internal audit service provider and is satisfied with their independence and ability to effectively complete the internal audit plan; and
- Reviewed the written assessment of internal audit on the design, implementation and effectiveness of the internal financial controls, in addition to the findings noted by the external auditor during the course of the annual audit in support of the annual audit opinion. Based on these results, the committee is of the opinion that the internal financial controls provide reasonable assurance that financial records may be relied upon for the preparation of reliable consolidated financial statements.

COMPETENCE OF THE CHIEF FINANCIAL OFFICER

The committee has also considered and satisfied itself of the appropriateness of the expertise and experience of the Chief Financial Officer, Mr G Lunga, and the finance function.

RECOMMENDATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The committee has evaluated the consolidated financial statements of Tsogo Sun Limited for the year ended 31 March 2024 and based on the information provided to the committee, the committee recommends the adoption of the consolidated financial statements by the board of directors.

F Mall
Chairperson: Audit and risk committee

31 July 2024

Directors' report

for the year ended 31 March 2024

1 NATURE OF BUSINESS

The company is a South African incorporated public company listed on the JSE. It is an investment holding company, engaged principally in the gaming, entertainment and hospitality industry operating in South Africa, with registration number 1989/002108/06. There have been no material changes in the nature of the company's business from the prior year.

2 STATE OF AFFAIRS AND PROFIT FOR THE YEAR

The financial results of the group for the year are set out in the consolidated financial statements and accompanying notes thereto. The group profit after tax for the year under review from operations amounted to R1 545 million (2023: R1 768 million). The directors have noted their consideration to the going concern status of the group, taking into account the current financial position and their best estimate of the cash flow forecasts in the directors' approval to the accompanying consolidated financial statements for the year ended 31 March 2024. Refer also to note 3(a) *Critical accounting estimates and judgements – Going concern* in the consolidated financial statements. Separate company financial statements have been prepared and are publicly available on the company's website, www.tsogosun.com, and at the registered office of the company.

3 SOLVENCY AND LIQUIDITY TEST

The payment of future dividends will depend on the directors' ongoing assessment of the group's earnings, financial position, cash needs, future earnings prospects and other future factors.

Before declaring dividends, the directors apply the solvency and liquidity test and assess whether the company would satisfy the solvency and liquidity test immediately after payment of said dividend.

4 DIVIDENDS

Subsequent to year end, on 23 May 2024, the board of directors declared a final gross cash dividend from distributable reserves in respect of the year ended 31 March 2024 of 40 cents per share. The dividend was declared in South African currency and was paid to shareholders on 29 July 2024. An interim dividend of 30 cents per share was paid on 18 December 2023 in respect of the 31 March 2024 year end.

5 DIRECTORATE

The directorate during the year under review was as follows:

Executive

CG du Toit (Chief Executive Officer)
G Lunga (Chief Financial Officer)

Non-executive

JA Copelyn[(1)] (Chairperson)
Y Shaik[(1) (3)]

Independent non-executive

BA Mabuza[(1) (2) (3)] (Lead independent)
MJA Golding
F Mall[(2)]
VE Mphande[(1) (3)]
RD Watson[(1) (2) (3)]

[(1)] *HR and remuneration committee*
[(2)] *Audit and risk committee*
[(3)] *Social and ethics committee*

6 DIRECTORS' EMOLUMENTS

Refer to note 44.3 in the consolidated financial statements for details of the directors' emoluments.

7 COMPANY SECRETARY

The Company Secretary is Tsogo Sun Casino Management Company Proprietary Limited, the business and postal addresses are as follows:

Business address	**Postal address**
Palazzo Towers East	Private Bag X190
Montecasino Boulevard, Fourways, 2191	Bryanston, 2021

The board of directors has considered the competence, qualifications and experience of the employees of the Company Secretary, Tsogo Sun Casino Management Company Proprietary Limited, who perform the company secretarial services on its behalf, and are satisfied that such employees are suitably competent, qualified, experienced and independent, and have adequately and effectively performed the roles and duties of a company secretary. None of the employees of the Company Secretary are directors of the company.

8 CONTROLLING SHAREHOLDER AND SHAREHOLDER ANALYSIS

The company's ultimate controlling shareholder is Hosken Consolidated Investments Limited (a company listed on the JSE) which, at the reporting date, directly and indirectly owned 50.1% (2023: 49.7%) of the company's issued share capital (excluding treasury shares). Refer to note 44 *Related parties* and the shareholder analysis in the consolidated financial statements for further details.

9 SHARE CAPITAL

During the year under review, the company embarked on a share buy-back programme, repurchased shares in accordance with an odd-lot offer and acquired shares held in the group's share scheme trust. All shares were cancelled. Refer to note 31 *Share capital and premium* in the consolidated financial statements for further details.

The directors of the company have, as a general authority until the forthcoming annual general meeting ("AGM"), been authorised to allot and issue the authorised but unissued ordinary shares as they in their discretion deem fit (subject to the company's Memorandum of Incorporation ("MoI"), the Companies Act and the JSE Listings Requirements). This authority does not extend to the issue of shares for cash (whether by way of a general issue of shares for cash or a specific issue for cash) where the JSE Listings Requirements or the Companies Act require an additional approval to be granted. The board of directors has also been given a general authority to acquire ordinary shares issued by the company subject to the MoI, Companies Act and JSE Listings Requirements which is valid until the company's next AGM, or 15 months from the date of the passing of this special resolution, whichever period is the shorter. The board of directors has been authorised to determine the preferential rights attaching to the future issue of preference shares (subject to the approval of the JSE).

10 ASSOCIATES AND SUBSIDIARIES

Refer to note 24 in the consolidated financial statements for details of investments in associates, note 52 for details of subsidiary companies with material non-controlling interests and note 53 for details of subsidiaries.

11 EVENTS AFTER THE REPORTING DATE

Refer to note 51 in the consolidated financial statements for events occurring after the reporting date. The directors are not aware of any other matter or circumstance arising since the end of the financial year and up to the date of these consolidated financial statements, not otherwise dealt with within the financial statements, that would affect the operations or results of the group significantly.

12 APPOINTMENT OF DEBT OFFICER

In terms of the JSE Debt Listings Requirements, Egbert Loubser, the Group Risk Manager, was appointed as the company's debt officer with effect from 1 November 2020. The board of directors has considered, and is satisfied with, the competence, qualifications and experience of the debt officer.

Independent auditor's report

To the shareholders of Tsogo Sun Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Tsogo Sun Limited and its subsidiaries (the Group) set out on pages 11 to 80, which comprise the consolidated statement of financial position as at 31 March 2024, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policy information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Tsogo Sun Limited and its subsidiaries as at 31 March 2024, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

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 Financial Statements section of our report. 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' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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. These matters were addressed in the context of our audit of the consolidated 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 the matter was addressed in the audit*
Impairment assessment of goodwill, intangible assets and property plant and equipment The Group has goodwill with a carrying value of R1.4 billion as at 31 March 2024 (2023: R1.5 billion), which arose from business combinations undertaken in prior years. Due to the nature of the gaming business, the Group has also recognised intangible assets with indefinite useful lives relating to casino licences, bid costs and other intellectual properties with a carrying value of R3 billion as at 31 March 2024 (2023: R3.3 billion). The Group has property, plant, and equipment with a carrying amount of R8.3 billion as at 31 March 2024 (2023: R8.3 billion). As disclosed in Note 13 and 14 to the consolidated financial statements, the carrying values of goodwill, intangible assets with indefinite useful lives and property, plant and equipment had an impairment charge of R310 million (2023: impairment charge of R83 million and impairment reversal of R198 million relating to Gold Reef City precinct). In the current year, the impairment charge of R310 million relates to the impairment of goodwill of Golden Horse of R43 million (2023: Rnil), impairment charge of Silverstar's intangible assets of R90 million (2023: Rnil), impairment charge of Golden Horse intangible assets of R150 million (2023: Rnil) and impairment charge of Hemingways' property, plant and equipment and intangible assets of R27 million (2023: R48 million).	In evaluating the impairment of goodwill, we reviewed the VIU calculations prepared by management, with a particular focus on the growth rate and discount rate. We performed various procedures, including the following: • Assessing the design and implementation of controls relating to the preparation of the cash flow forecasts. • Assessing the inputs into the cash flow forecast against historical performance and in comparison, to the managements' strategic plans in respect of each cash generating unit. • Comparing the growth rates used to historical data regarding economic growth rates for the regions applicable to the cash generating units. • Involving a specialist to assist with the testing of the discount rate, review of the compilation and underlying assumptions of the free cash flows used in the VIU model and assessment of the appropriateness of the terminal value determination and the terminal growth rate applied. • Recomputation of the value in use of each cash generating unit. • Performing sensitivity analyses on the growth rates and discount rates to evaluate the extent of impact on the value in use and the appropriateness of the managements' disclosures.

Key Audit Matter	***How the matter was addressed in the audit***
International Accounting Standards (IAS) 36 – Impairment of Assets requires management to conduct an annual impairment test, or more frequently if there is an indication of impairment, to assess the recoverability of the carrying value of goodwill and the indefinite life intangible assets. As a result of slow growth in the South African economy, elevated levels of unemployment, ongoing load shedding, high fuel and food prices, increased interest rates and online betting on casino styled games growing to significant levels, income remained under pressure for the year under review reflecting the impact on consumer spending. These factors had a negative impact on the recoverable amounts of the Cash Generating Units (CGUs) being the individual casino precincts. The recoverable amounts of each CGU that goodwill and intangible assets with indefinite useful lives have been allocated to, have been determined based on the higher of the value in use (VIU) and fair value less costs to sell. Management applied a risk-adjusted discount rate to determine the discounted cash flow analysis for each of the individual CGUs. Significant judgement and estimation were applied by management in determining the recoverable amount for the respective CGUs to determine whether any impairment charge or impairment reversal was required. The key assumptions and unobservable inputs applied in the valuation models for the CGUs are disclosed in notes 22 and 23 to the consolidated financial statements. The impairment assessment of goodwill, intangible assets and property, plant and equipment was considered to be a matter of most significance to the current year audit due to the following: • The significant judgement and estimation applied by management in their assumptions; and • The magnitude of the impairment charge recognised in the current year as well as the magnitude of the carrying values of goodwill and intangible assets and property, plant, and equipment in relation to the consolidated financial statements. Further details relating to the above are disclosed in the following notes to the consolidated financial statements: • Note 1: Summary of significant accounting policies, (d) Basis of consolidation and business combinations, (d(iv)) Goodwill; (h) Intangible assets, (h(i)) Licences and bid costs; and (o) Impairment and impairment reversals of non-financial assets. • Note 3: Critical accounting estimates and judgements (b), Estimated impairment of goodwill and indefinite-lived intangible assets and impairment reversals of indefinite-lived intangible assets. • Note 13: Impairment of non-current assets. • Note 14: Impairment reversal of non-current assets (applicable to prior year). • Note 22: Goodwill; and • Note 23: Other intangible assets.	The discount rates used in the calculation of the value in use were found to be appropriate. With the assistance of our internal valuation specialists, we tested the reasonableness of the terminal growth rates by comparing it to the long-term growth rates obtained from independent sources as well as the actual forecast growth rate applied in the explicit forecast period. All the CGUs except for Silverstar, Golden Horse and Hemingways had headroom. Management's impairment outcomes for Silverstar, Golden Horse and Hemingways fell within our independently recalculated range. We considered the goodwill impairment disclosures to be appropriate.

Key Audit Matter	*How the matter was addressed in the audit*
Valuation of the Investments in SunWest International Proprietary Limited ("SunWest") and Worcester Casino Proprietary Limited ("Worcester") The investments in SunWest and Worcester are recognised as equity instruments measured at fair value through other comprehensive income in accordance with IFRS 9 'Financial Instruments'. The investments have been classified as level 3 fair value measurements in accordance with the fair value measurement hierarchy as per IFRS 13 'Fair Value Measurement', using unobservable inputs, and have been re-measured at each reporting date with the fair value movements recognised in other comprehensive income. The fair value of these investments amounted to R724 million at 31 March 2024 (2023: R959 million) and the directors recognised a fair value loss of R235 million in other comprehensive income during the year under review (2023: Fair value gain of R145 million). The directors used a discounted cash flow valuation model to estimate the fair values of these investments. The expected cash flows have been discounted using a risk-adjusted post-tax discount rate. The significant unobservable inputs used in determining the fair value of these investments are disclosed in Note 25 to the consolidated financial statements. The valuation of the Group's investments in SunWest and Worcester was considered to be a matter of significance to the current year audit due to the following: • The significant judgement and estimation applied by the directors in determining the fair values; and • The magnitude of the investments in relation to the financial statements for the year ended 31 March 2024. Further details relating to the above are disclosed in the following notes to the consolidated financial statements: • Note 25: Financial assets at fair value through other comprehensive income; and • Note 3: Critical accounting estimates and judgements (c), Estimated fair value of financial instruments that are not traded in an active market.	In evaluating the valuation of investments in SunWest and Worcester, we performed various procedures, including the following: • Assessing the design and implementation of controls relating to the preparation of the cash flow forecasts. • Assessing the reasonableness of management's ability to forecast results by comparing the historical actual published results for SunWest and Worcester to the figures included in the prior period's forecasts. • With the assistance of our internal valuation specialists, we independently assessed the discount. • We independently performed the discounted cash flow calculation using our internally calculated discount rate. • We held discussions with finance management to understand the basis for the assumptions used in respect of cash flows used in their discounted cash flow analysis and assessed the assumptions for reasonability as well as corroborated this against historic performance. • With the assistance of our internal valuation specialists, we tested the reasonableness of the terminal growth rates by comparing it to the long-term growth rates obtained from independent sources. Our independent assessment of the fair values of investments in SunWest and Worcester as of 31 March 2024 found that the directors' determined fair values fell within our recalculated range. We considered the investments in SunWest and Worcester disclosures to be appropriate.

Other Matter

The consolidated financial statements of the Group for the year ended 31 March 2023 were audited by another auditor who expressed an unmodified opinion on those statements on 31 July 2023.

Other Information

The directors are responsible for the other information. The other information comprises the information included [in the document titled "Tsogo Sun Limited Consolidated Annual Financial Statements for the year ended 31 March 2024" and in the document titled "Tsogo Sun Limited Company Annual Financial Statements for the year ended 31 March 2024", and the document titled "Tsogo Sun Integrated Annual Report 2024"which includes the Directors' Report, the Report of the Audit and Risk Committee and the Company Secretary's Certificate as required by the Companies Act of South Africa, which we obtained prior to the date of this report. The other information does not include the consolidated financial statements and our auditor's reports thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group'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 or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 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 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 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 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated 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 Deloitte & Touche has been the auditor of Tsogo Sun Limited for 1 year.

Deloitte & Touche
Registered Auditor
Per: Cathryn Emslie
Partner

31 July 2024

5 Magwa Crescent
Waterfall City
Midrand South Africa

Consolidated statement of profit or loss

for the year ended 31 March

	Notes	2024 Rm	2023 Rm
Net gaming win	1(u)	**9 673**	9 627
Food and beverage revenue	7	**648**	589
Rooms revenue	7	**523**	501
Other revenue	7	**411**	359
Other income	8	**248**	242
Income		**11 503**	11 318
Gaming levies and Value Added Tax	9	**(2 126)**	(2 115)
Employee costs	10	**(1 863)**	(1 836)
Other operating expenses	11	**(3 606)**	(3 318)
Cancellation of hotel management contracts		**–**	(399)
Amortisation and depreciation	12	**(712)**	(756)
Impairment of non-current assets	13	**(310)**	(83)
Impairment reversal of non-current assets	14	**–**	198
Fair value adjustment of investment properties	21	**(5)**	(17)
Operating profit		**2 881**	2 992
Finance income	15	**44**	60
Finance costs	16	**(749)**	(666)
Share of profit of associates	24	**9**	9
Profit before income tax		**2 185**	2 395
Income tax expense	17	**(640)**	(627)
Profit for the year		**1 545**	1 768
Profit attributable to:			
Equity holders of the company		**1 530**	1 744
Non-controlling interests		**15**	24
		1 545	1 768
Basic and diluted earnings attributable to the ordinary equity holders of the company per share (cents)	4	**147**	167

The accounting policies and notes on page 16 to page 80 form an integral part of these consolidated financial statements.

Consolidated statement of comprehensive income

for the year ended 31 March

	Notes	2024 Rm	2023 Rm
Profit for the year		**1 545**	1 768
Other comprehensive income for the year, net of tax			
Items that may be reclassified subsequently to profit or loss:		**(56)**	28
Cash flow hedges fair value adjustment		**(79)**	39
Deferred tax relating to items that may subsequently be reclassified to profit or loss		**23**	(11)
Items that may not be reclassified subsequently to profit or loss:		**(225)**	120
Equity instruments at fair value through OCI fair value adjustment	25	**(242)**	120
Revaluation of owner-occupied property reclassified to investment property	21	**22**	–
Deferred tax relating to items that may not subsequently be reclassified to profit or loss	17	**(5)**	–
Total comprehensive income for the year		**1 264**	1 916
Total comprehensive income attributable to:			
Equity holders of the company		**1 249**	1 892
Non-controlling interests		**15**	24
		1 264	1 916

The accounting policies and notes on page 16 to page 80 form an integral part of these consolidated financial statements.

Consolidated statement of financial position

as at 31 March

	Notes	2024 Rm	2023 Rm
ASSETS			
Non-current assets			
Property, plant and equipment	19	**8 294**	8 263
Right-of-use assets	20	**179**	195
Investment properties	21	**476**	377
Goodwill	22	**1 418**	1 461
Other intangible assets	23	**3 099**	3 337
Investments in associates	24	**35**	26
Financial assets at fair value through OCI	25	**1 011**	1 072
Non-current receivables	26	**29**	34
Derivative financial instruments	35	**–**	35
Deferred income tax assets	27	**53**	69
		14 594	14 869
Current assets			
Inventories	28	**70**	72
Trade and other receivables	29	**444**	395
Derivative financial instruments	35	**11**	–
Current income tax assets		**19**	54
Cash and cash equivalents	30	**635**	600
		1 179	1 121
Total assets		**15 773**	15 990
EQUITY			
Capital and reserves attributable to equity holders of the company			
Ordinary share capital and premium	31	**6 397**	6 485
Other reserves	32	**(4 361)**	(4 050)
Retained income		**2 723**	2 080
Total shareholders' equity		**4 759**	4 515
Non-controlling interests		**111**	90
Total equity		**4 870**	4 605
LIABILITIES			
Non-current liabilities			
Interest-bearing borrowings	33	**7 946**	8 380
Lease liabilities	34	**230**	267
Deferred income tax liabilities	27	**1 403**	1 391
Long-term incentive liabilities	36	**23**	40
Provisions	37	**–**	13
		9 602	10 091
Current liabilities			
Interest-bearing borrowings	33	**207**	114
Lease liabilities	34	**44**	38
Trade and other payables	38	**865**	885
Long-term incentive liabilities	36	**92**	139
Provisions	37	**88**	104
Current income tax liabilities		**5**	14
		1 301	1 294
Total liabilities		**10 903**	11 385
Total equity and liabilities		**15 773**	15 990

The accounting policies and notes on page 16 to page 80 form an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

for the year ended 31 March

	Notes	Attributable to equity holders of the company					
		Ordinary share capital and premium Rm	Other reserves[1] Rm	Retained income Rm	Total Rm	Non-controlling interests Rm	Total equity Rm
Balance at 1 April 2022		6 487	(4 185)	850	3 152	120	3 272
Total comprehensive income		–	148	1 744	1 892	24	1 916
Profit for the year		–	–	1 744	1 744	24	1 768
Cash flow hedges, net of tax		–	28	–	28	–	28
Equity instruments at FVOCI		–	120	–	120	–	120
Changes in share capital and share premium		(2)	–	–	(2)	–	(2)
Share-based payment charge on business acquisition		–	10	–	10	–	10
Acquisition of non-controlling interests		–	(23)	–	(23)	(3)	(26)
Ordinary dividends declared		–	–	(514)	(514)	(51)	(565)
Balance at 31 March 2023		6 485	(4 050)	2 080	4 515	90	4 605
Total comprehensive income		**–**	**(281)**	**1 530**	**1 249**	**15**	**1 264**
Profit for the year		**–**	**–**	**1 530**	**1 530**	**15**	**1 545**
Cash flow hedges, net of tax		**–**	**(56)**	**–**	**(56)**	**–**	**(56)**
Equity instruments at FVOCI	25	**–**	**(242)**	**–**	**(242)**	**–**	**(242)**
Revaluation of owner-occupied property reclassified to investment property	21	**–**	**17**	**–**	**17**	**–**	**17**
Changes in share capital and share premium	31	**(88)**	**–**	**–**	**(88)**	**–**	**(88)**
Acquisition of non-controlling interests	39	**–**	**(30)**	**–**	**(30)**	**8**	**(22)**
Extinguishment of loans from non-controlling interests	33	**–**	**–**	**21**	**21**	**17**	**38**
Ordinary dividends declared	18	**–**	**–**	**(908)**	**(908)**	**(19)**	**(927)**
Balance at 31 March 2024		**6 397**	**(4 361)**	**2 723**	**4 759**	**111**	**4 870**

[1] *Refer to note 32 for details of other reserves*

The accounting policies and notes on page 16 to page 80 form an integral part of these consolidated financial statements.

Consolidated statement of cash flows

for the year ended 31 March

	Notes	2024 Rm	2023 Rm
Cash flows from operating activities			
Cash generated from operations	40	**3 670**	3 600
Finance income received		**37**	51
Finance costs paid		**(791)**	(732)
Income tax paid	41	**(571)**	(498)
Dividends received		**63**	84
Dividends paid to ordinary shareholders	42	**(908)**	(514)
Dividends paid to non-controlling interests		**(19)**	(45)
Net cash generated from operating activities		**1 481**	1 946
Cash flows from investment activities			
Purchase of property, plant and equipment		**(765)**	(542)
Proceeds from disposals of property, plant and equipment		**3**	146
Proceeds from disposal of assets classified as held for sale		**–**	14
Proceeds from insurance claims for capital assets		**6**	5
Purchase of intangible assets		**(19)**	(7)
Additions to investment properties		**(28)**	(20)
Acquisition of financial assets at FVOCI	25	**(181)**	(138)
Acquisition of business, net of cash acquired		**–**	(320)
Net cash utilised for investment activities		**(984)**	(862)
Cash flows from financing activities			
Borrowings raised	43.1	**2 321**	3 136
Borrowings repaid	43.1	**(2 626)**	(4 386)
Principal elements of lease payments	43.2	**(43)**	(39)
Shares repurchased		**(88)**	–
Acquisition from non-controlling interests	39	**(22)**	(26)
Decrease in amounts due by share scheme participants		**2**	1
Net cash utilised for financing activities		**(456)**	(1 314)
Net increase/(decrease) in cash and cash equivalents		**41**	(230)
Cash and cash equivalents at beginning of the year, net of bank overdrafts		**550**	780
Cash and cash equivalents at end of the year, net of bank overdrafts	30	**591**	550

The accounting policies and notes on page 16 to page 80 form an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

1 SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material accounting policies adopted in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented unless otherwise stated.

(a) Basis of preparation

The consolidated financial statements have been prepared in accordance with IFRS as issued by the IASB and Interpretations as issued by the IFRS Interpretations Committee, and comply with the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements and the requirements of the South African Companies Act of South Africa, 71 of 2008, as amended ("the Act"). They have been prepared under the historical cost convention, as modified by the revaluation to fair value of certain financial instruments and investment property as described in the accounting policies below.

(b) Amended material standards adopted by the group

The group adopted the amendments to IAS 1 *Presentation of Financial Statements* and IFRS Practice Statement 2 *Making Materiality Judgements* – Disclosure of accounting policies from 1 April 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of "material", rather than "significant", accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need in order to understand other information contained in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in note 1 *Summary of material accounting policies* (2023: *Summary of significant accounting policies*) in certain instances in line with the amendments.

(c) Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM").

The group's Chief Executive Officer assesses the performance of the operating segments based on adjusted EBITDA defined in note 6 *Segmental analysis*. There has been no change in the basis of measurement of segment profit or loss from the last consolidated financial statements, other than as described in note 6.

(d) Basis of consolidation and business combinations

The consolidated financial statements include the financial information of subsidiary and associate entities owned by the group.

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are included in the financial statements from the date control commences until the date control ceases. Control exists where the group has the ability to direct or dominate decision-making in an entity, regardless of whether this power is actually exercised.

The group applies the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Goodwill arising on consolidation represents the excess of the costs of acquisition over the group's interest in the fair value of the identifiable assets (including intangibles), liabilities and contingent liabilities of the acquired entity at the date of acquisition. Where the fair value of the group's share of separable net assets acquired exceeds the fair value of the consideration, the difference is recognised immediately in profit or loss.

Intergroup balances, and any unrealised gains and losses or income and expenses arising from intergroup transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1 SUMMARY OF MATERIAL ACCOUNTING POLICIES *continued*

(d) Basis of consolidation and business combinations *continued*

(ii) Transactions with non-controlling interests

The group treats transactions with non-controlling interests as transactions with equity owners of the group. For acquisitions from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests and direct costs incurred in respect of transactions with non-controlling interests are also recorded in equity.

(iii) Associates

Associates are entities over which the group has directly or indirectly significant influence but not control, generally accompanying a shareholding of 20% to 50%, where significant influence is the ability to influence the financial and operating policies of the entity. Investments in associates are accounted for using the equity method of accounting.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

The net investment in an associate is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated.

(iv) Goodwill

Goodwill is stated at cost less impairment losses and is reviewed for impairment on an annual basis and whenever there is an indication that the goodwill may be impaired. Any impairment identified is recognised immediately in profit or loss and is not subsequently reversed. Goodwill is allocated to cash-generating units ("CGUs") for the purpose of impairment testing. Each of those CGUs is identified in accordance with the basis on which the businesses are managed from both a business type and geographical basis.

(v) Common control acquisitions

A business combination involving entities or businesses under common control is a business combination 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 that control is not transitory.

A transaction deemed to be a transaction under common control consequently falls outside the scope of IFRS 3 *Business Combinations*. The group's accounting policy is to apply predecessor accounting to common control transactions. Common control accounting is applied and, under the predecessor accounting method, assets and liabilities acquired, including goodwill acquired, are recognised at the predecessor values with the difference between the acquisition value and the aggregate purchase consideration recognised as a separate reserve in equity, a "common control" reserve.

(e) Property, plant and equipment

Property, plant and equipment is stated at cost net of accumulated depreciation and any impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in the asset's carrying value or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the specific asset will flow to the group and the cost can be measured reliably. Repairs and maintenance costs are charged to profit or loss during the financial period in which they are incurred.

Assets' residual values and useful lives are reviewed by management and adjusted, if appropriate, at each reporting date and triennially independent valuations of land and buildings are completed by external valuators. Land and buildings comprise mainly casinos and hotels.

(i) Assets in the course of construction

Assets in the course of construction are carried at cost less any impairment loss. Cost includes professional fees. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

1 SUMMARY OF MATERIAL ACCOUNTING POLICIES *continued*

(e) Property, plant and equipment *continued*

(ii) Depreciation

No depreciation is provided on freehold land or assets in the course of construction. In respect of all other property, plant and equipment, depreciation is provided on a straight-line basis at rates calculated to write off the cost less the estimated residual value, of each asset over its expected useful life as follows:

Freehold properties	20 – 50 years
Leasehold building improvements	Shorter of the lease term or 50 years
Casino equipment	4 – 10 years*
Computer equipment and software	2 – 10 years*
Furniture, fittings and other equipment	3 – 15 years*
Vehicles	5 years*
Theme Park rides	6 – 26 years*
Operating equipment	2 – 3 years

* *These categories have been grouped together under "Plant and equipment" in note 19* Property, plant and equipment

Operating equipment that meets the definition of property, plant and equipment (which includes gaming chips, kitchen utensils, crockery, cutlery, linen and uniforms) is recognised as an expense based on usage. The period of usage depends on the nature of the operating equipment and varies between two and three years.

(iii) Profit or loss on disposal

The profit or loss on the disposal of an asset is the difference between the disposal proceeds and the net carrying amount of the asset.

(f) Leases

(i) The group is a lessee

The group recognises right-of-use assets and corresponding lease liabilities in the statement of financial position for leases at the date at which the leased asset is available for use by the group. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Assets and liabilities arising from leases are initially measured on a present value basis.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of the lease liability. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Lease liabilities are subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the group uses its respective incremental borrowing rates. Lease liabilities include the net present value of fixed payments (including in-substance fixed payments).

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Contracts may contain both lease and non-lease components. The group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases for which the group is a lessee, non-lease components, such as cleaning and maintenance services, are accounted for separately by applying other applicable standards.

The group has no residual value guarantees.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise mainly small items of office equipment and furniture.

Lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

(ii) The group is a lessor

Assets leased to third parties under operating leases are included in property, plant and equipment and investment property in the statement of financial position.

1 SUMMARY OF MATERIAL ACCOUNTING POLICIES *continued*

(g) Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and where companies in the group occupy no or an insignificant portion, is classified as investment property. Investment property also includes property that is being constructed or developed for future use. The nature of these properties is mostly commercial.

Investment property is stated at fair value. Gains or losses arising on changes in the fair value are recognised immediately in profit or loss.

Properties are initially recognised at cost on acquisition, which comprises the purchase price and includes expenditure that is directly attributable to the acquisition of the property. Subsequent costs are included in the property's carrying value or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the specific asset will flow to the group and the cost can be measured reliably. Repairs and maintenance costs are charged to profit or loss during the financial period in which they are incurred.

Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

If an investment property becomes owner occupied, it is reclassified as property, plant and equipment. Its carrying value at the date of reclassification becomes its cost for subsequent accounting purposes.

If an owner-occupied property becomes an investment property, it is reclassified as investment property. Its fair value at the date of reclassification becomes its cost for subsequent accounting purposes. The property is revalued through other comprehensive income to fair value before being transferred.

(h) Intangible assets

Intangible assets are stated at cost less accumulated amortisation which is determined on a straight-line basis (if applicable) and impairment losses. Cost is usually determined as the amount paid by the group, unless the asset has been acquired as part of a business combination. Intangible assets acquired as part of a business combination are recognised at fair value at the acquisition date. Amortisation is included together with depreciation in the statement of profit or loss.

Intangible assets with indefinite lives are not amortised but are subject to annual reviews for impairment.

Intangible assets with finite lives are amortised over their estimated useful economic lives, and only tested for impairment where there is a triggering event. The group's assessment of the useful life of intangible assets is based on the nature of the asset acquired, the durability of the products to which the asset attaches and the expected future impact of competition on the business.

Intangible assets acquired as part of a business combination are recognised separately when they are identifiable, and it is probable that economic benefits will flow to the group.

(i) Licences and bid costs

Costs incurred during the bidding process for a casino licence are capitalised to casino licences and bid costs by the individual casino on the successful award of the casino licence as these costs are directly attributable to the award of the licence. Payments made to gaming boards for enhancements of existing casino licences, such as additional gaming positions, are capitalised by the individual casino to the underlying casino licence.

Casino licences that do not have an expiry date are not amortised as they are considered to have an indefinite life and are tested annually for impairment and whenever there is an indication that the goodwill may be impaired (refer to note 1(d)(iv)). Casino licences having an expiry date are amortised over the exclusivity period of the respective licences. Costs associated with unsuccessful casino licence applications are immediately impaired.

(ii) Computer software

Where computer software is not an integral part of a related item of property, plant and equipment, the software is capitalised as an intangible asset.

Capitalised computer software, licence and development costs are amortised over their estimated useful economic lives of two to 10 years which are reassessed on an annual basis.

(iii) Intellectual property

Intellectual property is recognised on business combinations and amortised over their estimated useful economic lives of 10 years.

1 SUMMARY OF MATERIAL ACCOUNTING POLICIES *continued*

(i) Investments and other financial assets

(i) Classification

The group classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value through other comprehensive income ("FVOCI"); and
- Those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For financial assets measured at fair value, gains and losses will be recorded in other comprehensive income. For investments in equity instruments that are not held for trading this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI. The group has no financial assets measured at fair value through profit or loss.

(ii) Recognition and derecognition

Financial assets are recognised when the group becomes a party to the contractual provisions of the respective instrument. Financial assets are derecognised when the right to receive cash flows from the asset has expired or has been transferred and the group has transferred substantially all risks and rewards of ownership.

(iii) Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of financial assets at FVOCI, transaction costs that are directly attributable to the acquisition of the financial asset.

Equity investments

The group subsequently measures all equity investments at fair value. Where the group has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends on these equity investments are recognised in profit or loss as part of other income when the group's right to receive payments is established.

Debt instruments

Debt instruments are subsequently measured at amortised cost and comprise financial assets held to collect contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss included in other operating expenses due to these gains or losses not being material.

Derivatives – cash flow hedges

The group subsequently measures its derivatives (cash flow hedges) at fair value under IFRS 9 – refer to note 1(j).

(iv) Impairment

The group assesses, on a forward-looking basis, the expected credit losses ("ECL") associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The group applies the simplified approach to measuring ECL which uses lifetime expected losses to be recognised from initial recognition of its trade receivables.

The balance of the group's financial assets measured at amortised cost comprise loan receivables and cash and cash equivalents to which the general model is applied.

1 SUMMARY OF MATERIAL ACCOUNTING POLICIES *continued*

(j) Derivative instruments and hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and the nature of the item being hedged. The group designates its derivatives as hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges).

At inception of the hedge relationship, the group documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The group documents its risk management objective and strategy for undertaking its hedge transactions.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedging instrument is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedging instrument is less than 12 months.

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instruments that do not qualify for hedge accounting are recognised immediately in profit or loss. The group does not hold or issue derivative financial instruments for speculative purposes.

Cash flow hedges that qualify for hedge accounting

IFRS 9 provides an accounting policy choice allowing entities to continue with the hedge accounting requirements of IAS 39 *Financial Instruments: Recognition and Measurement* until the macro-hedging project is finalised or they can apply IFRS 9. The group has elected to apply IFRS 9.

Cash flow hedges comprise derivative financial instruments designated in a hedging relationship to manage interest rate risk to which the cash flows of certain liabilities are exposed.

The effective portion of gains and losses on derivatives used to manage cash flow interest rate risk is recognised in other comprehensive income and accumulated in the cash flow hedge reserve. However, if the group closes out its position early, the cumulative gains and losses recognised in other comprehensive income are frozen and reclassified from the cash flow hedge reserve to profit or loss within finance costs using the effective interest method. Any ineffective portion of gains and losses on derivatives used to manage cash flow interest rate risk is recognised in profit or loss.

Cash flow hedge accounting is discontinued when a hedging instrument expires or is sold, terminated or when a hedge no longer meets the criteria for hedge accounting. At that time, for forecast transactions, any cumulative gain or loss existing in equity remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to profit or loss.

(k) Fair value measurement

Financial instruments carried at fair value, by valuation method, are defined as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – 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); or
- Level 3 – inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using 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 fair value an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(l) Offsetting financial instruments

Where a legally enforceable right exists to set off recognised amounts of financial assets and liabilities and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously, which are in determinable monetary amounts, the relevant financial assets and liabilities are offset. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the respective company or counterparty.

1 SUMMARY OF MATERIAL ACCOUNTING POLICIES *continued*

(m) Inventories

Inventories are valued at the lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less selling expenses. Operating equipment utilised within 12 months is recognised as an expense based on usage. Provision is made for slow-moving goods and obsolete materials are written off. Cost is determined on the following basis:

- Consumable stores are valued at invoice cost on a first in, first out ("FIFO") basis; and
- Food and beverage inventories and operating equipment are valued at weighted average cost.

(n) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand and deposits held at call with financial institutions which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within interest-bearing borrowings in current liabilities in the statement of financial position.

(o) Impairment and impairment reversals of non-financial assets

At each reporting date the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the CGU to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). If the recoverable amount of a CGU is estimated to be less than its carrying amount, the carrying amount of the CGU is reduced to its recoverable amount. Where there is an impairment reversal, the original impairment is reversed to the maximum amount impaired, excluding goodwill as noted in note 1(d)(iv). An impairment loss is recognised immediately in profit or loss.

(p) Share capital

Ordinary shares are classified as equity. Where any group company purchases the company's equity share capital (treasury shares), the consideration paid is deducted from equity attributable to the company's equity holders until the shares are cancelled, re-issued or disposed of. Where such shares are subsequently sold or re-issued, any consideration received is included in equity attributable to the company's equity holders. Company shares consolidated into the group as part of the executive facility (which has historically been discontinued) are accounted for as treasury shares.

(q) Borrowings and finance costs

Borrowings are recognised initially at fair value and are subsequently stated at amortised cost and include accrued interest.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished and the consideration paid is recognised in profit or loss.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Finance costs include all borrowing costs incurred on borrowing instruments together with related costs of debt facilities management. Such costs include facility commitment fees which are expensed in borrowing costs as incurred. Borrowing costs are recognised in profit or loss in the period in which they are incurred.

(r) Insurance and reinsurance contracts

Previously the group wrote third-party short-term insurance cover. Subsequently, as previously disclosed, the group no longer has any insurance risk over any third parties, hence no further disclosure has been provided in this regard.

(s) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the group prior to the end of the reporting period which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method.

1 SUMMARY OF MATERIAL ACCOUNTING POLICIES *continued*

(t) Provisions

Provisions are recognised when there is a present obligation, whether legal or constructive, as a result of a past event for which it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

(u) Income

Income comprises net gaming win, revenue from contracts with customers and other income:

(i) Net gaming win

Net gaming win comprises the net table and electronic gaming machines win derived by the gaming operations. In terms of accounting standards, betting transactions concluded under gaming operations meet the definition of derivatives and therefore income from gaming operations represents the net position arising from financial instruments. Net gaming win is measured as the net cash received from betting transactions from gaming operations. Due to the short-term nature of the betting transactions, all income is recognised in profit or loss immediately, at fair value.

In the gaming industry, where the nature of betting transactions in respect of table games makes it difficult to separate bets placed by customers and winnings paid to customers, it follows that gaming operations experience practical difficulties reflecting output tax separately from input tax. Accordingly, South African Revenue Service issued Binding General Ruling 59 ("BGR 59"), in accordance with the revised section 72 of the Value Added Tax ("VAT") Act decision process. BGR 59 allows gaming operators to account for VAT, in respect of table games, by applying the tax fraction to the gross gaming revenue as stipulated in the provincial gaming regulations. The gross gaming revenue is defined as the difference between the amount of money wagered by customers, and the amount of money returned to such customers by the gaming operator as direct winnings from the gambling activities in which the persons participated.

In respect of electronic gaming machines, the aggregate amount of bets placed over a time-period and the aggregate amount of winnings pay-outs over the same time-period are recorded by a central monitoring system, as approved by the relevant provincial gaming board. Based on this, operators of electronic gaming machines are required to account for output tax on the aggregate bets placed; and input tax deductions on the aggregate winnings pay-outs, for each tax period.

Provincial gaming levies are calculated by applying the tax fraction to the net betting transaction for both table games and electronic gaming machines.

Any change in either the VAT rate or the provincial gaming levies would be absorbed entirely by the group and would have no impact on the customers. The group thus treats VAT and gaming levies as direct costs as these are borne by the group and not customers, and have no effect on gaming activities from the customers' perspective. These costs are disclosed separately on the face of the statement of profit or loss as direct costs.

(ii) Revenue from contracts with customers

The group is in the business of providing food and beverage and hotel rooms and also earns revenue in the form of entrance fees, conferencing and venue hire, parking revenues, ticket sales and other hotel sundry revenues. Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the group expects to be entitled in exchange for those goods or services. Food and beverage revenue is recognised at a point in time. Rooms revenue is recognised as performance obligations are met over time as services are rendered. Entrance fees, conferencing and venue hire, parking revenues, ticket sales and other hotel sundry revenues are recognised over time as the customer receives and consumes the economic benefits. No element of financing is deemed present as the sales are made generally by cash or negotiated credit terms of 30 days. The group has concluded that it is generally the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. The group does not have significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers as the revenues mentioned above are all based on stand-alone selling prices and pre-determined settlement dates.

(iii) Other income

Property rental income

Property lease rentals received where the group is the lessor are recognised on a straight-line basis over the term of the lease. Contingent (variable) rentals are included in revenue when the amounts can be reliably measured. Recoveries of costs from lessees, where the group merely acts as agent and makes payment of these costs on behalf of lessees, are offset against the relevant costs.

Dividends received

Dividends on equity investments at FVOCI are recognised in profit or loss as part of other income when the group's right to receive payments is established.

1 SUMMARY OF MATERIAL ACCOUNTING POLICIES *continued*

(v) Employee benefits

(i) Bonus plans – short-term incentives and staff bonuses

The group recognises a liability and an expense for bonuses, based on a formula that takes into consideration the profit attributable to the company's shareholders after certain adjustments and the performance of the respective employees. The amounts are only finalised after the group's year end. The group recognises the liability where an estimate can be made of the amount to be paid based on the rules of the scheme and the directors are of the opinion that it is probable that such bonuses will be paid. This liability is included in "Provisions" in the statement of financial position.

(ii) Goods or services settled in cash

Goods or services, including employee services received in exchange for cash-settled, share-based payments, are recognised at the fair value of the liability incurred and are expensed when consumed or capitalised as assets. The liability is remeasured at each reporting date to its fair value, with all changes recognised immediately in profit or loss.

The fair value of the long-term incentive plan liability is determined at each reporting date by reference to the company's share price. This is adjusted for management's best estimates of the appreciation, bonus and performance units expected to vest and management's best estimate of the performance criteria assumptions on the performance units.

(iii) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated liability to the employees for annual leave up to the reporting date. This liability is included in "Trade and other payables" in the statement of financial position.

(w) Income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of profit or loss except to the extent that it relates to items recognised directly in other comprehensive income, in which case it is recognised in other comprehensive income.

The current tax expense is based on the results for the period as adjusted for items that are not taxable or not deductible. The group's liability for current taxation is calculated using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is provided in full using the liability method, in respect of all temporary differences arising between the tax bases of assets and liabilities and their carrying values in the consolidated financial statements, except where the temporary difference arises from goodwill or from the initial recognition (other than a business combination) of other assets and liabilities in a transaction that affects neither accounting nor taxable profit or loss.

A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it is probable that future taxable profit will be available against which the temporary differences (including carried forward tax losses) can be utilised.

Deferred tax is measured at the tax rates expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted at the reporting date. Deferred tax is measured on a non-discounted basis.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income taxes relate to income taxes levied by the same taxation authority on the taxable entity.

(x) Dividend distributions

Dividend distributions to the company's shareholders are recognised as a liability in the group's financial statements in the period in which the dividends are approved by the company's board of directors.

2 NEW STANDARDS AND AMENDMENTS TO EXISTING STANDARDS ISSUED THAT ARE NOT YET EFFECTIVE

Certain new standards and amendments to existing standards have been issued by the IASB that are effective in future accounting periods of the group. The group has concluded on the impact of these new standards and amendments that will be effective from the annual period beginning 1 April 2024, none of which are expected to have a material effect on the consolidated results of operations or financial position of the group. The most material of these, which the group has decided not to early adopt, is shown below.

IFRS 7 *Financial Instruments: Disclosures* (Amendments)

Investments in equity instruments designated at fair value through other comprehensive income

The requirements in IFRS 7 are amended for disclosures that an entity provides in respect of these investments. In particular, an entity would be required to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss that relates to investments derecognised in the period and the fair value gain or loss that relates to investments held at the end of the period.

Contractual terms that could change the timing or amount of contractual cash flows

The amendments to IFRS 7 require disclosures to enable users of financial statements to understand the effect of contractual terms that could change the amount of contractual cash flows based on the occurrence (or non-occurrence) of a contingent event that does not relate directly to changes in basic lending risks and costs (such as the time value of money or credit risk) by class of financial asset (measured at amortised cost or fair value through other comprehensive income) and financial liability (measured at amortised cost).

IFRS 9 *Financial Instruments* Amendments to the Classification and Measurement of Financial Instruments

Derecognition of a financial liability settled through electronic transfer

The amendments to the application guidance of IFRS 9 permit an entity to deem a financial liability (or part of it) that will be settled in cash using an electronic payment system to be discharged before the settlement date if specified criteria are met. An entity that elects to apply the derecognition option would be required to apply it to all settlements made through the same electronic payment system.

Classification of financial assets

Contractual terms that are consistent with a basic lending arrangement

The amendments to the application guidance of IFRS 9 provide guidance on how an entity can assess whether contractual cash flows of a financial asset are consistent with a basic lending arrangement. To illustrate the changes to the application guidance, the amendments add examples of financial assets that have, or do not have, contractual cash flows that are solely payments of principal and interest on the principal amount outstanding.

Assets with non-recourse features

The amendments enhance the description of the term "non-recourse". Under the amendments, a financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.

Contractually linked instruments

The amendments clarify the characteristics of contractually linked instruments that distinguish them from other transactions. The amendments also note that not all transactions with multiple debt instruments meet the criteria of transactions with multiple contractually linked instruments and provide an example. In addition, the amendments clarify that the reference to instruments in the underlying pool can include financial instruments that are not within the scope of the classification requirements.

The group is to conclude on the impact of the amendments that will be applied from the annual period beginning 1 April 2026. Amendments must be applied retrospectively in accordance with the normal requirements in IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*.

2 NEW STANDARDS AND AMENDMENTS TO EXISTING STANDARDS ISSUED THAT ARE NOT YET EFFECTIVE *continued*

IFRS 18 *Presentation and Disclosure in Financial Statements*

This standard supersedes IAS 1 Presentation of Financial Statements and sets out requirements for the presentation and disclosure of information in general purpose financial statements (financial statements) to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The main changes in the new standard compared with the previous requirements in IAS 1 comprise:

- The introduction of categories and defined subtotals in the statement of profit or loss that aim at additional relevant information and provide a structure for the statement of profit or loss that is more comparable between entities;
- The introduction of requirements to improve aggregation and disaggregation that aim at additional relevant information and ensure that material information is not obscured; and
- The introduction of disclosures on Management-defined Performance Measures in the notes to the financial statements that aim at transparency and discipline in the use of such measures and disclosures in a single location.

The group is to conclude on the impact of the amendments that will be applied from the annual period beginning 1 April 2027. Amendments must be applied retrospectively in accordance with the normal requirements in IAS 8.

IAS 1 *Presentation of Financial Statements* (Amendment)

Classification of liabilities as current or non-current

The amendment made to IAS 1 in 2020 clarifies that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant).

Non-current liabilities with covenants

Covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. However, if the entity must comply with a covenant either before or at the reporting date, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting date.

The amendments require disclosures if an entity classifies a liability arising from loan arrangements as non-current and the right to defer settlement of that liability is subject to compliance with covenants within 12 months after the reporting period. The purpose of the disclosure is to enable users to understand that the liability could become repayable within 12 months after the reporting period. The disclosures include:

- The carrying amount of the liability;
- Information about the covenants; and
- Facts and circumstances, if any, that indicate that the entity may have difficulty complying with the covenants.

The group is concluding on the impact of the amendments that will be applied from the annual period beginning 1 April 2024. Amendments must be applied retrospectively in accordance with the normal requirements in IAS 8.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates, which by definition, will seldom equal the actual results. Judgement also needs to be exercised in applying the group's accounting policies. The group makes estimates and assumptions concerning the future. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Going concern

The net debt to adjusted EBITDA ratio for the 31 March 2024 year end, as measured for covenant purposes, amounted to a 1.99 times multiple. The group's debt covenant ratio requirement is less than a 3.0 times multiple. At the date of this report, the directors are not aware of any circumstances whereby the group should not be able to achieve the covenant requirements for March 2025. The group's net interest-bearing debt and guarantees at 31 March 2024 reduced to R7.67 billion from R8.05 billion at 31 March 2023.

The cash flow and liquidity projections for the group were prepared for a period exceeding 12 months from the reporting date and included performing sensitivity analyses. Based on the forecast performed, the directors are of the opinion that the group has sufficient access to liquidity and facilities to fund operations for the ensuing 12 months. The group's medium-term debt leverage target remains lower than a 1.8 times multiple, thereby decreasing risk and funding costs.

After taking the above factors into account, the directors consider the going concern method to be appropriate for the presentation of these condensed consolidated financial statements.

(b) Estimated impairment of goodwill and indefinite lived intangible assets and impairment reversals of indefinite lived intangible assets

The group tests annually whether goodwill and indefinite lived intangible assets have suffered any impairment in accordance with the accounting policy stated in notes 1(d) and 1(h). The recoverable amounts of CGUs have been determined based on the higher of value in use and fair value less costs of disposal calculated for each CGU. These calculations require the use of estimates as noted in notes 22 and 23 of the consolidated financial statements. Significant judgement is required when evaluating the inputs into the calculations and therefore this is seen as critical to the estimation uncertainty.

(c) Estimated fair value of financial instruments that are not traded in an active market

The fair value of financial instruments that are not traded in an active market (for example, unlisted investments) is determined by using valuation techniques. The group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period, which includes making adjustments on publicly reported information to arrive at an estimated base year for the forecast cash flows.

Unlisted equity investments

The group uses estimates for the discounted cash flow analysis for the valuing of the group's unlisted equity investments at FVOCI financial assets that are not traded in an active market. Refer note to 25 for the significant unobservable inputs together with a sensitivity analysis should these significant unobservable inputs change.

(d) Critical judgement – categorisation of unlisted equity investments

With respect to the categorisation of the group's investments in SunWest International Proprietary Limited ("SunWest") and Worcester Casino Proprietary Limited ("Worcester") (refer to note 25) the group has pre-emptive rights but no representation on the board of directors of either company and has no operational responsibilities. The group also has no access to any information regarding the companies except for that to which it has statutory rights as a shareholder. These investments are therefore classified as level 3 fair value measurements and have been accounted for as equity instruments at FVOCI, and not associate investments.

(e) Estimated fair value of investment property

The fair value of investment property is determined by using valuation techniques. The group uses its judgement to select a method and makes assumptions that are mainly based on market conditions existing at the end of each reporting period. Refer to note 21 for the significant unobservable inputs together with a sensitivity analysis should these significant unobservable inputs change.

4 RECONCILIATION OF PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY TO HEADLINE EARNINGS AND ADJUSTED HEADLINE EARNINGS

	2024		2023	
	Gross Rm	**Net[1] Rm**	Gross Rm	Net[1] Rm
Profit attributable to equity holders of the company		**1 530**		1 744
(Less)/add: Headline adjustments				
Gain on disposal of property	**–**	**–**	(77)	(66)
(Gain)/loss on disposal of plant and equipment	**(1)**	**(1)**	5	4
Gain on disposal of assets classified as held for sale	**–**	**–**	(6)	(5)
Impairment of property, plant and equipment	**24**	**13**	39	20
Impairment of right-of-use assets	**–**	**–**	5	3
Impairment of goodwill	**43**	**43**	–	–
Impairment of intangible assets	**243**	**177**	39	27
Impairment reversal of intangible assets	**–**	**–**	(198)	(144)
Fair value adjustment of investment properties	**5**	**4**	17	13
Insurance proceeds received for capital assets	**(6)**	**(5)**	(5)	(4)
Headline earnings		**1 761**		1 592
(Less)/add: Other exceptional items				–
Cash flow hedges reclassified to profit or loss[2]	**(54)**	**(40)**	(78)	(57)
Cancellation of hotel management contracts	**–**	**–**	399	289
Adjusted headline earnings[3]		**1 721**		1 824
Number of shares in issue (million)[4]		**1 039**		1 046
Weighted average number of shares in issue (million)[4]		**1 041**		1 046
Basic and diluted earnings per share (cents)		**147**		167
Basic and diluted headline earnings per share (cents)		**169**		152
Basic and diluted adjusted headline earnings per share (cents)		**165**		174

[1] *Net of tax and non-controlling interests*
[2] *Included in finance costs*
[3] *Adjusted headline earnings are defined by the group as earnings attributable to equity holders of the company adjusted for after tax non-recurring expenditure items which are regarded as unusual and are infrequent and are considered to distort the numbers if they were not adjusted, and headline adjustments in terms of Circular 1/2023* Headline Earnings. *Adjusted headline earnings is a non-IFRS measure and is not a requirement in terms of the JSE Limited Listings Requirements, is used as a measure by the CODM and provided for illustrative purposes only*
[4] *Excludes treasury shares*

5 RECONCILIATION OF OPERATING PROFIT TO ADJUSTED EBITDA

	2024 Rm	2023 Rm
Operating profit from operations	**2 881**	2 992
Add: Amortisation and depreciation	**712**	756
EBITDA	**3 593**	3 748
Add/(less): Headline adjustments	**308**	(181)
Gain on disposal of property	**–**	(77)
(Gain)/loss on disposal of plant and equipment	**(1)**	5
Gain on disposal of assets classified as held for sale	**–**	(6)
Impairment of property, plant and equipment	**24**	39
Impairment of right-of-use assets	**–**	5
Impairment of goodwill	**43**	–
Impairment of intangible assets	**243**	39
Impairment reversal of intangible assets	**–**	(198)
Fair value adjustment of investment properties	**5**	17
Insurance proceeds received for capital assets	**(6)**	(5)
Add: Other exceptional items		
Cancellation of hotel management contracts	**–**	399
Adjusted EBITDA	**3 901**	3 966

Refer to note 6 *Segmental analysis* in respect of the group's definition of *adjusted EBITDA*.

6 SEGMENTAL ANALYSIS

The group's reporting lines and precincts are grouped under separate regional managers who report on a regional basis to the chief executive officer. In terms of IFRS 8 *Operating Segments*, the CODM has been identified as the group's Chief Executive Officer. Other than as indicated below, there has been no change in the basis of measurement of segment profit or loss since the previous financial year end.

The CODM assesses the performance of the operating segments based on adjusted EBITDA. Adjusted EBITDA is defined by the group as earnings before interest, tax, depreciation and amortisation ("EBITDA") and excludes the effects of items which are regarded as unusual and are infrequent and are considered to distort the numbers if they were not adjusted, and headline adjustments in terms of Circular 1/2023 *Headline Earnings*. Adjusted EBITDA is a non-IFRS measure, is not a requirement in terms of the JSE Limited Listings Requirements, is used as a measure by the CODM and provided for illustrative purposes only.

The group consists of the casinos division, together with other gaming comprising the VSlots division (Vukani) with limited payout machines ("LPMs"), the Galaxy Bingo division with electronic bingo terminals (Bingo), the online betting division (playTSOGO and Bet.co.za) and corporate.

Certain aspects of the business are growing significantly and hence the CODM spends more time on allocating resources to, and reviewing performances of, these divisions. The CODM spends less time and resources on divisions which are growing increasingly less significant to the group.

The casinos segment comprises 14 casino precincts, with casinos and hotels generating gaming win and related revenue. In order to assess performance and allocate resources within the casinos division, the CODM reviews the businesses by region and thus the group considers this reportable segment to be geographical and has presented a segmental analysis by region. The group applies the aggregation criteria, being that the casino businesses are all similar in nature, profit generation and class of customer in each province. Furthermore, each province has its own gambling board which governs the respective businesses. In terms of the quantitative threshold, although Western Cape does not meet the 10% income or profit threshold, the group is voluntarily disclosing this as a separate segment, due to there being several casinos in the province. The Mpumalanga, Eastern Cape and Free State provinces are individually immaterial, therefore these casinos are combined in the segmental table within *Other casinos*. Previously, Mpumalanga was considered a separate segment due to there being more than one casino in the province, however, its contribution to the group's total income and adjusted EBITDA remains insignificant and hence this province is combined within *Other casinos*.

The *Other gaming and betting* segment consists of the online betting division and the Bingo division. Previously the online betting division was included within other group operations and now more appropriately separated from group operations. As these divisions do not meet the quantitative threshold, they have been combined in the segment table.

Corporate consists of the group head office function, which includes dividends received, head office costs and group eliminating consolidation journals.

Finance income and finance costs are not included in the results for each operating segment as this is driven by the group's treasury function which manages the cash and debt position of the group. No measure of total assets and liabilities for the reportable segments has been provided as such amounts are not regularly provided to the CODM.

All income from operations is derived from external customers. No one customer contributes more than 10% to the group's total income.

6 SEGMENTAL ANALYSIS *continued*

The segmental income and adjusted EBITDA for the year under review is as follows, with the comparatives re-aligned for the changes mentioned above in accordance with IFRS 8 *Operating Segments*:

	Income		Adjusted EBITDA[1] [2]	
	2024 Rm	2023 Rm	**2024 Rm**	2023 Rm
Casinos	**8 551**	8 365	**3 453**	3 435
Gauteng	**4 933**	4 693	**2 038**	1 940
KwaZulu-Natal	**2 219**	2 179	**932**	949
Western Cape	**590**	588	**243**	256
Other casinos[3]	**809**	905	**240**	290
LPMs	**1 901**	1 921	**544**	564
Other gaming and betting[3]	**996**	958	**123**	170
Corporate[3]	**55**	74	**(219)**	(203)
Group	**11 503**	11 318	**3 901**	3 966

The amount of investment in associates accounted for by the equity method, and the amount of capital expenditure, by each segment are as follows:

	Associates		Capital expenditure	
	2024 Rm	2023 Rm	**2024 Rm**	2023 Rm
Casinos	**35**	26	**636**	425
LPMs	**–**	–	**153**	130
Other gaming and betting[3]	**–**	–	**60**	18
Corporate[3]	**–**	–	**10**	9
Group	**35**	26	**859**	582

[1] *Refer to note 5* Reconciliation of operating profit to adjusted EBITDA
[2] *All casino units are reported pre-internal management fees*
[3] *Comparatives have been re-aligned as noted above*

7 DISAGGREGATION OF REVENUE FROM CONTRACTS WITH CUSTOMERS

The group derives revenue over time, with the exception of food and beverage revenue which is recognised at a point in time. The table below presents revenue by segment which excludes net gaming win and other income, which are included in the segmental analysis in note 6 as these are accounted for under different accounting standards (refer to note 1(u)). Disaggregation of revenue from contracts with customers for the year under review is as follows:

	Food and beverage recognised at a point in time		Rooms revenue recognised over time		Other revenue recognised over time		Revenue from contracts with customers	
	2024 Rm	2023 Rm	**2024 Rm**	2023 Rm	**2024 Rm**	2023 Rm	**2024 Rm**	2023 Rm
Casinos	**586**	524	**523**	501	**409**	359	**1 518**	1 384
Gauteng	**336**	281	**345**	288	**361**	312	**1 042**	881
KwaZulu-Natal	**122**	114	**83**	86	**17**	15	**222**	215
Western Cape	**46**	42	**29**	27	**8**	8	**83**	77
Other casinos[1]	**82**	87	**66**	100	**23**	24	**171**	211
Other gaming and betting[1]	**62**	65	**–**	–	**–**	–	**62**	65
Corporate[1]	**–**	–	**–**	–	**2**	–	**2**	–
Group	**648**	589	**523**	501	**411**	359	**1 582**	1 449
Reconciliation to segmental analysis in note 6:								
Net gaming win							**9 673**	9 627
Revenue from contracts with customers per above							**1 582**	1 449
Other income (note 8)							**248**	242
Total income per the segmental analysis							**11 503**	11 318

	2024 Rm	2023 Rm
Other revenue is made up as follows:		
Entrance fees	**225**	184
Cinemas	**46**	48
Venue hire	**28**	23
Parking	**22**	12
Other revenue[2]	**90**	92
	411	359

[1] *Comparatives have been re-aligned as noted in the segmental analysis – refer to note 6*
[2] *Other revenue consists mainly of tournament fees, retail revenue, other hotel revenue and other sundry revenue*

8 OTHER INCOME

	2024 Rm	2023 Rm
Rental income from operating leases – property, plant and equipment (note 19)	**139**	120
Rental income from operating leases – investment property (note 21)	**38**	36
Dividends from investments in equity instruments designated at FVOCI (note 25)	**63**	74
BI insurance proceeds received	**–**	1
Other income	**8**	11
	248	242

Other income comprises mainly prescribed credits, rebates received and other sundry income.

9 GAMING LEVIES AND VAT

	2024 Rm	2023 Rm
Gaming levies	**973**	974
VAT	**1 153**	1 141
	2 126	2 115

10 EMPLOYEE COSTS

	2024 Rm	2023 Rm
Employee costs (including executive directors' remuneration):		
Salaries and wages	**1 757**	1 696
Long-service award provision reversal (note 37)	**(6)**	(4)
Pension – defined contribution plans	**69**	51
Long-term incentive expense – cash-settled (note 36.2)	**43**	93
	1 863	1 836

11 OTHER OPERATING EXPENSES

	2024 Rm	2023 Rm
Gain on disposal of property, plant and equipment	**(1)**	(72)
Gain on disposal of assets classified as held for sale	**–**	(6)
Insurance proceeds received for capital assets	**(6)**	(5)
Auditors' remuneration	**29**	27
Statutory audit fees – current year	**26**	25
Assurance fees	**1**	1
Non-assurance – previous auditor	**1**	–
Expenses	**1**	1
Advertising, marketing and promotional costs	**395**	346
Bad and doubtful debt impairments, net of recoveries	**9**	5
Bank charges	**114**	105
Cleaning	**192**	164
Equipment lease concessions	**–**	(2)
ECL allowances reversals, net of recognitions	**3**	(3)
External consultants	**42**	42
Food and beverage costs and operating equipment usage	**288**	275
Information technology–related costs	**96**	85
Insurance claims from insurance business (net)	**–**	5
Insurance claims expense	**–**	3
Reinsurance claims recoveries	**–**	2
LPM site owners' commission	**575**	577
Management fees	**22**	44
Monitoring fees for sites	**109**	116
Property and equipment lease rentals	**151**	143
Short-term leases	**27**	25
Properties	**11**	11
Gaming and other equipment	**16**	14
Low-value assets	**8**	7
Gaming and other equipment	**8**	7
Variable lease payments not included in lease liabilities	**116**	111
Properties	**6**	7
Gaming equipment	**110**	104
Property costs – rates, water and electricity	**476**	480
Property costs – diesel	**96**	98
Repairs and maintenance expenditure on property, plant and equipment	**216**	210
Security and surveillance costs	**153**	133
Share-based charge (non-controlling interest)	**–**	10
Other operating expenses[1]	**647**	541
	3 606	3 318

[1] *Other operating expenses consist of gaming licences, film rentals, corporate social investment and other sundry costs, none of which are individually material*

12 AMORTISATION AND DEPRECIATION

	2024 Rm	2023 Rm
Depreciation of property, plant and equipment (note 19)	**652**	691
Depreciation of right-of-use assets (note 20)	**47**	48
Amortisation of intangible assets (note 23)	**13**	17
	712	756

13 IMPAIRMENT OF NON-CURRENT ASSETS

	2024 Rm	2023 Rm
Impairment of property, plant and equipment (note 19)	**24**	39
Impairment of right-of-use assets (note 20)	**–**	5
Impairment of goodwill (note 22)	**43**	–
Impairment of intangible assets (note 23)	**243**	39
	310	83

14 IMPAIRMENT REVERSAL OF NON-CURRENT ASSETS

	2024 Rm	2023 Rm
Impairment reversal of intangible assets (note 23)	**–**	198

15 FINANCE INCOME

	2024 Rm	2023 Rm
Interest received from banks	**37**	47
Effective interest income on loans to LPM site owners	**6**	9
Interest received – other	**1**	4
	44	60

16 FINANCE COSTS

	2024 Rm	2023 Rm
Finance costs in respect of interest-bearing debt	**769**	707
Interest expense in respect of lease liabilities	**27**	29
Effective interest expense on loans to LPM site owners	**6**	8
Finance costs – other	**1**	–
Cash flow hedge reclassified to profit or loss	**(54)**	–
Cash flow ineffectiveness to profit or loss	**–**	(78)
	749	666

17 INCOME TAX EXPENSE

	2024 Rm	2023 Rm
Profit or loss		
Current tax – current year charge	**592**	522
Current tax – under/(over) provision prior year	**5**	(9)
Deferred tax – current year charge	**5**	119
Deferred tax – under/(over) provision prior year	**38**	(5)
	640	627
Other comprehensive income		
Tax (credit)/charge relating to components of other comprehensive income on items that may be reclassified subsequently to profit or loss:		
Cash flow hedges	**(23)**	11
Tax charge relating to components of other comprehensive income on items that may not be reclassified subsequently to profit or loss:		
Revaluation of owner-occupied property reclassified to investment property	**5**	–
	(18)	11

	2024 Rm	2024 %	2023 Rm	2023 %
Income tax rate reconciliation				
Profit before income tax	**2 185**		2 395	
Income tax thereon at 27% (2023: 27%)	**590**	**27.0**	647	27.0
Exempt income/credits:				
Dividend income	**(17)**	**(0.8)**	(20)	(0.8)
Share of profit of associates	**(2)**	**(0.1)**	(3)	(0.1)
Other non-taxable credits	**(2)**	**(0.1)**	(2)	(0.1)
Expenses/debits not deductible for tax purposes:				
Amortisation and depreciation	**(1)**	**–**	5	0.2
Impairment of non-current assets	**11**	**0.5**	1	–
Other non-deductible items	**5**	**0.2**	9	0.4
Capital gains tax rate differentials:				
Gain on disposal of property, plant and equipment	**–**	**–**	(8)	(0.3)
Fair value adjustment on investment properties	**–**	**–**	1	–
Other:				
Deferred tax not provided on losses	**13**	**0.6**	11	0.5
Under/(over) provisions prior year (net)	**43**	**2.0**	(14)	(0.6)
	640	**29.3**	627	26.2

18 DIVIDENDS DECLARED

	2024 Rm	2023 Rm
Ordinary		
Final dividend	**595**	199
Interim dividend	**313**	315
	908	514
Dividends declared and paid during the year under review are as follows:		
Ordinary		
Final dividend		
Declared on	**25 May 2023**	18 August 2022
Paid on	**17 July 2023**	10 October 2022
Cents per share	**57.00**	19.00
Interim dividend		
Declared on	**27 November 2023**	24 November 2022
Paid on	**18 December 2023**	28 December 2022
Cents per share	**30.00**	30.00

19 PROPERTY, PLANT AND EQUIPMENT

	Land and buildings Rm	Leasehold improvements Rm	Assets in the course of construction Rm	Plant and equipment Rm	Operating equipment Rm	Total Rm
Year ended 31 March 2024						
Opening net carrying amount	**6 399**	**185**	**42**	**1 585**	**52**	**8 263**
Additions	**26**	**14**	**37**	**679**	**21**	**777**
Depreciation charge	**(106)**	**(31)**	**–**	**(515)**	**–**	**(652)**
Disposals and operating equipment usage	**–**	**–**	**–**	**(2)**	**(14)**	**(16)**
Impairments	**(2)**	**–**	**–**	**(20)**	**(2)**	**(24)**
Revaluation on transfer to investment property	**22**	**–**	**–**	**–**	**–**	**22**
Transfers to investment property (note 21)	**(76)**	**–**	**–**	**–**	**–**	**(76)**
Transfers	**27**	**–**	**(70)**	**43**	**–**	**–**
Closing net carrying amount	**6 290**	**168**	**9**	**1 770**	**57**	**8 294**
At 31 March 2024						
Cost	**7 564**	**458**	**9**	**5 811**	**57**	**13 899**
Accumulated depreciation	**(1 274)**	**(290)**	**–**	**(4 041)**	**–**	**(5 605)**
Net carrying amount	**6 290**	**168**	**9**	**1 770**	**57**	**8 294**
Year ended 31 March 2023						
Opening net carrying amount	6 175	205	4	1 680	45	8 109
Acquisition of business	342	–	–	46	–	388
Additions	9	13	68	426	26	542
Reclassification from held for sale	37	–	–	–	–	37
Depreciation charge	(121)	(33)	–	(537)	–	(691)
Disposals and operating equipment usage	(51)	–	–	(17)	(15)	(83)
Impairments	(1)	–	–	(34)	(4)	(39)
Transfers	9	–	(30)	21	–	–
Closing net carrying amount	6 399	185	42	1 585	52	8 263
At 31 March 2023						
Cost[1]	7 609	457	42	5 349	52	13 509
Accumulated depreciation[1]	(1 210)	(272)	–	(3 764)	–	(5 246)
Net carrying amount	6 399	185	42	1 585	52	8 263
At 31 March 2022						
Cost[1]	7 316	447	4	5 111	45	12 923
Accumulated depreciation[1]	(1 141)	(242)	–	(3 431)	–	(4 814)
Net carrying amount	6 175	205	4	1 680	45	8 109

[1] *Restated as mentioned below*

19 PROPERTY, PLANT AND EQUIPMENT *continued*

Restatement

During the year under review, it was established that cost and accumulated depreciation included an amount of R588 million from prior years, in both cost and accumulated depreciation, in respect of assets no longer in use by the group. In terms of IAS 16, an asset should be derecognised when no future economic benefits are expected from its use. The correction has been applied in the earliest prior period presented, 31 March 2022 cost and accumulated depreciation. Further, in the 2023 annual financial statements, an impairment of plant and equipment of R30 million was incorrectly applied to cost instead of accumulated depreciation. This has also been corrected in the restatement as shown below. Therefore, 31 March 2022 and 31 March 2023 cost and accumulated depreciation have been restated as follows:

	Land and buildings Rm	Leasehold improvements Rm	Assets in the course of construction Rm	Plant and equipment Rm	Operating equipment Rm	Total Rm
Previously reported:						
At 31 March 2023						
Cost	7 696	457	42	5 820	52	14 067
Accumulated depreciation	(1 297)	(272)	–	(4 235)	–	(5 804)
Net carrying amount	6 399	185	42	1 585	52	8 263
At 31 March 2022						
Cost	7 402	447	4	5 613	45	13 511
Accumulated depreciation	(1 228)	(242)	–	(3 932)	–	(5 402)
Net carrying amount	6 174	205	4	1 681	45	8 109
Amount of correction:						
At 31 March 2023						
Cost	(87)	–	–	(471)	–	(558)
Accumulated depreciation	87	–	–	471	–	558
Net carrying amount	–	–	–	–	–	–
At 31 March 2022						
Cost	(87)	–	–	(501)	–	(558)
Accumulated depreciation	87	–	–	501	–	558
Net carrying amount	–	–	–	–	–	–
Restated:						
At 31 March 2023						
Cost	7 609	457	42	5 349	52	13 509
Accumulated depreciation	(1 210)	(272)	–	(3 764)	–	(5 246)
Net carrying amount	6 399	185	42	1 585	52	8 263
At 31 March 2022						
Cost	7 316	447	4	5 111	45	12 923
Accumulated depreciation	(1 141)	(242)	–	(3 431)	–	(4 814)
Net carrying amount	6 175	205	4	1 680	45	8 109

Due to the correction having no impact on the statement of profit or loss, basic and diluted earnings per share or the statement of financial position, the group has not considered it necessary to publish a restated statement of financial position for 31 March 2022 or 2023.

Reassessment of useful lives and residual value

During each reporting period, the group reassesses the useful lives and residual values of its property, plant and equipment. Adjustments to depreciation in respect of the reassessed useful lives and residual values are made prospectively. The adjustment to useful lives resulted in a reduction to the depreciation charge of R46 million (2023: R39 million reduction). The reassessment of residual values resulted in a decrease to the depreciation charge during the year of R5 million (2023: R5 million increase) and will result in a decrease of R6 million in the following year.

Changes in useful lives and residual values are not considered significant estimates and judgements as any changes in useful lives and residual values have historically been gradual and any adjustments made, where necessary, have not been significant.

19 PROPERTY, PLANT AND EQUIPMENT *continued*

Impairments

The following land and buildings and plant and equipment at properties with respective carrying amounts were impaired during the year. Impairments are included in "Impairment of non-current assets" in the statement of profit or loss.

	2024 Rm	2023 Rm
Hemingways precinct due to recoverable amounts assessment of the CGU (note 23)	**19**	32
Sundry plant and equipment items written off due to obsolescence	**5**	5
Various other smaller items written off	**–**	2
	24	39

Rental of property, plant and equipment

Where the group is the lessor

The group rents out commercial office space at its properties.

As at 31 March 2024, the group's gross lettable area at the properties was 79 512m^2 (2023: 78 193m^2), of which 70 593m^2 (2023: 70 384m^2) was let.

Rental income is based on fixed, fixed and variable and variable lease agreements concluded with tenants. Variable rentals are mainly based on the turnover amounts of the respective tenants. The majority of the leases are fixed and variable with the fixed rental amounts resetting after a number of years. Property rentals (included in other income note 8) earned during the year is as follows:

	2024 Rm	2023 Rm
Rental income from property operating leases under IFRS 16 is as follows:		
Fixed	**79**	64
Variable	**60**	56
	139	120

The casinos retain the rights to the properties rented and mitigates risks of non-compliance of the terms and conditions of the rental agreements by requiring security deposits (note 38) or bank guarantees from the lessees equivalent to two months' rental, and suretyships from the respective lessees' directors. In addition, lessees are required to provide proof of their third-party indemnity insurance. Expectations about the future residual values are reflected in the recoverable assessments of the properties.

At the reporting date the group had contracted with tenants for the following future minimum undiscounted lease payments under non-cancellable operating leases for land and buildings. The rentals below relate only to fixed rentals and do not include any variable rentals or escalations based on CPI:

	2024 Rm	2023 Rm
Not later than 1 year	**60**	49
Between 1 and 2 years	**42**	39
Between 2 and 3 years	**31**	20
Between 3 and 4 years	**25**	10
Between 4 and 5 years	**10**	5
After 5 years	**1**	3
	169	126

20 RIGHT-OF-USE ASSETS

The group leases various properties, the most significant being the Golden Horse Casino land, leases of various properties at the bingo business sites and offices at certain of the LPM business sites as well as gaming equipment at the casinos.

	Land and buildings Rm	Gaming equipment Rm	Total Rm
Year ended 31 March 2024			
Opening net carrying amount	**190**	**5**	**195**
Additions	**32**	**4**	**36**
Depreciation	**(42)**	**(5)**	**(47)**
Remeasurements (note 34)	**(5)**	**–**	**(5)**
Closing net carrying amount	**175**	**4**	**179**
At 31 March 2024			
Cost	**446**	**16**	**462**
Accumulated depreciation	**(271)**	**(12)**	**(283)**
Net carrying amount	**175**	**4**	**179**
Year ended 31 March 2023			
Opening net carrying amount	231	6	237
Additions	6	7	13
Depreciation	(42)	(6)	(48)
Impairments	(5)	–	(5)
Remeasurements	3	–	3
Terminations	(3)	(2)	(5)
Closing net carrying amount	190	5	195
At 31 March 2023			
Cost	438	13	451
Accumulated depreciation	(248)	(8)	(256)
Net carrying amount	190	5	195
At 31 March 2022			
Cost	448	58	506
Accumulated depreciation	(217)	(52)	(269)
Net carrying amount	231	6	237

Impairments are included in "Impairment of non-current assets" in the statement of profit or loss.

21 INVESTMENT PROPERTIES

	2024 Rm	2023 Rm
At 1 April	**377**	374
Additions to investment properties	**28**	20
Transfers from property, plant and equipment	**76**	–
Fair value adjustment recognised in profit or loss	**(5)**	(17)
At 31 March	**476**	377

The group rents out commercial office space at its investment properties. The group has elected to measure investment properties at fair value (refer to note 49). Fair values are estimated annually by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment properties being valued.

During the year under review, the group recognised a fair value loss of R5 million (2023: R17 million loss) on investment properties in the statement of profit or loss. The fair value of the group's investment properties is determined using capitalised values of the projected rental income, together with assessments of development land. The valuation model considers the nature, location, size and popularity of the properties, as well as vacancies based on the historical and current vacancy factors. The fair value decrease was mostly as a result of the higher vacancy rate in line with higher vacancies in the commercial property market in general, and an update on the vacant land valuation rate due to a change in intended use of the vacant land.

Significant estimate – unobservable inputs used in the fair value measurement

At 31 March 2024 the significant unobservable inputs were as follows:

- Capitalisation rates applied to rental income of 9.25% – 10% (2023: 9.5%);
- Vacancy rates applied of 0% – 25% (2023: 10%); and
- A weighted average projected rental income increase rate of 1.4% (2023: 6.8%).

With respect to inter-relationships between key unobservable inputs and estimated fair value measurement, the estimated fair value would increase/(decrease) if:

- The capitalisation rate was lower/(higher);
- Expected vacancy rate was lower/(higher); and
- Expected rental income was higher/(lower).

The table below indicates the sensitivities of the aggregate investment property portfolio by increasing or decreasing value inputs by 1 percentage point ("pp") as follows:

	2024		2023	
	Increase Rm	Decrease Rm	Increase Rm	Decrease Rm
1pp change in the capitalisation rate	**(26)**	**33**	(31)	40
1pp change in the vacancy rate	**(3)**	**5**	(4)	4
1pp change in projected rental income	**4**	**(3)**	3	(3)

Investment properties are leased to tenants under operating leases with rentals payable monthly. Rental income is based on fixed lease agreements concluded with tenants.

	2024 Rm	2023 Rm
Amounts recognised in profit or loss for investment properties:		
Rental income from investment property operating leases		
Fixed	**38**	36
Rental income (included in other income note 8)	**38**	36
Direct operating expenses from property that generated rental income	**(19)**	(18)
Direct operating expenses from property that did not generate rental income	**(1)**	–

Refer to note 19 *Property, plant and equipment* for reference as to how the group manages risk for the rights it retains in the underlying assets.

21 INVESTMENT PROPERTIES *continued*

At the reporting date the group had contracted with tenants for the following future minimum lease payments under non-cancellable operating leases for investment properties. The rentals below relate only to fixed rentals (there are no variable rentals):

	2024 Rm	2023 Rm
Not later than 1 year	**28**	26
Between 1 and 2 years	**23**	19
Between 2 and 3 years	**14**	13
Between 3 and 4 years	**8**	9
Between 4 and 5 years	**5**	5
After 5 years	**18**	22
	96	94

Transfers

During the year, the Palazzo Towers West office building became no longer owner occupied. The building was previously classified as owner-occupied property in line with IAS 16 *Property, Plant and Equipment*. This application was made on the basis that the building was significantly occupied by entities within the group. The property was subsequently transferred from property, plant and equipment to investment properties and, in accordance with IAS 16 and IAS 40 *Investment Property*, the property was revalued through OCI by R22 million to its fair value of R76 million before being transferred as shown in the statement of other comprehensive income and in note 19.

22 GOODWILL

	2024 Rm	2023 Rm
At 1 April	**1 461**	1 461
Impairments	**(43)**	–
At 31 March	**1 418**	1 461

Goodwill is allocated and monitored based on the group's CGUs. A summary of the goodwill allocation is as follows per CGU:

	2024 Rm	2023 Rm
Montecasino	**273**	273
Suncoast	**890**	890
Golden Horse	**–**	43
Garden Route	**19**	19
Mykonos	**17**	17
The Caledon	**64**	64
Blackrock	**94**	94
Vukani	**61**	61
	1 418	1 461

Impairment test for goodwill and casino licences (refer to note 23 for licences)

As a result of slow growth of the South African economy, high levels of unemployment, ongoing load shedding, high fuel and food prices, increased interest rates and online betting on casino styled games growing to significant levels, income remained under pressure for the year under review. The ongoing war between Russia and Ukraine continues to, and the recent conflict in the Middle East is beginning to, aggravate global supply chains, bringing with them substantial uncertainty and instability. The group does not have direct exposure to the respective countries, however, these negative influences on the global economy also impacts disposable income in South Africa. These factors are taken into account in the impairment testing of goodwill and intangibles, intangibles being mainly casino licences, most of which are indefinite lived.

22 GOODWILL *continued*

Significant estimate: key assumptions used for value in use calculations

Goodwill and casino licences are allocated and monitored based on the group's CGUs. The recoverable amount of the CGUs is determined based on the higher of the fair value less costs of disposal and value in use. All recoverable amounts have been based on value in use. These calculations use management-approved cash flow projections based on five-year forecasts. The expected capital cost spend in the CGUs is based on the historical experience of maintaining each property, taking into account current spend. The approved capex programme is monitored closely by management, thereby ensuring only necessary spend. Cash flows beyond the five-year period are extrapolated using the estimated long-term growth rate. The key assumptions used for value in use calculations were reviewed by management at the year end and estimated as follows:

Trading assumptions

Management forecast income, operating expenses and adjusted EBITDA margins based on past and current performance, its expectations of disposable income in South Africa and the global uncertainty and instability mentioned above. Focus remains on maintaining previously implemented cost reductions and operational efficiencies. Certain expenses, some of which are beyond the group's control (such as administered property costs and high diesel costs incurred due to load shedding), continued to increase. The aforementioned, together with the key assumptions mentioned below, are reflected in the group's forecast cash flows assuming normal growths in the future.

Adjusted EBITDA during the budget period is estimated based on income, including gaming win, food and beverage, hotel rooms revenue and other income, and operating costs achieved in the period immediately preceding the commencement of the group's annual budget exercise. The forecast period thereafter has increased income by an average of 4% per annum and operating costs by 5% per annum (31 March 2023: expected income, including gaming win, food and beverage, hotel rooms revenue and other income forecast growths of 5% for 2025 and then 4% for the following years, and expected operating expenditure costs forecast increase on average by 6% for the 2025 financial year and then 5% for the following years).

Long-term growth rate

Cash flows beyond the first five-year period are extrapolated using estimated long-term growth rates in order to calculate the terminal recoverable amount. The growth rate estimations consider risks associated with the gaming, entertainment and hospitality industry in which the CGUs operate. The group considers a long-term growth rate of 5.0% appropriate, unchanged from the prior year end, as the trading conditions are expected to improve somewhat in the medium to longer term.

Risk-adjusted discount rate

The discount rate is calculated by using a weighted average cost of capital ("WACC") of the respective CGUs. WACC is calculated using a risk-free rate referenced to the 10 year point on the SA Government Bond curve and an equity premium adjusted for specific risks relating to the relevant CGUs (share beta and small stock premium). The pre-tax discount rates have increased in comparison with the prior year due to higher risk-free and weighted average cost of debt rates as a result of increased interest rates by the South African Reserve Bank ("SARB") during the year under review. These were offset by a lower share beta of 1.08 (31 March 2023: 1.20) mainly due to the decrease in overall levels of debt in the group's capital structure. The group's effort to further reduce its debt levels to achieve its medium-term target will continue. The COVID-19 pandemic triggered a reduction in interest rates that has reversed since late 2021 in response to rising inflation, hence there have been a number of increases in rates by the SARB. The group believes the discount rate will return to more normal levels over the medium term. The following pre-tax discount rates have been used for the respective CGUs:

	2024	2023
	%	%
Montecasino	**19.7**	18.5
Suncoast	**19.5**	18.4
Gold Reef City	**19.6**	18.5
Silverstar	**20.4**	19.6
Golden Horse	**20.9**	19.7
Other gaming operations[1]	**21.3**	20.2
Vukani	**24.7**	25.2

[1] *Includes the balance of the group's casino properties which have an allocation of goodwill*

Significant estimate – impairment charges

Taking into account the significant estimates and key assumptions, no impairments to goodwill were deemed necessary since the previous reporting date, other than the impairment of goodwill in respect of Golden Horse amounting to R43 million (2023: no goodwill impairments recognised). Refer to note 23 *Other intangible assets* for more detail. Where applicable, the group's goodwill impairments are included within impairments of non-current assets in the statement of profit or loss.

Significant estimate – impact of possible changes in key assumptions

The group's impairment reviews are sensitive to changes in the key assumptions described above. Based on the group's sensitivity analysis, a reasonable possible change in a single assumption will not cause any goodwill impairment loss in any of the group's CGUs, as the group's CGUs have significant headroom available between the calculated values in use and the carrying amount of goodwill allocated to each CGU. Refer also to note 3(b) *Critical accounting estimates and judgements – Estimated impairment of goodwill and indefinite lived intangible assets*.

23 OTHER INTANGIBLE ASSETS

	Licences and bid costs Rm	Computer software Rm	Intellectual property Rm	Total Rm
Year ended 31 March 2024				
Opening net carrying amount	**3 296**	**14**	**27**	**3 337**
Additions	**13**	**5**	**–**	**18**
Amortisation charge	**(2)**	**(6)**	**(5)**	**(13)**
Impairments	**(243)**	**–**	**–**	**(243)**
Closing net carrying amount	**3 064**	**13**	**22**	**3 099**
At 31 March 2024				
Cost	**4 583**	**156**	**49**	**4 788**
Accumulated amortisation	**(183)**	**(142)**	**(27)**	**(352)**
Accumulated impairments	**(1 336)**	**(1)**	**–**	**(1 337)**
Net carrying amount	**3 064**	**13**	**22**	**3 099**
Year ended 31 March 2023				
Opening net carrying amount	3 137	14	32	3 183
Acquisition of business	5	–	–	5
Additions	–	7	–	7
Amortisation charge	(5)	(7)	(5)	(17)
Impairments	(39)	–	–	(39)
Impairment reversals	198	–	–	198
Closing net carrying amount	3 296	14	27	3 337
At 31 March 2023				
Cost	4 570	157	49	4 776
Accumulated amortisation	(181)	(142)	(22)	(345)
Accumulated impairments	(1 093)	(1)	–	(1 094)
Net carrying amount	3 296	14	27	3 337
At 1 April 2022				
Cost	4 565	149	49	4 763
Accumulated amortisation	(176)	(135)	(17)	(328)
Accumulated impairments	(1 252)	–	–	(1 252)
Net carrying amount	3 137	14	32	3 183

23 OTHER INTANGIBLE ASSETS *continued*

Licences and related bid costs are made up as follows:

	Carrying amount		Remaining useful life	
	2024 Rm	2023 Rm	**2024**	2023
Indefinite lives:				
Montecasino[(1)]	**70**	70	**Indefinite**	Indefinite
Suncoast[(1)]	**105**	105	**Indefinite**	Indefinite
Gold Reef City[(1) (2)]	**1 765**	1 765	**Indefinite**	Indefinite
Silverstar[(1) (2)]	**199**	289	**Indefinite**	Indefinite
Golden Horse[(2)]	**404**	554	**Indefinite**	Indefinite
Garden Route[(2)]	**252**	252	**Indefinite**	Indefinite
Mykonos[(2)]	**215**	215	**Indefinite**	Indefinite
Goldfields[(2)]	**12**	12	**Indefinite**	Indefinite
Blackrock[(1)]	**1**	1	**Indefinite**	Indefinite
Emerald[(3)]	**5**	5	**Indefinite**	Indefinite
Galaxy[(4)]	**25**	13	**Indefinite**	Indefinite
Kuruman[(5)]	**7**	7	**Indefinite**	Indefinite
Definite lives:				
Hemingways[(6)]	**–**	3	**2 years**	3 years
Vukani[(4)]	**4**	4	**3 – 17 years**	4 – 18 years
Bet.co.za[(7)]	*****	1	**13 years**	14 years
	3 064	3 296		

* *Less than R1 million*
(1) *Relate to additional gaming positions*
(2) *Relate to the casinos acquired on the reverse acquisition of Gold Reef Resorts Limited during the 2011 financial year*
(3) *Acquisition of Emerald during the prior year*
(4) *Acquisition of the Bingo and LPM businesses as a common control acquisition during the 2018 financial year, and subsequent acquisition of Bingo licences of R24 million, of which R12 million was acquired during the current year under review*
(5) *Acquisition of Kuruman as a common control transaction during the 2019 financial year*
(6) *Relates to corporate social investment spend, a licence condition*
(7) *Acquisition of Bet.co.za as a common control transaction during the 2021 financial year*

Significant estimate – impairment charges and reversals

Taking into account the significant estimates and key assumptions as described in note 22 *Goodwill*, with respect to licences with indefinite lives, the group recognised impairments in respect of the Silverstar precinct of R90 million (recoverable amount R1.2 billion) and the Golden Horse precinct of R150 million (recoverable amount R550 million). During the prior year, the group recognised an impairment reversal of R198 million in respect of the Gold Reef City precinct and an impairment in respect of the Goldfields precinct of R28 million (recoverable amount R110 million). With respect to the Silverstar precinct, the licence impairment is due to lower than anticipated trading, offset by lower forecast maintenance capital spend. The goodwill and licence impairments of the Golden Horse precinct is due to lower than anticipated trading and reducing margins, and higher forecast maintenance capital spend. Where applicable, impairment and impairment reversals of intangible assets are included within impairments of non-current assets and impairment reversals of non-current assets in the statement of profit or loss.

With regards to the Hemingways precinct, taking into account the significant estimates and key assumptions as described in note 22 and a pre-tax discount rate of 21.9% (2023: 19.8%), an impairment of the CGU was identified as being R22 million having a recoverable amount of R143 million (2023: an impairment of R48 million having a recoverable amount of R224 million). This impairment has been recognised on an apportionment basis over the assets of the CGU, limited to their recoverable amounts (this precinct does not have any intangible assets with indefinite lives allocated to it). The impairment was mainly due to the continued decline in trading which is indicative of the area in which the precinct is located, together with reducing margins, and higher forecast maintenance capital spend. The impairment has been applied to the following non-current assets:

	2024 Rm	2023 Rm
Property, plant and equipment (note 19)	**(19)**	(32)
Licence and bid costs (included in intangible assets noted above)	**(3)**	(11)
Right-of-use assets (note 20)	**–**	(5)
	(22)	(48)

23 OTHER INTANGIBLE ASSETS *continued*

Significant estimate – impact of possible changes in key assumptions

The group's impairment reviews are sensitive to changes in the significant estimates and key assumptions described in note 22. Based on the group's sensitivity analysis, a reasonable possible change in a single assumption will not cause a material impairment loss in any of the group's CGUs, as the group's CGUs have significant headroom available between the calculated values in use and the intangible asset allocated to each CGU, other than the below CGUs. Refer also to note 3(b) *Critical accounting estimates and judgements – Estimated impairment of goodwill and indefinite lived intangible assets*.

The following reflects the total impairment on casino licences, with indefinite useful lives, that would be recognised if a reasonably possible change in a key assumption, on which the group has based its determination of the CGUs' recoverable amounts, would cause the CGUs' respective casino licence carrying amounts to exceed their recoverable amounts:

	2024			2023		
	1pp decrease in trading assumptions[1] Rm	**1pp decrease in growth rate assumption[1] Rm**	**1pp increase in discount rate assumption[1] Rm**	1pp decrease in trading assumptions[1] Rm	1pp decrease in growth rate assumption[1] Rm	1pp increase in discount rate assumption[1] Rm
Total impairment recognised would be:						
Golden Horse	**(199)**	**(220)**	**(232)**	–	–	–
Silverstar	**(103)**	**(155)**	**(184)**	(70)	(129)	(158)
Gold Reef City	**–**	**–**	**(64)**	–	–	–
Goldfields[2]	**–**	**(3)**	**(6)**	(30)	(34)	(36)

[1] *Refer to note 22 for key assumptions*

[2] *Licences of R28 million were impaired during the prior year end 31 March 2023 in respect of Goldfields*

The following reflects the total impairment of other non-current assets in respect of Hemingways, that would be recognised if a reasonable possible change in a key assumption noted above, on which the group has based its determination of the Hemingways' recoverable amount, would cause Hemingways' respective non-current assets' carrying amounts to exceed their recoverable amounts:

	2024[1]			2023		
	1pp decrease in trading assumptions Rm	**1pp decrease in growth rate assumption Rm**	**1pp increase in discount rate assumption Rm**	1pp decrease in trading assumptions Rm	1pp decrease in growth rate assumption Rm	1pp increase in discount rate assumption Rm
Total impairment recognised would be:						
Property, plant and equipment	**–**	**–**	**–**	(34)	(40)	(43)
Right-of-use assets	**–**	**–**	**–**	(6)	(7)	(7)
Licence and bid costs	**–**	**–**	**–**	(11)	(13)	(14)

[1] *No further impairment as the total impairment of R22 million represents fully impaired non-current assets, limited to their recoverable amounts*

24 INVESTMENTS IN ASSOCIATES

	2024 Rm	2023 Rm
At 1 April	**26**	27
Share of profit after tax and other interests of associates	**9**	9
Dividends received	**–**	(10)
At 31 March	**35**	26

The group's interest in associate entities is as follows:

- 50% in TMCTS Management Company Proprietary Limited which operates entertainment venues in eight of the group's properties; and
- 50% in Three Groups Cinemas Proprietary Limited which operates cinemas at the group's Suncoast casino property.

The group has no share of associates' contingent liabilities or capital commitments.

The group does not consider its investments in associates significant and therefore no further disclosure is provided in this regard.

25 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Financial assets at FVOCI comprise investments in equity instruments which are not held for trading, and which the group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and therefore the group considers this classification relevant. Refer to notes 3(c) *Critical accounting estimates and judgements – Fair value of financial instruments that are not traded in an active market* and 49 *Fair value estimation*. Dividends received are included in other income (note 8). Deferred tax is not provided on the fair value adjustments of the group's equity instruments at FVOCI due to the future profitability of the respective holding entities not being anticipated to produce taxable capital gains in the foreseeable future.

	2024 Rm	2023 Rm
Unlisted		
At 1 April	**959**	814
Fair value adjustment recognised in OCI	**(235)**	145
At 31 March	**724**	959
Listed		
At 1 April	**113**	–
Acquired during the year	**181**	138
Fair value adjustment recognised in OCI	**(7)**	(25)
At 31 March	**287**	113
Total financial assets at FVOCI	**1 011**	1 072
Dividends received from:		
Unlisted	**54**	73
SunWest	**54**	71
Worcester	**–**	2
Listed	**9**	1
	63	74

25.1 Unlisted financial assets at FVOCI – level 3 in the fair value hierarchy

SunWest and Worcester casinos

Previously the group entered into a transaction with Sun International Limited ("SI") and Grand Parade Investments Limited for the acquisition of a 20% equity interest in each of SunWest International Proprietary Limited ("SunWest") and Worcester Casino Proprietary Limited ("Worcester"). The group has pre-emptive rights but no representation on the board of directors of either company and has no operational responsibilities. The group also has no access to any information regarding the companies except for that to which it has statutory rights as a shareholder.

At the end of each reporting period, the group's 20% equity interest in each of SunWest and Worcester is remeasured, recognising the increase or decrease in other comprehensive income. The assets have been remeasured at 31 March 2024 to R724 million (2023: R959 million), a R235 million decrease (2023: R145 million increase). A discounted cash flow valuation was used to estimate the fair values. The valuation models consider the present value of net cash flows to be generated from SunWest and Worcester, together with their operating capital expenditures taking into account expected growths in net gaming win and other income generated from non-gaming related activities. These cash flow forecasts are aligned to the financial reporting periods of the respective entities, being 12 months to December each year. The expected net cash flows are discounted using a risk-adjusted post-tax discount rate.

The cash flow forecasts used in the valuation anticipate a recovery off the December 2023 financial year end for the 2024 financial year end, reaching normal increase in trading levels from the December 2025 financial year as trading has not yet reached pre-COVID-19 levels as was previously anticipated. Cost mitigation strategies are expected to be maintained. A higher post-tax discount rate has been used in the valuation due to the increase in interest rates, including an increased risk-free rate, offset by a lower share beta, as mentioned in note 22. Among other factors, the discount rate estimation considers risks associated with the gaming, entertainment and hospitality industry in which SunWest and Worcester operate. The decrease in the estimated fair value is mainly driven by the Western Cape gaming win growths not reaching anticipated levels as yet, particularly Worcester, together with an increased discount rate.

25 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME *continued*

25.1 Unlisted financial assets at FVOCI – level 3 in the fair value hierarchy *continued*

Significant estimate – unobservable inputs used in the fair value measurement

The significant unobservable inputs used in the fair value measurement of the group's investment in SunWest and Worcester are shown below (based on the respective entities' December financial year ends):

- Expected income, including gaming win, food and beverage, hotel rooms revenue and other income grows by 9% for the entities' 2024 financial year, then levels out to growths of 4% over the following years (31 March 2023: expected income, including gaming win, food and beverage, hotel rooms revenue and other income growths of 5% for the 2024 year end then levelled out to growths of between 4% and 5% over the following years);
- Expected operating expenditure costs increase by 10% for the entities' 2024 financial year, then levels out to increases of 4% over the following years, maintaining margins (31 March 2023: expected operating expenditure costs increased by 5% over the forecast years);
- Risk-adjusted discount rate of 15.79% (2023: 14.81%) post-tax; and
- Long-term growth rate of 5.0% (2023: 5.0%).

	2024 Rm	2023 Rm
Fair value of the unlisted equity instruments are made up as follows:		
SunWest	**721**	924
Worcester	**3**	35
	724	959

The table below indicates the sensitivities for the valuation by increasing or decreasing the above inputs by 1pp:

	2024		2023	
	Increase Rm	Decrease Rm	Increase Rm	Decrease Rm
Expected gaming win growth	**62**	**(61)**	71	(69)
Operating expenditure cost growth	**(57)**	**55**	(51)	49
Risk-adjusted discount rate	**(64)**	**77**	(88)	108
Long-term growth rate	**56**	**(47)**	81	(66)

25.2 Listed financial assets at FVOCI – level 1 in the fair value hierarchy

Listed financial assets at FVOCI comprise ordinary shares held by subsidiaries in City Lodge Hotels Limited, a listed entity on the JSE. This investment is revalued to its market price, as listed on the JSE, at the reporting date of R4.22 (2023: R3.98) per share (refer to note 47.1(a) (iii) in respect of price risk).

26 NON-CURRENT RECEIVABLES

	2024 Rm	2023 Rm
Financial instruments		
Financial assets measured at amortised cost		
Debt investments – net	**25**	26
Amounts owing by LPM site owners – gross	**26**	27
Amounts owing by LPM site owners – loss allowance	**(1)**	(1)
Loans to non-controlling interests	**3**	4
Loans to tenants	**1**	2
Other	**–**	2
	29	34

The group does not consider non-current receivables material and therefore no further disclosure is provided in this regard. Refer to note 29 *Trade and other receivables* for information in respect the current portion of LPM site owners debt investments.

27 DEFERRED INCOME TAX

The movement in deferred tax assets and liabilities during the year, without taking into account the offsetting of balances of entities within the group, is as follows:

	Accelerated tax allowances Rm	Other assets[1] Rm	Debt finance costs Rm	Provisions and accruals Rm	Deferred income Rm	Right-of-use assets and lease liabilities Rm	Tax losses Rm	Items through OCI Rm	Total Rm
Deferred tax liabilities									
Balance at 1 April 2022	1 318	19	–	(50)	(1)	(11)	(45)	29	1 259
Acquisition of business	38	–	–	(4)	(1)	–	(3)	–	30
Profit or loss expense/(credit)	46	(10)	(4)	6	(3)	(6)	48	–	77
Deferred tax expense relating to components of other comprehensive income	–	–	–	–	–	–	–	25	25
Balance at 31 March 2023	**1 402**	**9**	**(4)**	**(48)**	**(5)**	**(17)**	**–**	**54**	**1 391**
Profit or loss expense/(credit)	**8**	**(5)**	**5**	**13**	**1**	**11**	**(3)**	**–**	**30**
Deferred tax expense relating to components of other comprehensive income	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(18)**	**(18)**
Deferred tax liability at 31 March 2024	**1 410**	**4**	**1**	**(35)**	**(4)**	**(6)**	**(3)**	**36**	**1 403**
Deferred tax assets									
Balance at 1 April 2022	35	(4)	21	27	2	13	10	(12)	92
Profit or loss credit/(expense)	(54)	1	(18)	15	(1)	9	11	–	(37)
Deferred tax expense relating to components of other comprehensive income	–	–	–	–	–	–	–	14	14
Balance at 31 March 2023	**(19)**	**(3)**	**3**	**42**	**1**	**22**	**21**	**2**	**69**
Profit or loss credit/(expense)	**4**	**1**	**(1)**	**(11)**	**–**	**(7)**	**(2)**	**–**	**(16)**
Deferred tax asset at 31 March 2024	**(15)**	**(2)**	**2**	**31**	**1**	**15**	**19**	**2**	**53**
Total net deferred tax liability at 31 March 2024	**1 425**	**6**	**(1)**	**(66)**	**(5)**	**(21)**	**(22)**	**34**	**1 350**
Total net deferred tax liability at 31 March 2023	1 421	12	(7)	(90)	(6)	(39)	(21)	52	1 322

[1] *Includes mainly prepaid expenditure*

Deferred tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable.

Deferred tax of R22 million on estimated tax losses of the group's subsidiaries relate mainly to subsidiary entities of Galaxy Bingo due to the inflationary factors on the South African economy as mentioned in note 22. The directors have considered the future profitability of these entities and, based on cash flow projections extending beyond a period of 12 months, they are anticipated to produce taxable income in the foreseeable future, these deferred tax assets are considered fully recoverable. Capital losses for capital gains tax purposes available for set off against future capital gains and for which deferred tax assets have not been raised are estimated at R397 million (2023: R338 million). Losses for normal tax purposes available for set off against future taxable income and for which deferred tax assets have not been raised are estimated at R89 million (2023: R42 million).

28 INVENTORIES

	2024 Rm	2023 Rm
Food and beverage	**26**	28
Operating equipment	**15**	17
Consumable stores	**29**	27
	70	72
The cost of food and beverage recognised as an expense and included in other operating expenses	**(254)**	(234)
The cost of operating equipment recognised as an expense and included in other operating expenses	**(20)**	(31)

There were no significant inventories written off during the year.

29 TRADE AND OTHER RECEIVABLES

	2024 Rm	2023 Rm
Financial instruments		
Financial assets measured at amortised cost		
Trade receivables (net)	**84**	82
Gross	**103**	101
Allowance for ECLs	**(19)**	(19)
Debt investments – amounts owing by LPM site owners (net)	**72**	70
Gross	**141**	140
Allowance for ECLs	**(69)**	(70)
Other receivables	**35**	43
Deposits	**105**	89
Reinsurance recoveries	**–**	1
	296	285
Non-financial instruments		
Prepayments	**124**	95
VAT receivable	**2**	2
Deferred expenses	**9**	–
Straight-lining of operating leases	**13**	13
	148	110
	444	395

29.1 Trade receivables

Trade receivables comprise a widespread customer base mostly in respect of the hotel, conferencing and tenanting of commercial office space provided in the ordinary course of business at the group's properties. Credit sales mostly have negotiated credit terms of 30 days and are therefore all classified as current. Trade receivables also comprise amounts owed by LPM site owners relating to gross gaming win. The group does not hold any collateral as security.

The carrying value less the respective credit loss allowance of trade receivables is assumed to approximate their fair values due to the short-term nature of trade receivables.

Exposure to credit risk

The group performs ongoing credit evaluations of the financial condition of its customers for both new credit applications and existing customers having credit facilities. These reviews include evaluating previous relations the customer has had with the group, taking into account the length of time and amount of business. New customers are given credit only after meeting strict minimum requirements. The utilisation of credit limits is regularly monitored by management by reviewing the ageing analysis of these debtors on an ongoing basis. At 31 March 2024, no single customer was in debt in excess of 10% of the total trade receivables balance. The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable as shown above. There has been no significant increase in credit risk.

Management closely monitors credit limits that are exceeded and anticipates that any losses from non-performance by these counterparties which have not been provided for, will be immaterial.

Certain trade receivables do not expose the group to significant credit risk and no significant losses from non-performance by these counterparties are expected by the group as these are mainly cash deposits.

29 TRADE AND OTHER RECEIVABLES *continued*

29.1 Trade receivables *continued*

Specific trade receivables

Specific trade receivables consist mainly of tenant debtors from the tenanting of commercial office space. The loss allowances for tenanting debtors are in respect of long outstanding balances that generally have slower payment terms and are managed on a one-on-one basis.

Loss allowance calculated under the provision matrix

The group applies the IFRS 9 simplified approach to measuring ECLs which uses a lifetime expected loss allowance for trade receivables by applying a provision matrix which is presented below. In accordance with this approach, the loss allowance for trade receivables is determined as the lifetime ECLs on trade receivables. Trade receivables are categorised into respective characteristics, namely geographical and business type. The provision matrices have been developed by making use of judgement, past default experience of debtors but also incorporates forward looking information such as general economic conditions of the industry as at the reporting date. The following South African macroeconomic factors were used to determine forward looking information:

- Inflationary impacts mentioned in note 22 *Goodwill* on the economy;
- After effects of COVID-19;
- Gross domestic product;
- Vulnerability of state owned enterprises and municipalities; and
- High unemployment rate.

Trade receivables are written off when there is no reasonable expectation of recovering additional cash, mostly when the respective debtor has been liquidated and no further distributions are possible. The following are the indicators of default:

- Failure of a debtor to engage in a repayment plan once the account falls into arrears;
- Failure to make payments after the institution and/or conclusion of legal proceedings; and/or
- Business rescue and/or liquidation of the debtor.

On the bases described above, the loss allowance was determined as follows for trade receivables:

	Current – performing Rm	30 to 60 days past due Rm	60 to 90 days past due Rm	More than 90 days past due Rm	Total Rm
As at 31 March 2024					
Carrying value of debtors with no ECLs recognised	**32**	**–**	**–**	**–**	**32**
Carrying value of debtors with specific credit losses recognised	**12**	**4**	**1**	**1**	**18**
Gross amount	**15**	**5**	**1**	**10**	**31**
Specific credit losses	**(3)**	**(1)**	**–**	**(9)**	**(13)**
Carrying value of debtors with ECLs	**17**	**6**	**2**	**9**	**34**
Gross carrying amount	**17**	**7**	**2**	**14**	**40**
Expected loss rate %	**0.9**	**10.1**	**11.3**	**39.8**	**16.3**
Lifetime ECLs	*****	**(1)**	*****	**(5)**	**(6)**
					84
As at 31 March 2023					
Carrying value of debtors with no ECLs recognised	20	–	–	–	20
Carrying value of debtors with specific credit losses recognised	12	7	2	–	21
Gross amount	15	7	2	7	31
Specific credit losses	(3)	–	–	(7)	(10)
Carrying value of debtors with ECLs	28	8	2	3	41
Gross carrying amount	29	9	2	10	50
Expected loss rate %	3.2	11.6	4.2	68.6	17.9
Lifetime ECLs	(1)	(1)	*	(7)	(9)
					62

* *Amount less than R1 million*

29 TRADE AND OTHER RECEIVABLES *continued*

29.1 Trade receivables *continued*

Movements in the allowance for ECLs on trade receivables are as follows:

	2024 Rm	2023 Rm
At 1 April	**19**	20
Acquisition of business	**–**	2
Loss allowance recognised during the year	**14**	4
Loss allowance unused and reversed during the year	**(8)**	(6)
Impairment charge for bad and doubtful debts, net of recoveries	**(6)**	(1)
At 31 March	**19**	19

The creation of the provisions is offset by the release of provisions for impaired receivables and has been included in other operating expenses in profit or loss (note 11) due to the amounts not being material.

29.2 Debt investments

The group's debt investments, at amortised cost, comprise mainly short-term loans to LPM site owners as well as payments on behalf of site owners. Debt investments, other than personal suretyships, are unsecured, interest free and repayable in weekly instalments. These receivables are discounted at the prevailing prime interest rate. Deferred differences are recognised in profit or loss. Debt investments are made up as follows:

	2024 Rm	2023 Rm
Carrying value of loans to LPM site owners	**66**	65
Gross	**133**	133
Loss allowance	**(67)**	(68)
Carrying value of payments on behalf of site owners	**6**	5
Gross	**8**	7
Loss allowance	**(2)**	(2)
	72	70

Exposure to credit risk

The ECL model of IFRS 9 requires the classification and measurement of ECLs using the general model for loans and advances measured at amortised cost. The general model is a three stage model. The three stages are Performing (Stage 1), Underperforming (Stage 2) and Non-performing (Stage 3). Impairment of loans in Stage 1 is measured based on a 12-month ECL and loans in Stages 2 and 3 are based on lifetime ECLs. Loans in Stage 2 and 3 are minimised and controlled through strict loan granting criteria. The maximum exposure to credit risk at the reporting date is the carrying value of loan investments as shown above. There has been no significant increase in credit risk. The creation and release of the allowance for credit losses have been included in other operating expenses in profit or loss (note 11) due to the amounts not being material.

In determining whether there has been a significant increase in credit risk, consideration is given to the average gross gaming win generated per site per month. The average gross gaming win generated per site per month has been determined to be R135 000 (2023: R135 000). Therefore, where a site is generating less than this, the site is considered to be underperforming in terms of its cash generations. This is considered to be a significant increase in credit risk.

Probability of default is an estimate of the likelihood of default over a given time horizon. The estimation is based on current conditions, adjusted to take into account estimates of future conditions that will impact the probability of default. A loss given default is an estimate of the loss arising on default. The time of recovery and the recovery rate are taken into account when the loss given default is estimated. Exposure at default is an estimate of the exposure at a future default date, which is the total balance outstanding at default.

Site owner loans comprise amounts due by LPM site owners resulting in initial costs incurred to get the gaming sites approved by the gambling boards, as well as funding requirements for maintaining and expanding their operations. The loan repayment periods range between three and 36 months, are unsecured, interest free and are repayable in weekly instalments.

Payments on behalf of site owners comprise amounts due by LPM site owners resulting in initial costs incurred to get the gaming sites approved by the gambling boards. These loans are repayable once site licences are approved which is generally withing six months, are unsecured and interest free.

All amounts repayable over greater than 12 months are disclosed as non-current loans (refer to note 26).

29 TRADE AND OTHER RECEIVABLES *continued*

29.2 Debt investments *continued*

Loss allowance calculated under the general model

The three stage model has been developed by making use of judgement, past default experience of loans but also incorporates forward-looking information such as the macroeconomic factors mentioned above as at the reporting date. All loans and advances are assessed on a monthly basis to determine whether there has been a significant increase in credit risk. There have been no changes in estimation techniques or significant assumptions applied in the determination of ECL allowances. The basis of inputs, assumptions and estimation techniques are as follows:

Stage 1 Performing (12–month ECLs)	Stage 1 LPM site owner loans total R48 million (2023: R44 million) with 12-month ECLs of R1 million (2023: R2 million), based on past default experience on loans to site owners it was determined that if a site generates more than the average gross gaming win of the LPM business segment for the reporting period of R135 000 (2023: R135 000), it is more likely to be able to service its debt. Varying percentages of default are applied to all site owners in this category and are calculated by making use of judgement and past default experience on loans to site owners. Based on this and taking into account the forward looking-information, the overall ECL percentage is 2% (2023: 4%). Payments on behalf of Stage 1 LPM site owners total R5 million (2023: R4 million) with 12-month ECLs of R200 000 (2023: R121 000). These loans are considered Stage 1 when current licence approvals and outstanding licence approvals are less than 26 weeks. These loans are not considered significant and therefore no further disclosure is provided in this regard.
Stage 2 Underperforming (lifetime ECLs)	Stage 2 LPM site owner loans total R79 million (2023: R83 million). In cases where significant increase in credit risk has occurred an impairment equal to the lifetime ECL is recognised. For LPM site owner loans, it was determined that if a site generates less than the average gross gaming win of the LPM business segment for the reporting period of R135 000 (2023: R135 000), it is more likely to default in repayment due to past default experience with debtors. Varying percentages of default are applied to all site owners in this category and are calculated by making use of judgement and past default experience on loans to site owners. Based on this and taking into account the forward-looking information, the overall ECL percentage is 76% (2023: 72%) with an ECL amount of R62 million (2023: R61 million). Payments on behalf of site owners loans total R3 million (2023: R2 million) that are considered underperforming. The group considers a significant increase in credit risk events when a licence approval is outstanding for more than 26 weeks but less than 52 weeks. These loans are not considered significant and therefore no further disclosure is provided in this regard.
Stage 3 Non-performing (lifetime ECLs)	For LPM site owner loans, sites that are closed or temporarily closed are fully provided for totalling R5 million (2023: R3 million). It is the group's experience that closed or temporarily closed sites will not generate sufficient future cash flows to settle outstanding loans and the loans are considered to be credit impaired. For payments on behalf of site owner loans of R1 million (2023: R4 million), where licence approvals are outstanding for more than 52 weeks are fully provided for.

29 TRADE AND OTHER RECEIVABLES *continued*

29.2 Debt investments *continued*

Loss allowance calculated under the general model *continued*

On the above basis, the ECL allowance for debt investments was determined as follows:

	Stage 1 Performing (12-month ECL) Rm	Stage 2 Under-performing (Lifetime ECL – not credit impaired) Rm	Stage 3 Non-performing (Lifetime ECL – credit impaired) Rm	Total Rm
As at 31 March 2024				
Carrying value of debt investments with specific credit losses recognised			**–**	**–**
Gross amount			**6**	**6**
Specific credit losses			**(6)**	**(6)**
Carrying value of debt investments with ECLs	**52**	**20**	**–**	**72**
Gross amount	**53**	**82**	**–**	**135**
ECL rate	**1.9%**	**75.6%**	**–**	**46.7%**
Lifetime ECL	**(1)**	**(62)**	**–**	**(63)**
	52	**20**	**–**	**72**
As at 31 March 2023				
Carrying value of debt investments with specific credit losses recognised			–	–
Gross amount			7	7
Specific credit losses			(7)	(7)
Carrying value of debt investments with ECLs	46	24	–	70
Gross amount	48	85	–	133
ECL rate	4.2%	71.8%	–	47.4%
Lifetime ECL	(2)	(61)	–	(63)
	46	24	–	70

29 TRADE AND OTHER RECEIVABLES *continued*

29.2 Debt investments *continued*

***Loss allowance calculated under the general model** continued*

Movements in the allowance for ECLs on debt investments are as follows:

	2024 Rm	2023 Rm
At 1 April	**70**	69
Loss allowance recognised on specific receivables during the year	**2**	4
12-month ECL allowance recognised during the year	**1**	2
Lifetime ECL allowance recognised during the year:		
Receivables with significant increase in credit risk but not credit impaired	**2**	2
Loss allowance unused and reversed during the year	**(3)**	(3)
Impairment charge for bad and doubtful debts, net of recoveries	**(3)**	(4)
At 31 March	**69**	70

The creation of the provisions is offset by the release of provisions for impaired receivables and has been included in other operating expenses in profit or loss (note 11) due to the amounts not being material.

29.3 Other receivables and deposits

Other receivables and deposits do not contain significant credit risk. There are no significant receivables past due not impaired and therefore no further disclosure is provided in this regard.

30 CASH AND CASH EQUIVALENTS

	2024 Rm	2023 Rm
Cash and cash equivalents measured at amortised cost		
Current accounts	**343**	282
Call deposit accounts	**10**	50
Cash	**282**	268
Gross cash and cash equivalents	**635**	600
Less: Bank overdrafts included in borrowings (note 33)	**(44)**	(50)
Net cash and cash equivalents per the statement of cash flows	**591**	550

Due to the short-term nature of these assets and historical experience, cash and cash equivalents are regarded as having a low probability of default and therefore the related ECL is deemed not significant.

31 SHARE CAPITAL AND PREMIUM

	Number of ordinary shares	Number of treasury shares	Net number of shares	Ordinary share capital Rm	Share premium Rm	Treasury shares Rm	Total Rm
At 1 April 2022	1 050 188 300	(4 086 043)	1 046 102 257	4	6 585	(102)	6 487
Share options lapsed	–	(148 299)	(148 299)	–	–	(2)	(2)
At 31 March 2023	**1 050 188 300**	**(4 234 342)**	**1 045 953 958**	**4**	**6 585**	**(104)**	**6 485**
Share buy-back	**(6 869 583)**	**–**	**(6 869 583)**	*	**(86)**	**–**	**(86)**
Odd-lot offer	**(138 044)**	**–**	**(138 044)**	*	**(2)**	**–**	**(2)**
Repurchase and cancellation of share trust shares	**(583 857)**	**583 857**	**–**	*	**(10)**	**10**	**–**
At 31 March 2024	**1 042 596 816**	**(3 650 485)**	**1 038 946 331**	**4**	**6 487**	**(94)**	**6 397**

** Amount less than R1 million*

The total authorised number of ordinary shares is 1 200 000 000 (2023: 1 200 000 000) with a par value of 2 cents per share (2023: 2 cents per share). The company also has 20 000 000 authorised unissued preference shares of no par value. All issued shares are fully paid up. The shares related to the IFRS 2 *Share-based Payment* – equity-settled are still to be settled by the participants (refer to note 36.1).

During the year under review, the company embarked on a share buy-back programme, repurchased shares in accordance with an odd-lot offer and acquired the remaining shares held in the group's share scheme trust, the Gold Reef Share Scheme. These shares were cancelled.

The directors of the company have, as a general authority until the forthcoming AGM, been authorised to allot and issue the authorised but unissued ordinary shares as they in their discretion deem fit (subject to the company's MoI, the Companies Act and the JSE Listings Requirements). This authority does not extend to the issue of shares for cash (whether by way of a general issue of shares for cash or a specific issue for cash) where the JSE Listings Requirements or the Companies Act require an additional approval to be granted. The board of directors has also been given a general authority to acquire ordinary shares issued by the company subject to the MoI, Companies Act and JSE Listings Requirements which is valid until the company's next AGM, or 15 months from the date of the passing of this special resolution, whichever period is the shorter. The board of directors has been authorised to determine the preferential rights attaching to the future issue of preference shares (subject to the approval of the JSE).

32 OTHER RESERVES

	Common control reserve[1] Rm	Transactions with non-controlling interests Rm	Financial assets at FVOCI Rm	Cash flow hedge reserve Rm	Property, plant and equipment revaluation reserve Rm	Share-based payment reserve Rm	Total Rm
Balance at 1 April 2022	(3 231)	(636)	(459)	40	101	–	(4 185)
Cash flow hedges	–	–	–	28	–		28
Fair value adjustments	–	–	–	39	–	–	39
Deferred tax	–	–	–	(11)	–	–	(11)
Financial assets at FVOCI fair value reserve							
Fair value adjustments[2]	–	–	120	–	–	–	120
Share-based payment reserve	–	–	–	–	–	10	10
Acquisition of non-controlling interests	–	(23)	–	–	–	–	(23)
Balance at 31 March 2023	**(3 231)**	**(659)**	**(339)**	**68**	**101**	**10**	**(4 050)**
Cash flow hedges	**–**	**–**	**–**	**(56)**	**–**		**(56)**
Fair value adjustments	**–**	**–**	**–**	**(79)**	**–**	**–**	**(79)**
Deferred tax	**–**	**–**	**–**	**23**	**–**	**–**	**23**
Financial assets at FVOCI fair value reserve							
Fair value adjustments[2]	**–**	**–**	**(242)**	**–**	**–**	**–**	**(242)**
Revaluation of owner-occupied property reclassified to investment property	**–**	**–**	**–**	**–**	**17**	**–**	**17**
Fair value adjustments	**–**	**–**	**–**	**–**	**22**	**–**	**22**
Deferred tax	**–**	**–**	**–**	**–**	**(5)**	**–**	**(5)**
Acquisition of non-controlling interests	**–**	**(30)**	**–**	**–**	**–**	**–**	**(30)**
Balance at 31 March 2024	**(3 231)**	**(689)**	**(581)**	**12**	**118**	**10**	**(4 361)**

[1] *The common control reserve arose on the group's acquisition of the Bingo and LPM businesses from the HCI group during the 2018 financial year, together with the Bet.co.za acquisition during the 2021 financial year*

[2] *Deferred tax is not provided on the fair value adjustments of the group's equity instruments at FVOCI due to the future profitability of the respective holding entities not being anticipated to produce taxable capital gains in the foreseeable future*

33 INTEREST-BEARING BORROWINGS

	2024 Rm	2023 Rm
Financial liabilities measured at amortised cost		
Bank borrowings	**2 263**	2 973
Corporate bonds (Domestic Medium-term Note Programme)	**5 720**	5 311
Loans from non-controlling interests	**126**	160
Bank overdrafts	**44**	50
	8 153	8 494
Non-current	**7 946**	8 380
Current portion	**207**	114
	8 153	8 494
Secured	**8 027**	8 334
Unsecured	**126**	160
	8 153	8 494

During May and August 2023, certain of the debt was refinanced. The facilities are a combination of new term loans from banking institutions and a Domestic Medium-term Note Programme. The facilities range from committed overnight facilities to tenors of up to four years. Refer to notes 47 and 48 for further details on borrowings and covenants.

Borrowings of R126 million relate to the non-controlling interests funding their portion of the group's acquisition of Emerald Safari Resort Proprietary Limited during the prior year. On 31 May 2023 terms of the loan were amended to accelerate the date of interest on which interest would accrue from the anniversary date upon which capital was received to 1 April 2023. Subsequent to this, the non-controlling interest lender further agreed to provide an 18-month interest holiday effective 1 October 2023, which would resume from 1 April 2025. The above change in terms resulted in an extinguishment of the original loan and an adjustment of R38 million recognised in retained earnings as an equity contribution. This loan is unsecured and interest will be payable at the prime overdraft rate upon conclusion of the 18-month interest holiday. The repayment terms remain subject to the board of directors of the borrower subsidiary, and must be repaid in full by 2050. At 31 March 2024 there was no intention to settle the loan in the next 12 months.

Securities

The following represents the carrying amount of assets of the company, together with certain of its subsidiaries, that are pledged as security in respect of the group's interest-bearing borrowings:

	2024 Rm	2023 Rm
Property, plant and equipment	**5 118**	5 179
Investment property	**247**	177
Other claims and receivables	**114**	123
Pledge of cash in bank accounts	**356**	316
	5 835	5 795

The group has mortgage bonds registered over six of its immovable properties.

Committed facilities

The group has the following committed direct facilities excluding bank overdrafts (from banks and corporate bonds):

	2024 Rm	2023 Rm
Expiring within 1 year	**172**	172
Expiring beyond 1 year	**8 820**	9 570
	8 992	9 742
Undrawn facility of committed direct bank borrowings	**1 009**	1 458

Fair value and interest rates

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments and is within level 3 of the fair value hierarchy. The fair values of long and medium-term borrowings are based on cash flows discounted using commensurate variable rates chargeable by lenders of the above loans ranging between 9.75% and 9.97% (2023: 5.86% and 9.30%). All borrowings bear interest at floating rates (refer note 47.1a(ii)).

	2024	2023
Weighted average effective interest rates (including cash held in call accounts)	**10.27%**	7.04%

33 INTEREST-BEARING BORROWINGS *continued*

The carrying amounts and fair values of borrowings are as follows:

	Carrying amount		Fair value	
	2024 Rm	2023 Rm	**2024 Rm**	2023 Rm
Bank borrowings	**2 263**	2 973	**2 229**	2 963
Corporate bonds (Domestic Medium-term Note Programme)	**5 720**	5 311	**5 565**	5 306
Loans from non-controlling interests	**126**	160	**126**	160
Bank overdrafts	**44**	50	**44**	50
	8 153	8 494	**7 964**	8 479

34 LEASE LIABILITIES AND COMMITMENTS

	Land and buildings Rm	Plant and equipment Rm	Total Rm
At 1 April 2023	**299**	**6**	**305**
Additions	**32**	**4**	**36**
Finance costs	**27**	**–**	**27**
Lease payments	**(65)**	**(5)**	**(70)**
Remeasurements	**(24)**	**–**	**(24)**
At 31 March 2024	**269**	**5**	**274**
Less: Current portion	**(41)**	**(3)**	**(44)**
Non-current portion	**228**	**2**	**230**
At 1 April 2022	325	12	337
Additions	6	7	13
Finance costs	29	–	29
Lease payments	(63)	(5)	(68)
Lease concessions practical expedient applied	–	(2)	(2)
Remeasurements	3	–	3
Terminations	(1)	(6)	(7)
At 31 March 2023	299	6	305
Less: Current portion	(32)	(6)	(38)
Non-current portion	267	–	267

	2024 Rm	2023 Rm
Total cash flows in respect of leases:		
Interest portion of the lease liabilities (included in finance costs cash flows)	**27**	29
Principal portion of the lease liabilities (included in cash flows from financing activities)	**43**	39
Short-term lease payments, payments for leases of low-value assets and variable lease payments that are not included in the measurement of the lease liabilities (included in cash generated from operations)	**151**	143
Total cash outflow for leases	**221**	211

34 LEASE LIABILITIES AND COMMITMENTS *continued*

The group leases various properties, the most significant being the Golden Horse Casino land, leases of various properties at the Bingo business sites and offices at certain of the LPM business sites as well as gaming equipment at the casinos. These rental contracts are for fixed periods of three to 30 years, but may have extension options as described below.

Variable lease payments

Certain property leases contain variable payment terms that are linked to indices which are not considered significant by the group and therefore no further disclosure has been presented. The group also has variable lease terms linked to gross gaming win. Variable lease payments are included in other operating expenses in note 11.

Variable lease payments in respect of its gaming equipment:

Both the casino and bingo divisions have gaming machine leases containing variable payment terms that are linked to gross gaming win generated by the respective machines and these payments are recognised in profit or loss in the period in which the event or condition that triggers those payments occurs and are not included in the measurement of the lease liabilities. A 10% increase in gross gaming win across all sites in the group with such variable lease contracts would increase total gaming equipment lease payments included in operating costs by approximately R10 million (2023: by approximately R10 million).

Extension options and termination options

Extension options and termination options are included in certain property and gaming equipment leases across the group. These are used to maximise operational profitability in terms of managing the assets used in the group's operations. The majority of extension and termination options held are exercisable only by the group and not by the respective lessors.

Extension and termination options in respect of its property leases:

The Golden Horse Casino land has an extension option with effect from 1 September 2030 which the group is reasonably certain to extend and is included in the lease liability. Hemingways casino has a cinema lease with an extension option with effect from 21 August 2024. During the year under review, this extension option was derecognised from the lease liability as it is no longer certain that the lease will be extended. As a result, the lease liability has been remeasured by R21 million with a reduction in the right-of-use asset of R2 million. A remeasurement has been recognised in other operating expenses amounting to R19 million (refer to note 11).

Where the group leases property for Bingo operations, all extension options have been capitalised:

- If a gaming licence term exceeds the initial property rental term, the group is typically reasonably certain to extend the lease contract (or not terminate the lease contract); and
- For operational properties being leased and more suitable properties have been identified, management is reasonably certain to not extend the property lease contract.

Extension options and termination options in respect of gaming equipment leases:

Certain casino gaming equipment leases have extension options that have not been capitalised as it is not reasonably certain that the leases will be extended. Most of the leases with extension options have been converted to short-term leases. The group has the option to terminate, without penalties, the remaining lease contracts.

Residual value guarantees

The group has not provided residual value guarantees in relation to any of its leases as none of its leases contain residual value guarantees.

Leases not yet commenced but committed

The group has not committed to any leases that had not commenced by the reporting date.

Discount rates

The group's incremental borrowing rates applied ranged from 6.6% to 10.6% (2023: 6.6% to 9.6%).

35 DERIVATIVE FINANCIAL INSTRUMENTS

	2024 Rm	2023 Rm
Derivatives measured at fair value		
Cash flow hedges		
Asset	**11**	35
Less: Current portion	**(11)**	–
Non-current portion	**–**	35

For effective hedges, gains and losses are recognised in the hedging reserve directly in other comprehensive income (after tax). Refer also to notes 47 *Financial risk management* and 49 *Fair value estimation*.

The fair value of the group's derivatives used for hedge accounting is a current asset of R11 million (31 March 2023: R35 million non-current asset) 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. A debit of R79 million (2023: a credit of R39 million), representing the effective portion of the cash flow hedge was recognised in other comprehensive income. Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss. During the year, a total of R54 million was reclassified from other comprehensive income to profit or loss (included in finance costs) (2023: a credit of R78 million was recognised in profit or loss due to increases in interest rates causing ineffectiveness in the hedging relationship). The group recognised a R39 million credit (31 March 2023: R47 million charge) in finance costs in respect of the interest rate swap instruments, and in the cash flow, finance costs in respect of the interest rate swap of R36 million inflow (2023: R57 million outflow).

	2024 Rm	2023 Rm
The below swap contracts all mature 31 May 2024. The notional amounts of the outstanding effective interest rate swap contracts at 31 March were:		
Linked to the three-month JIBAR		
With a fixed rate of 7.135%	**700**	700
With a fixed rate of 7.095%	**560**	560
With a fixed rate of 7.145%	**2 240**	2 240
	3 500	3 500

SI put option

In terms of the acquisition agreement of the SunWest and Worcester interests (refer to note 25), in the event that any party acquires 35% or more of the issued ordinary shares of SI triggering a change in control of the SI group, the group may elect to put its equity interests in SunWest and Worcester to SI. SI can elect to either settle the put option by the issue of new ordinary shares in SI and/or for a cash consideration, based on the aggregate value of the group's interest in SunWest and Worcester. No derivative has been recognised as the fair value of the option is Rnil at 31 March 2024 (Rnil at 31 March 2023).

36 LONG-TERM INCENTIVE LIABILITIES

The group only operates the Share Appreciation Bonus Plan under note 36.2 as a long-term incentive plan with the executive facility under note 36.1 being historically discontinued.

36.1 Equity-settled – executive facility (historical discontinued facility)

The scheme has been discontinued with no new allocations/facilities in future.

Following his early retirement in 2019, J Booysen has until 30 September 2025 to dispose of his 1 825 243 shares and repay the loan. The shares were pledged on 14 March 2019 to the company as security until the loan is repaid. Following their resignations in 2020, GD Tyrrell and RB Huddy have until 28 February 2025 and 31 July 2025 respectively to dispose of their 776 699 and 1 048 543 shares respectively and repay the portion of the loans equal to the proceeds on the shares sold. The shares were pledged to the company on 29 November 2019 as security until the loans are repaid.

The balance on the loans, if any, will be written off. Dividends have been ceded to the company. The shares referred to are treasury shares – refer to note 31 *Share capital and premium*.

36.2 Cash-settled – Tsogo Sun Group Share Appreciation Bonus Plan

The Tsogo Sun Group Share Appreciation Bonus Plan is a bonus scheme whereby participants receive cash bonuses, the amounts of which are determined with reference to the growth in the company's share price. Allocations of notional shares are discretionary and administered in terms of the rules of the scheme. These vest and are available to be settled on the third anniversaries of the allocations.

The fair value is expensed over the period as services are rendered by the employees. In terms of the rules, the fair values of the payments are determined using the seven-day volume weighted average trading price of the company's shares prior to the determination of the fair value of the long-term incentive bonus.

The liability is calculated using a binomial lattice model as it allows for better estimation of the liability. Assumptions and inputs are as follows:

- Respective strike prices as shown in the below table;
- Volatility: based on market prices since the June 2019 unbundling of Southern Sun Limited ("SS") 43% (2023: 46%);
- Forward dividend yield 0% as the scheme allows for the receipt of dividends (2023: 0%); and
- The risk free rate was taken from the South African swap curve as at the valuation dates based on the expected term to expiry 8.1% to 8.3% (2023: 7.8% to 7.9%).

	Total appreciation units granted		Appreciation units granted and not vested		Strike price	Appreciation units vested and still outstanding		Expiry date	Liability	
	2024	2023	**2024**	2023	R	**2024**	2023		**2024 Rm**	2023 Rm
Grant date										
1 April 2017[1]	**–**	125 004	**–**	–	28.00	**–**	125 004	31 March 2023	**–**	–
1 April 2018[1]	**124 584**	124 584	**–**	–	24.08	**124 584**	124 584	31 March 2024	**–**	–
12 December 2019	**970 425**	970 425	**–**	–	10.82	**970 425**	970 425	11 December 2025	**5**	5
18 December 2020	**3 020 000**	17 200 000	**–**	17 200 000	5.20	**3 020 000**	–	17 December 2026	**35**	134
16 March 2022	**12 800 000**	14 550 000	**12 800 000**	14 550 000	9.61	**–**	–	15 March 2026	**52**	38
1 March 2023	**10 900 000**	11 900 000	**10 900 000**	11 900 000	10.67	**–**	–	28 February 2027	**21**	2
1 March 2024	**15 250 000**	–	**15 250 000**	–	9.92	**–**	–	14 March 2028	**2**	–
At 31 March	**43 065 009**	44 870 013	**38 950 000**	43 650 000		**4 115 009**	1 220 013		**115**	179
Average share price utilised to value the liability									**R10.88**	R12.11

[1] *As a result of the share price collapse due to COVID-19, the liability of the respective appreciation units were reduced to Rnil*

All appreciation units issued pre the Southern Sun Limited unbundling of 14 June 2019 include both businesses and both the share prices of Tsogo Sun Limited and Southern Sun Limited are taken into consideration when valuing those liabilities. All appreciation units issued after 14 June 2019 relate to Tsogo Sun Limited only.

The group recognised an expense of R43 million (2023: R93 million). The long-term incentive liability in the group's statement of financial position at 31 March 2024 is R23 million (2023: R40 million), with a current portion of R92 million (2023: R139 million).

37 PROVISIONS

	2024 Rm	2023 Rm
At 1 April		
Short-term incentives	**89**	78
Staff bonuses	**21**	–
Long-service awards	**7**	12
Jackpot provisions	**–**	2
	117	92
Created/reclassified/(reversed)		
Short-term incentives	**68**	73
Staff bonuses	**30**	55
Long-service awards	**(6)**	(4)
Jackpot provisions	**–**	(2)
	92	122
Utilised		
Short-term incentives	**(83)**	(64)
Staff bonuses	**(38)**	(37)
Long-service awards	**–**	(1)
	(121)	(102)
Acquisition of business		
Short-term incentives	**–**	2
Staff bonuses	**–**	3
	–	5
At 31 March		
Short-term incentives	**74**	89
Staff bonuses	**13**	21
Long-service awards	**1**	7
Total provisions	**88**	117
Less: Current portion	**(88)**	(104)
Non-current portion	**–**	13

38 TRADE AND OTHER PAYABLES

	2024 Rm	2023 Rm
Financial instruments		
Trade and other payables	**668**	684
Trade payables	**129**	136
Capital creditors	**95**	81
Accrued expenses	**139**	173
Advance deposits	**19**	19
Tenant deposits (note 19)	**11**	10
Deferred income (refer below)	**30**	25
Insurance claims payable	**–**	6
Other payables	**245**	234
Non-financial instruments	**197**	201
VAT payable	**73**	74
Leave pay liability	**50**	51
Payroll-related payables	**40**	36
Gaming levies	**34**	40
	865	885

Deferred income

The group accounts for its gaming customer reward programmes (gaming win) in terms of IFRS 9 *Financial Instruments* and is made up as follows:

	2024 Rm	2023 Rm
At 1 April	**25**	19
Acquisition of business	**–**	2
Created during the year	**228**	234
Forfeitures during the year	**(13)**	(11)
Utilised during the year	**(210)**	(219)
At 31 March	**30**	25

Other payables include unallocated deposits received, Smartcard gaming credits due to customers and other sundry payables.

The carrying amounts of the group's trade and other payables are assumed to approximate their fair values due to the short-term nature of trade and other payables. The expected timing of the recognition of deferred income is within one year (2023: one year) and is considered current.

39 TRANSACTIONS WITH NON-CONTROLLING INTERESTS

Acquisition of non-controlling interests

During the year under review, the group acquired the remaining non-controlling interests in the Bet.co.za business. The acquisition was for a consideration of R22 million and no further disclosure has been supplied as this transaction is considered not significant to the group.

40 CASH GENERATED FROM OPERATIONS

	2024 Rm	2023 Rm
Profit before tax from operations	**2 185**	2 395
Adjusted for:		
Dividends received from investments in equity instruments designated at FVOCI	**(63)**	(74)
Proceeds from insurance claims for capital assets	**(6)**	(5)
Share of profit of associates	**(9)**	(9)
Amortisation and depreciation	**712**	756
Finance income	**(44)**	(60)
Finance costs	**749**	666
Bad and doubtful debt impairments, net of recoveries	**9**	5
(Gain)/loss on lease modifications and terminations	**(16)**	(7)
ECL allowances reversals, net of recognitions	**3**	(3)
Lease concessions	**–**	(2)
Long-term incentive expense	**43**	93
Movement in provisions	**92**	110
Operating equipment usage	**32**	38
Share-based payment charge/(credit) for non-controlling interests	**–**	10
Gain on disposal of property, plant and equipment	**(1)**	(72)
Gain on disposal of assets held for sale	**–**	(6)
Impairment of non-current assets	**310**	83
Impairment reversal of non-current assets	**–**	(198)
Fair value adjustment on investment properties	**5**	17
Other non-cash moves and adjustments	**3**	(9)
Cash generated from operations before working capital movements	**4 004**	3 728
Working capital movements		
Increase in inventories	**(18)**	(24)
(Increase)/decrease in trade and other receivables	**(57)**	15
Decrease in payables and provisions	**(259)**	(119)
Cash generated from operations	**3 670**	3 600

41 INCOME TAX PAID

	2024 Rm	2023 Rm
Tax asset at 1 April	**40**	53
Current tax provided	**(597)**	(513)
Acquisition of business	**–**	2
Tax asset at 31 March	**(14)**	(40)
	(571)	(498)

42 DIVIDENDS PAID TO THE COMPANY'S SHAREHOLDERS

	2024 Rm	2023 Rm
Ordinary		
Unclaimed dividends owing to shareholders at 1 April	**(2)**	(2)
Dividends declared	**(908)**	(514)
Unclaimed dividends owing to shareholders at 31 March	**2**	2
	(908)	(514)

43 CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

43.1 Changes in interest-bearing borrowings

Changes arising from interest-bearing borrowings for the year under review, excluding bank overdrafts from short-term borrowings of R44 million (2023: R50 million), are as follows:

	Non-current Rm	Current Rm	Total Rm
At 1 April 2023	**8 380**	**64**	**8 444**
Cash flow movements			
Borrowings raised[1]	**1 730**	**591**	**2 321**
Borrowings repaid[1]	**(2 130)**	**(496)**	**(2 626)**
Interest paid during the year	**–**	**(796)**	**(796)**
Non-cash movements			
Borrowing facilities raised[2]	**2 050**	**–**	**2 050**
Borrowing facilities repaid[2]	**(2 050)**	**–**	**(2 050)**
Extinguishment of non-controlling interests borrowings	**(38)**	**–**	**(38)**
Interest raised for the year	**4**	**800**	**804**
At 31 March 2024	**7 946**	**163**	**8 109**
At 1 April 2022	7 400	2 279	9 679
Cash flow movements			
Borrowings raised	3 136	–	3 136
Borrowings repaid	(206)	(4 180)	(4 386)
Interest paid during the year	–	(637)	(637)
Non-cash movements			
Borrowing facilities raised/(settled)	1 000	(1 000)	–
Borrowings reclassification to current	(2 950)	2 950	–
Interest raised for the year	–	652	652
At 31 March 2023	8 380	64	8 444

[1] *The group raised R1.73 billion and repaid R2.13 billion in cash as part of the refinancing programme and debt reduction during the year*

[2] *At the time of the May 2023 debt refinancing, R1.55 billion and R0.50 billion was settled respectively, free of value (offset between the same lender), therefore, there was no cash flow through the group's bank accounts at the time the group received the new borrowing facilities of R2.05 billion, this concluded the settlement of three medium-term notes which were due to mature on 30 November 2024*

43.2 Changes in lease liabilities

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

	Non-current Rm	Current Rm	Total Rm
At 1 April 2023	**267**	**38**	**305**
New leases raised	**22**	**14**	**36**
Principal elements of lease payments	**–**	**(43)**	**(43)**
Interest raised for the year	**–**	**27**	**27**
Interest paid during the year	**–**	**(27)**	**(27)**
Remeasurement of leases	**(19)**	**(5)**	**(24)**
Reclassification to current	**(40)**	**40**	**–**
At 31 March 2024	**230**	**44**	**274**
At 1 April 2022	295	42	337
New leases raised	8	5	13
Principal elements of lease payments	(1)	(38)	(39)
Interest raised for the year	–	29	29
Interest paid during the year	–	(29)	(29)
Remeasurement of leases	–	3	3
Termination of leases	–	(7)	(7)
Lease concessions practical expedient applied	–	(2)	(2)
Reclassification to current	(35)	35	–
At 31 March 2023	267	38	305

44 RELATED PARTIES

The company's ultimate controlling shareholder is Hosken Consolidated Investments Limited ("HCI") (a company listed on the JSE) which, at the reporting date, directly and indirectly owned 50.1% (2023: 49.7%) of the company's issued share capital. HCI directly owned 10.1% (2023: 10.0%) and is the majority shareholder of TIHC Investments (RF) Proprietary Limited ("TIHC") which directly owned 40.0% (2023: 39.7%). These percentage shareholdings exclude treasury shares.

HCI has a majority shareholding in GRiPP Advisory Services Proprietary Limited ("GRiPP") which is responsible for the internal audit function for the group.

In accordance with the Eastern Cape Gambling Board's licence conditions, an Eastern Cape-based Black Enterprise, Muji Investments Proprietary Limited ("Muji"), is a vehicle distributor that was appointed to the group whereby Vukani Gaming Eastern Cape (a subsidiary of the group) procures motor vehicles from Muji for the licence period. Muji and Vukani have a common director appointed to their boards.

HCI is a major shareholder of SS. During the prior year, the group concluded a separation agreement with regard to the cancellation of the management agreement of its hotels by SS. All service and rental agreements had been terminated with SS by the prior financial year end.

The group's significant transactions with related parties were all made on terms equivalent to those that prevail in arm's length transactions. Transactions between the company and its subsidiaries, which are related parties of the company, have been eliminated on consolidation and are not disclosed in this note. The following were transactions with related parties during the year under review:

	2024 Rm	2023 Rm
44.1 Transactions with related parties		
Dividends paid to HCI	**91**	51
Dividends paid to TIHC	**361**	203
Investment property acquired from HCI	**28**	–
Internal audit fees paid to GRiPP	**18**	16
Vehicles purchased from Muji	**37**	30
Termination fee paid to SS for cancellation of hotels management agreements	**–**	399
Profit on sale of property, plant and equipment to SS	**–**	71
Hotel management fees and royalties paid to SS	**–**	31
Management fees paid to SS for shared services	**–**	6
Fees paid to SS for administration services of hotels	**–**	15
Management fees charged to SS for shared services	**–**	1
Tenant recoveries charged to SS	**–**	5
Property rentals received from associates	**23**	18

	2024 Rm	2023 Rm
44.2 Amounts owing to/by related parties		
Non-current		
Amount owing to non-controlling interests (note 33)	**126**	160
Current		
Trading accounts net amount owing to SS	**–**	2

44 RELATED PARTIES *continued*

44.3 Key management compensation

Directors of the company and prescribed officers of the group are considered to be the group's key management personnel. All remuneration and fees are paid by subsidiary companies. Remuneration and fees paid to key management during the year by the group are as follows:

44.3.1 Non-executive directors

	Directors' fees for the year ended 31 March	
	2024 R'000	2023 R'000
JA Copelyn	**1 218**	1 203
MJA Golding	**353**	349
BA Mabuza	**723**	714
F Mall	**534**	526
VE Mphande	**417**	411
Y Shaik	**544**	536
RD Watson	**524**	516
	4 313	4 255

At 31 March 2024, non-executive directors indirectly held a total of 23 059 454 shares (2023: 23 059 454 indirectly held shares) being 6 946 560 shares indirectly held (2023: 6 946 560 shares indirectly held) by JA Copelyn, a non-executive director and Chairperson, and 16 112 894 shares indirectly held (2023: 16 112 894 shares indirectly held) by MJA Golding, a non-executive director.

44.3.2 Executive directors

	Year ended 31 March 2024				
	Basic remuneration R'000	**Benefits R'000**	**Short-term incentives R'000**	**Long-term incentives R'000**	**Total paid R'000**
CG du Toit	**8 575**	**539**	**5 525**	**17 640**	**32 279**
G Lunga	**2 817**	**525**	**1 200**	**8 820**	**13 362**
Total remuneration	**11 392**	**1 064**	**6 725**	**26 460**	**45 641**

	Year ended 31 March 2023			
	Basic remuneration R'000	Benefits R'000	Short-term incentives R'000	Total paid R'000
CG du Toit	6 322	518	5 525	12 365
G Lunga	2 682	477	1 000	4 159
Total remuneration	9 004	995	6 525	16 524

44 RELATED PARTIES *continued*

44.3 Key management compensation *continued*

44.3.3 Other key management and prescribed officers

	Year ended 31 March 2024				
	Basic remuneration R'000	**Benefits R'000**	**Short-term incentives R'000**	**Long-term incentives R'000**	**Total paid R'000**
B Mogiba (Chief Executive Officer – Vukani)	**3 000**	**464**	**1 950**	**7 938**	**13 352**
S van Vuuren (Director of Human Resources)	**1 702**	**100**	**600**	**2 646**	**5 048**
C Wannell (Legal Manager and representative of the Company Secretary)	**1 711**	**319**	**600**	**2 646**	**5 276**
Total remuneration	**6 413**	**883**	**3 150**	**13 230**	**23 676**

	Year ended 31 March 2023			
	Basic remuneration R'000	Benefits R'000	Short-term incentives R'000	Total paid R'000
B Mogiba (Chief Executive Officer – Vukani)	3 014	438	1 300	4 752
S van Vuuren (Director of Human Resources)	1 530	30	450	2 010
C Wannell (Legal Manager and representative of the Company Secretary)	1 626	268	500	2 394
Total remuneration	6 170	736	2 250	9 156

45 FUTURE CAPITAL EXPENDITURE

	2024 Rm	2023 Rm
Authorised by directors and contracted for:		
Property, plant and equipment	**56**	147
Intangible assets: software	**–**	2
	56	149

46 CONTINGENCIES AND GUARANTEES

The group has entered into various agreements with its bankers and the respective gambling boards whereby the bank has guaranteed agreed capital amounts not exceeding R117 million (2023: R120 million) for gambling board taxes and working capital. The group has also entered into various agreements with its bankers and respective utility boards, suppliers and municipalities whereby the bank has guaranteed agreed capital amounts not exceeding R24 million (2023: R24 million) for utility expenses. Landlord rental guarantees amounting to R13 million (2023: R9 million) have also been provided through bank guarantees.

47 FINANCIAL AND INSURANCE RISK MANAGEMENT

47.1 Financial risk factors

The group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the group. The group uses derivative financial instruments to hedge certain risk exposures.

Risk management process

The board of directors recognises that the management of business risk is crucial to the group's continued growth and success and this can only be achieved if all three elements of risk – namely threat, uncertainty and opportunity – are recognised and managed in an integrated fashion. The audit and risk committee is mandated by the board of directors to establish, coordinate and drive the risk management process throughout the group. It has overseen the establishment of a comprehensive risk management system to identify and manage significant risks in the business. Internal financial and other controls ensure a focus on critical risk areas, are closely monitored and are subject to management oversight and internal audit reviews.

The systems of internal control are designed to manage rather than eliminate risk, and provide reasonable, but not absolute, assurance as to the integrity and reliability of the financial statements, the compliance with statutory laws and regulations and to safeguard and maintain accountability of the group's assets. The board of directors and management acknowledge that an integrated approach to the total process of combined assurance improves the assurance coverage and quality, in addition to being more cost-effective.

In addition to the risk management processes embedded within the group, management identifies, quantifies and evaluates the group's risks annually, utilising risk assessments. The severity of risks is measured in qualitative (e.g. zero tolerance for regulatory risks) as well as quantitative terms, guided by the risk tolerance and risk appetite measures of the board of directors. The scope of the risk assessment includes risks that impact shareholder value or that may lead to a significant loss, or loss of opportunity. Appropriate risk responses to each individual risk are designed, implemented and monitored.

The risk profiles, with the risk responses, are reviewed by the audit and risk committee at least three time a year. This methodology ensures that identified risks and opportunities are prioritised according to the potential impact on the group and cost effective responses are designed and implemented to counter the effects of risks and take advantage of opportunities.

Financial risk management is carried out by a central treasury department ("Group Treasury") under policies approved by the board of directors. Group Treasury identifies, evaluates and hedges financial risks in close cooperation with the group's operating units. The board of directors provides principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, use of derivative financial instruments and non-derivative financial instruments and investing excess liquidity. Credit risk is managed at an entity level for trade receivables.

(a) Market risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk

(i) Currency risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates

The group is not exposed to significant foreign exchange risk and therefore no further information has been presented.

(ii) Interest rate risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates

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 and lease liabilities). Borrowings at variable rates expose the group to cash flow interest rate risk. Borrowings at fixed rates expose the group to fair value interest rate risk. The group's policy is to borrow in floating rates, having due regard that floating rates are generally lower than fixed rates in the medium term.

47 FINANCIAL AND INSURANCE RISK MANAGEMENT *continued*

47.1 Financial risk factors *continued*

(a) Market risk *continued*

(ii) Interest rate risk *continued*

The group manages its interest rate risk by using floating-to-fixed interest rate swaps. Interest rate swaps have the economic effect of converting floating rate borrowings to fixed rates. Where the group raises long-term borrowings at floating rates, it swaps a portion of them into fixed rates in terms of group policy. Under the interest rate swaps, the group agrees with other parties to exchange, at specified intervals (mainly quarterly), the difference between fixed contract rates and floating rate interest amounts calculated by reference to an agreed reference interest rate calculated on agreed notional principal amounts. Swaps of R3.5 billion have settlement dates coinciding with the dates on which interest is payable on the underlying debt and settlement occurs on a net basis, settlement dates being February, May, August and November annually.

Group policy requires that between 0% and 75% of its net borrowings (net borrowings = gross borrowings net of cash and cash equivalents) are to be in fixed rate instruments over a 12-month rolling period. As at 31 March 2024, 44% (2023: 42%) of consolidated gross borrowings and 47% (2023: 45%) of consolidated net borrowings were in fixed rates taking into account interest rate swaps (excluding non-controlling interests borrowings). The hedge ratio is monitored on an ongoing basis taking into account the interest rate cycle.

Hedge effectiveness is determined at the inception of the hedge relationship, and at each reporting date (mainly half yearly and annually) when effectiveness is assessed to ensure that an economic relationship exists between the hedged item and the hedging instrument. The group enters into interest rate swaps that have similar terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amounts. In line with policy, the group does not hedge 100% of borrowings, however, loans eligible for hedging are identified based on their profile, predominantly three to five-year term loan facilities with bullet repayments. Hedge instrument terms are matched to the interest and capital repayment profile for the hedged item in order to minimise ineffectiveness. The effectiveness of the hedges is tested at inception and thereafter annually and the ineffective portion is recognised immediately in profit or loss. Hedge ineffectiveness for interest rate swaps may occur due to:

- The credit or debit value adjustment on the interest rate swaps which is not matched by borrowings;
- Differences in critical terms between the interest rate swaps and borrowings; and
- Costs of hedging (including the costs of adjusting an existing hedging relationship).

The effects of the interest rate swaps on financial position and performance are as follows:

	2024 Rm	2023 Rm
Carrying amount – asset	**11**	35
Notional amount (refer to note 35)	**3 500**	3 500
Maturity dates	**31 May 2024**	31 May 2024
Hedge ratio of consolidated gross borrowings	**44%**	42%
Effective portion of hedge recognised in other comprehensive income (debit)/credit	**(79)**	39
Reclassification from other comprehensive income to profit or loss (credits)	**54**	78
Weighted average hedged rate for the year	**7.14%**	7.14%

Fixed interest rate swaps ranged from 7.095% to 7.145% as at 31 March 2024 referenced against the three-month JIBAR of 8.367% (2023: fixed interest rate swaps ranged from 7.095% to 7.145% as at 31 March 2023 referenced against the three-month JIBAR of 7.45%).

Floating rate bank borrowings that are not hedged are linked/referenced to various rates, the carrying amounts of which, are as follows:

	2024 Rm	2023 Rm
At 31 March		
Linked to the Rand Overnight	**47**	–
Linked to one-month JIBAR	**47**	–
Linked to three-month JIBAR	**4 483**	4 784
	4 577	4 784

47.1 Financial risk factors *continued*

***(a) Market risk** continued*

***(ii) Interest rate risk** continued*

At 31 March the interest rate profile of the group's interest-bearing financial instruments, excluding the effect of interest rate swaps and lease liabilities, was variable rate instruments. The group has no fixed rate instruments.

	2024 Rm	2023 Rm
Financial assets	**353**	332
Financial liabilities	**(8 153)**	(8 494)
	(7 800)	(8 162)

Cash flow sensitivity analysis for variable rate instruments:

A change of 100 basis points in interest rates would have increased/decreased pre-tax profit or loss by R43 million (2023: R47 million), including the effects of the interest rate swaps. This analysis assumes that all other variables remain constant. The analysis was performed on the same basis for 2023.

The Financial Stability Board ("FSB") has initiated a fundamental review and reform of the major interest rate benchmarks used globally by financial market participants. This review seeks to replace existing interbank offered rates ("IBORs") with alternative risk-free rates ("ARRs") to improve market efficiency and mitigate systemic risk across financial markets. The SARB has indicated their intention to move away from JIBAR and to create an alternative reference rate for South Africa. The SARB has indicated their preference for the adoption of the South African Rand Overnight Index Average ("ZARONIA") as the preferred unsecured candidate to replace JIBAR in cash and derivative instruments. ZARONIA has been published for the purposes of observing the rate and how it behaves, but has not been formally adopted by the SARB as the successor rate to JIBAR. Accordingly, there is still uncertainty surrounding the timing and manner in which the transition would occur and how this would affect various financial instruments held by the group.

(iii) Other price risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instruments or its issuer, or factors affecting all similar financial instruments traded in the market

The group's exposure to equity securities price risk arises from the listed investment held by the group classified in the statement of financial position at fair value through other comprehensive income (note 25). These equities are publicly traded on the JSE. Other than this, the group has no pricing risk.

To manage its price risk arising from investments in equity securities, the group has limits set by the board of directors which are reviewed on a regular basis.

Sensitivity

At 31 March 2024, the share price closed at R4.22 resulting in a fair value loss of R7 million. Had the closing share price increased/decreased by 3%, equity would increase/decrease by R9 million (2023: R3 million).

(b) Credit risk

The risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation

The group has no significant concentrations of credit risk. Overall credit risk is managed on a group basis with exposure to trade and other receivables managed at entity level.

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with financial institutions, as well as credit exposures to the group's customer base, including outstanding receivables.

For financial institutions, only group audit and risk committee approved parties are accepted (on behalf of the board of directors). The group has policies that limit the amount of credit exposure to any financial institution. The group limits its exposure to financial institutions by setting credit limits based on their credit ratings and generally only with reputable financial institutions with strong credit ratings. The utilisation of credit limits is regularly monitored. To reduce credit exposure, the group has International Swaps and Derivatives Association Master Agreements with most of its counterparties for financial derivatives which permit net settlement of assets and liabilities in certain circumstances. The credit quality ratings of financial institutions that the group deposits funds with are at least Ba2.

Refer to note 29 *Trade and other receivables* for further credit risk analysis in respect of trade and other receivables.

47 FINANCIAL AND INSURANCE RISK MANAGEMENT *continued*

47.1 Financial risk factors *continued*

(c) *Liquidity risk*

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset

Prudent liquidity risk management implies 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. Due to the dynamic nature of the underlying businesses, Group Treasury aims to maintain flexibility in funding by keeping committed credit lines available. Although current liabilities exceed current assets at 31 March 2024, the group generates sufficient cash flows during the period to meet all current liability obligations. Refer to note 3(a) *Going concern* for further details in respect of liquidity.

Management monitors rolling forecasts of the group's liquidity headroom on the basis of expected cash flow and the resultant borrowing position compared to available credit facilities. This process is performed during each financial year for five years into the future in terms of the group's long-term planning process.

In order to manage the group's liquidity, the group's policy is to ensure that, at all times, its unutilised borrowing facilities is maintained at a minimum of R500 million. At 31 March 2024, the group had R1.0 billion (2023: R1.5 billion) surplus facilities. Bank overdrafts are not considered to be long-term debt but rather working capital arrangements as part of cash management as set up with the financial institutions, and are therefore excluded:

	2024 Rm	2023 Rm
Debt at 31 March (bank borrowings and corporate bonds)	**(7 983)**	(8 284)
Credit facilities[(1)]	**8 992**	9 742
Headroom available	**1 009**	1 458

[(1)] *Excludes indirect facilities (letters of guarantees), finance leases, bank overdrafts and borrowings from non-controlling interests*

The group sources its funding from a syndicate of large South African banks and institutions thereby reducing liquidity concentration risk. The facilities comprise a mix of short, medium and long-term tenure, with utilisations and available facilities as follows:

	2024 facility			2023 facility		
	Total Rm	**Utilisation Rm**	**Available Rm**	Total Rm	Utilisation Rm	Available Rm
Demand facilities	**172**	**–**	**172**	172	–	172
364-day notice facilities	**1 000**	**95**	**905**	1 000	–	1 000
Term facilities maturing 30 November 2024	**–**	**–**	**–**	3 200	3 200	–
Term facilities maturing 30 November 2025	**1 500**	**1 500**	**–**	2 100	1 750	350
Term facilities maturing 28 February 2026	**1 620**	**1 620**	**–**	1 620	1 620	–
Term facilities maturing 30 November 2026	**650**	**650**	**–**	650	650	–
Term facilities maturing 28 February 2027	**1 000**	**1 000**	**–**	1 000	1 000	–
Term facilities maturing 31 May 2027	**1 000**	**1 000**	**–**	–	–	–
Term facilities maturing 31 August 2027	**900**	**900**	**–**	–	–	–
Term facilities maturing 31 May 2028	**550**	**550**	**–**	–	–	–
Term facilities maturing 31 August 2028	**200**	**200**	**–**	–	–	–
Term facilities maturing 31 August 2029	**400**	**400**	**–**	–	–	–
Accrued interest	**–**	**68**	**(68)**	–	64	(64)
	8 992	**7 983**	**1 009**	9 742	8 284	1 458

The group completed a refinancing programme of its debt in May 2023 and August 2023, whereby the debt in existence was treated as an extinguishment and the new debt recognised due to the revised terms.

47 FINANCIAL AND INSURANCE RISK MANAGEMENT *continued*

47.1 Financial risk factors *continued*

(c) *Liquidity risk continued*

The tables below analyse the group's financial liabilities that will be settled into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows, inclusive of capital and interest:

	Less than 1 year Rm	Between 1 and 2 years Rm	Between 2 and 3 years Rm	Between 3 and 4 years Rm	Over 4 years Rm
At 31 March 2024					
Bank borrowings	**306**	**1 651**	**694**	**–**	**–**
Corporate bonds	**552**	**2 158**	**1 387**	**2 067**	**1 219**
Loans from non-controlling interests	**–**	**19**	**19**	**19**	**588**
Lease liabilities	**64**	**56**	**49**	**48**	**155**
Bank overdrafts	**44**	**–**	**–**	**–**	**–**
Trade and other payables	**668**	**–**	**–**	**–**	**–**
	1 634	**3 884**	**2 149**	**2 134**	**1 962**
At 31 March 2023					
Bank borrowings	265	1 389	1 311	758	–
Corporate bonds	468	2 473	2 490	1 088	–
Loans from non-controlling interests	–	–	–	–	160
Lease liabilities	62	56	51	48	227
Bank overdrafts	50	–	–	–	–
Trade and other payables	684	–	–	–	–
	1 529	3 918	3 852	1 894	387

47 FINANCIAL AND INSURANCE RISK MANAGEMENT *continued*

47.2 Financial instruments by category

The table below reconciles the group's accounting categorisation of financial assets and financial liabilities (based on initial recognition) to the classes of assets and liabilities as shown on the face of the statement of financial position:

	Amortised cost Rm	Financial assets at FVOCI Rm	Derivatives used for hedging Rm	Other financial liabilities at amortised cost Rm	Not categorised as a financial instrument Rm	Total Rm	Non-current Rm	Current Rm
At 31 March 2024								
Financial assets								
Financial assets at FVOCI	**–**	**1 011**	**–**	**–**	**–**	**1 011**	**1 011**	**–**
Non-current receivables	**29**	**–**	**–**	**–**	**–**	**29**	**29**	**–**
Derivative financial instruments	**–**	**–**	**11**	**-**	**–**	**11**	**–**	**11**
Trade and other receivables	**296**	**–**	**–**	**–**	**148**	**444**	**–**	**444**
Cash and cash equivalents	**635**	**–**	**–**	**–**	**–**	**635**	**–**	**635**
Financial liabilities								
Interest-bearing borrowings	**–**	**–**	**–**	**8 153**	**–**	**8 153**	**7 946**	**207**
Trade and other payables	**–**	**–**	**–**	**668**	**285**	**953**	**–**	**953**
At 31 March 2023								
Financial assets								
Financial assets at FVOCI	–	1 072	–	–	–	1 072	1 072	–
Non-current receivables	34	–	–	–	–	34	34	–
Derivative financial instruments	–		35			35	35	–
Trade and other receivables	285	–	–	–	110	395	–	395
Cash and cash equivalents	600	–	–	–	–	600	–	600
Financial liabilities								
Interest-bearing borrowings	–	–	–	8 494	–	8 494	8 380	114
Trade and other payables	–	–	–	678	318	996	13	983
Insurance claims payable	–	–	–	6	–	6	–	6

48 CAPITAL RISK MANAGEMENT

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern and provide optimal returns for shareholders through maintaining an optimal capital structure.

The group defines capital as equity funding provided by shareholders and debt funding from external parties. Shareholder funding comprises permanent paid-up capital, share premium, revenue reserves and other reserves as disclosed in the statement of financial position. Debt funding comprises loans from financial institutions, corporate bonds and loans from non-controlling interest and net debt represents gross debt net of all cash reserves. Debt funding excludes lease liabilities.

The policy of the board of directors is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The board monitors the cost of capital, which the group defines as WACC, taking into account the group's internally calculated cost of equity (shareholder funding) and long-term cost of debt assumptions. In order to maintain or adjust the capital structure, in the absence of significant investment opportunities, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or acquire own shares.

The board of directors seeks to maintain a balance of the higher returns that might be possible with optimal levels of net interest-bearing debt and unutilised headroom and the advantages and security afforded by a sound equity position. The group's debt capacity and optimal gearing levels are determined by the cash flow profile of the group and are measured through applicable ratios such as net debt to adjusted EBITDA, as measured for covenant purposes (as shown below) and interest cover. These ratios provide a framework within which the group's capital base is managed. The group's current utilisation of debt facilities is shown in notes 33 and 47.1(c).

Under the terms of the borrowing facilities, the group is required to comply with the following financial covenants:

- Adjusted EBITDA, as measured for covenant purposes, covers net interest by at least 3.0 times;
- Net debt:adjusted EBITDA, as measured for covenant purposes, required to be less than 3.0 times; and
- Loan to value of less than 40% for interim reporting.

No debt covenants in respect of external borrowings were breached during the year under review. The covenants are monitored and reported to the board of directors and CODM on a quarterly basis. Apart from the external debt borrowing covenants and the insurance regulations, the group is not subject to externally imposed capital requirements.

	2024 **Rm**	2023 Rm
Total borrowings (note 33)	**8 153**	8 494
Less: Cash and cash equivalents (note 30)	**(635)**	(600)
Guarantees by the group's bankers (note 46)	**154**	153
Net debt, including guarantees	**7 672**	8 047
Adjusted EBITDA, as measured covenant purposes (refer note below)	**3 861**	3 972
Net debt:adjusted EBITDA, as measured covenant purposes (times)	**1.99**	2.02
Adjusted EBITDA, as measured for covenant purposes, is made up as follows:		
Adjusted EBITDA (per note 5)	**3 901**	3 966
Adjust for:		
IFRS 16 depreciation (note 12)	**(47)**	(48)
IFRS 16 finance costs (note 16)	**(27)**	(29)
Long-term incentive (note 36)	**43**	93
Non-controlling interests share of profits and losses	**(9)**	–
Other sundry non-recurring items	**–**	(10)
Adjusted EBITDA, as measured covenant purposes	**3 861**	3 972

49 FAIR VALUE ESTIMATION OF FINANCIAL INSTRUMENTS AND INVESTMENT PROPERTY

Specific valuation techniques used to value financial instruments and investment property include:

- Quoted market prices or dealer quotes for similar instruments;
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves; and
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments and investment property.

Financial instruments in level 1

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

The group has the following level 1 financial instruments (note 25):

	2024 Rm	2023 Rm
Equity instruments at FVOCI	**287**	113

Financial instruments in level 2

The level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.

The group has the following level 2 financial instruments (note 35):

	2024 Rm	2023 Rm
Derivative financial instruments – interest rate swaps asset	**11**	35

Financial instruments and investment property in level 3

Level 3 inputs are unobservable inputs for the asset or liability. The basis of fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date assuming buyers and sellers in the principal market for the asset have all of the following characteristics:

- They are independent of each other;
- They are knowledgeable, having a reasonable understanding about the asset and the transaction using all available information, including information that might be obtained through due diligence efforts that are usual and customary;
- They are able to enter into a transaction for the asset or liability; and
- They are willing to enter into a transaction for the asset or liability.

The group has the following level 3 financial instruments and investment property:

	2024 Rm	2023 Rm
Equity instruments at FVOCI (note 25)	**724**	959
Investment properties (note 21)	**476**	377
	1 200	1 336

There were no transfers between levels 1, 2 and 3 during the year under review or in the prior year. The group has no other financial assets or liabilities measured at fair value.

50 OFFSETTING

The group has the following financial instruments which are subject to enforceable master netting arrangements which are not offset due to offsetting requirements not being met as at 31 March:

	2024 Rm	2023 Rm
Current bank accounts		
Gross bank balances	**489**	488
Gross bank overdrafts	**(44)**	(50)
Net bank balance, if offset	**445**	438

51 EVENTS OCCURRING AFTER THE REPORTING DATE

The directors are not aware of any matters or circumstances arising since the end of the reporting period, not otherwise dealt with within these consolidated financial statements that would affect the operations or results of the group significantly, other than as mentioned below:

Dividend declaration

Subsequent to the company's reporting date, on 23 May 2024, the board of directors declared a final gross cash dividend of 40.0 cents per share in respect of the year ended 31 March 2024 from distributable reserves. The aggregate amount of the dividend paid on 29 July 2024, not recognised as a liability at the reporting date, is R417 million.

52 SUBSIDIARIES HAVING MATERIAL NON-CONTROLLING INTERESTS

The total non-controlling interests' share of profit for the year and accumulated non-controlling interests, all having their place of business being in South Africa, are allocated as follows:

	Ownership as at 31 March		Share of profit for the year 31 March		Accumulated non-controlling interests as at 31 March	
	2024 %	2023 %	**2024 Rm**	2023 Rm	**2024 Rm**	2023 Rm
Emerald Safari Resorts Proprietary Limited[1]	**45**	45	**–**	8	**25**	8
Tsogo Sun Emonti Proprietary Limited	**35**	35	**5**	(7)	**136**	136
Galaxy non-controlling interests	**Various**	Various	**(8)**	3	**(59)**	(46)
Vukani non-controlling interests	**Various**	Various	**20**	21	**24**	15
Other non-controlling interests	**Various**	Various	**(2)**	(1)	**(15)**	(23)
			15	24	**111**	90

Summarised financial information, before intergroup eliminations, for subsidiaries having material non-controlling interests is as follows:

	Tsogo Sun Emonti Proprietary Limited		Emerald Safari Resort Proprietary Limited	
Summarised statements of financial position as at 31 March	**2024 Rm**	2023 Rm	**2024 Rm**	2023 Rm
Non-current assets	**215**	242	**498**	433
Current assets	**210**	209	**18**	75
Total assets	**425**	451	**516**	508
Non-current liabilities	**2**	31	**48**	40
Current liabilities	**29**	29	**394**	392
Total liabilities	**31**	60	**442**	432
Net assets	**394**	391	**74**	76
Summarised statements of changes in equity as at 31 March				
Extinguishment of non-controlling interests loans (note 33)	**–**	–	**17**	–

	Tsogo Sun Emonti Proprietary Limited		Emerald Safari Resort Proprietary Limited	
Summarised statements of profit or loss	**For the year ended 31 March 2024 Rm**	For the year ended 31 March 2023 Rm	**For the year ended 31 March 2024 Rm**	For the period 12 September 2022 to 31 March[1] 2023 Rm
Income	**219**	241	**310**	193
Profit/(loss) before income tax	**25**	(22)	**(1)**	27
Income tax (expense)/credit	**(7)**	4	**–**	(9)
Profit/(loss) for the year	**18**	(18)	**(1)**	18
Other comprehensive income	**–**	–	**–**	–
Total comprehensive income	**18**	(18)	**(1)**	18
Dividends paid to non-controlling interests	**4**	5	**–**	–

[1] *During the prior year, the non-controlling interests acquired an effective 45% shareholding in Emerald Safari Resort Proprietary Limited from 12 September 2022*

52 SUBSIDIARIES HAVING MATERIAL NON-CONTROLLING INTERESTS *continued*

	Tsogo Sun Emonti Proprietary Limited		Emerald Safari Resort Proprietary Limited	
Summarised statements of cash flows	**For the year ended 31 March 2024 Rm**	For the year ended 31 March 2023 Rm	**For the year ended 31 March 2024 Rm**	For the period 12 September 2022 to 31 March[(1)] 2023 Rm
Cash generated from operations	**14**	43	**52**	19
Interest received	**17**	11	**2**	1
Finance costs paid	**–**	–	**(22)**	–
Income tax paid	**(6)**	(10)	**(1)**	(4)
Dividends paid	**(13)**	(13)	**–**	–
Net cash generated from operations	**12**	31	**31**	16
Net cash utilised for investment activities	**(7)**	(27)	**(47)**	(11)
Net cash utilised for financing activities	**(3)**	(2)	**–**	(42)
Net increase/(decrease) in cash and cash equivalents	**2**	2	**(16)**	(37)
Cash and cash equivalents at beginning of the period	**12**	10	**25**	62
Cash and cash equivalents at end of the period	**14**	12	**9**	25

(1) *During the prior year, the non-controlling interests acquired an effective 45% shareholding in Emerald Safari Resort Proprietary Limited from 12 September 2022*

53 SUBSIDIARY COMPANIES

The following are the company's principal subsidiaries in which it has interests, both directly and indirectly. All these subsidiary companies have share capital consisting of ordinary shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group, which is 100% except for Emerald Safari Resort Proprietary Limited and Tsogo Sun Emonti Proprietary Limited where the group holds 55% effectively and 65% respectively.

Subsidiary

Direct shareholding

- Akani Egoli Management Proprietary Limited
- Akani-Egoli Proprietary Limited
- Akani Msunduzi Proprietary Limited
- Akani Msunduzi Management Proprietary Limited
- Garden Route Casino Proprietary Limited
- Gold Reef Management Proprietary Limited
- Goldfields Casino and Entertainment Centre Proprietary Limited
- Silverstar Casino Proprietary Limited
- Tsogo Sun Alternative Gaming Investments Proprietary Limited
- Tsogo Sun Hotels, Gaming and Entertainment Proprietary Limited
- West Coast Leisure Proprietary Limited

Indirect shareholding

- Emerald Safari Resort Proprietary Limited
- Galaxy Gaming and Entertainment Proprietary Limited
- Tsogo Sun Caledon Proprietary Limited
- Tsogo Sun Casinos Proprietary Limited
- Tsogo Sun Emonti Proprietary Limited
- Tsogo Sun Investments Proprietary Limited
- Tsogo Sun KwaZulu-Natal Proprietary Limited
- Tsogo Sun Newcastle Proprietary Limited
- Tsogo Sun Treasury Proprietary Limited
- Vukani Gaming Corporation Proprietary Limited

The group comprises a large number of companies. The list above only includes those subsidiary undertakings which materially affect the profit or loss or net assets of the group, or a business segment, together with the principal intermediate holding companies of the group. All subsidiaries shown above are incorporated, and have their place of business, in South Africa. A register detailing information in respect of all subsidiaries of the company is available for inspection at the registered office of the company, which may be inspected by members or their duly authorised agents.

Analysis of shareholding

as at 31 March 2024

	Number of shareholders	%	Number of shares	%
Portfolio size				
Range				
1 – 1 000	4 435	66.25	970 025	0.09
1 001 – 5 000	1 124	16.79	2 751 395	0.26
5 001 – 10 000	275	4.11	2 101 097	0.20
10 001 – 50 000	390	5.83	9 196 002	0.88
50 001 – 100 000	116	1.73	8 216 536	0.79
100 001 – and more	354	5.29	1,019 361 761	97.78
	6 694	100.00	1 042 596 816	100.00
Shareholder spread				
Public	6 690	99.95	499 422 958	47.90
Individuals	5 744	85.82	9 340 118	0.90
Banks and insurance companies	55	0.82	28 542 696	2.74
Pension funds and medical aid societies	259	3.87	53 290 803	5.11
Collective investment schemes and mutual funds	137	2.05	258 827 615	24.82
Other corporate bodies	495	7.39	149 421 726	14.33
Non-public	4	0.05	543 173 858	52.10
Directors[(1)]	2	0.03	23 059 454	2.21
Controlling entity of controlling shareholder	1	0.01	104 932 377	10.07
Controlling shareholder (10% of issued share capital or more)	1	0.01	415 182 027	39.82
	6 694	100.00	1 042 596 816	100.00
Major shareholders owning 1% or more of total number of shares in issue:				
TIHC Investments (RF) Proprietary Limited			415 182 027	39.82
Hosken Consolidated Investments Limited			104 932 377	10.07
Allan Gray Balanced Fund			58 390 402	5.60
SBSA ITF Mandg SA Equity Fund			49 670 747	4.76
SBSA ITF PGR CAP High Growth H4 QHF			34 138 657	3.27
Investec Bank Ltd Steyncapital SAE			29 270 797	2.81
Alexander Forbes Investments			27 645 606	2.65
Aylett Equity Prescient Fund			18 685 982	1.79
Geomer Investments Proprietary Limited			15 872 978	1.52
Citiclient Nominees NO 8 NY GW			11 210 427	1.08

[(1)] *At 31 March 2024, 6 946 560 shares were indirectly held (2023: 6 946 560 shares indirectly held) by JA Copelyn, Non-executive Director and Chairperson and 16 112 894 shares indirectly held (2023: 16 112 894 shares indirectly held) by MJA Golding, Non-executive Director. There has been no change to directors' shareholdings between the reporting date and the date of these consolidated financial statements*

Treasury shares are made up as follows:	Number of shares
Treasury shares allocated as part of the executive facility – refer to note 36.1 to the consolidated financial statements	3 650 485

The 3 650 485 shares comprising the subject matter of the executive facility have been classified as treasury shares for the purposes of IFRS 2 *Share-based Payments*, but are not treasury shares as defined in the JSE Listings Requirements and as such, the votes of such shares will be taken into account for purposes of resolutions proposed pursuant to the JSE Listings Requirements.

Glossary

Adjusted EBITDA	Adjusted EBITDA is defined by the group as earnings before interest, tax, depreciation and amortisation ("EBITDA") and excludes the effects of items which are regarded as unusual and are infrequent and are considered to distort the numbers if they were not adjusted, and headline adjustments in terms of Circular 1/2023 *Headline Earnings*.
AGM	Annual general meeting
CGU	Cash-generating unit
CODM	Chief operating decision maker
ECL	Expected credit loss
Emerald	Emerald Safari Resort Proprietary Limited
FVOCI	Fair value through other comprehensive income
HCI	Hosken Consolidated Investments Limited
IAS	International Accounting Standards
IASB	International Accounting Standards Board
IFRS	IFRS Accounting Standards
JIBAR	Johannesburg Interbank Agreed Rate
JSE	JSE Limited, or as the context dictates, the trading platform operated by the JSE Limited
LPMs	Limited Payout Machines
MoI	Memorandum of Incorporation
Net debt	Gross debt (including borrowings and overdrafts) net of gross cash and cash equivalents
OCI	Other comprehensive income
pp	Percentage point
SARB	South African Reserve Bank
SI	Sun International Limited
SS	Southern Sun Limited
SunWest	SunWest International Proprietary Limited
the Act	The Companies Act of South Africa, 71 of 2008, as amended
the board	The board of directors of Tsogo Sun Limited
the group	Tsogo Sun Limited and its subsidiaries and associates
TIHC	TIHC Investments (RF) Proprietary Limited
Tsogo Sun or the company	Tsogo Sun Limited
VAT	Value Added Tax
WACC	Weighted average cost of capital
Worcester	Worcester Casino Proprietary Limited