

Segment analysis

for the year ended 30 June 2021

The segment information has been prepared in accordance with IFRS 8 *Operating Segments* which defines the requirements for the disclosure of the financial information of an entity's operating segments.

The standard requires a 'management approach' whereby segment information is presented on the same basis as that used for internal reporting purposes to the chief operating decision-maker(s) who have been identified as the group's executive directors. These individuals review the group's internal reporting by hotel brand in order to assess performance and allocate resources. Depreciation for reportable segments is an asymmetrical expense as assets are not classified by segment. The depreciation charge for each reportable segment relates to furniture, fitting and equipment, while the majority of the charge for central office and other relates to hotel buildings. The measurement policies the group uses for segment reporting under IFRS 8 are the same as those used in its financial statements.

R000	City Lodge Hotel		Town Lodge		Road Lodge		Courtyard Hotel		Central office and other		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenue	257 224	600 159	65 832	171 107	126 122	224 906	20 613	51 176	38 025	111 935	507 816	1 159 283
Results from operating activities	14 109	239 069	(31 139)	32 935	9 635	73 467	(22 798)	1 148	(314 156)	(239 683)	(344 349)	106 936
Depreciation and amortisation	13 251	20 853	8 678	8 991	10 951	11 410	3 258	3 524	83 821	86 378	119 959	131 156
Depreciation – right-of-use assets	–	–	–	–	–	–	–	–	85 894	92 302	85 894	92 302
Adjusted EBITDA^(a)	27 360	259 922	(22 461)	41 926	20 586	84 877	(19 540)	4 672	(144 441)	(61 003)	(138 496)	330 394
Land and hotel building rental ^(b)	–	–	–	–	–	–	–	–	1 784	5 793	1 784	5 793
Adjusted EBITDAR^(c)	27 360	259 922	(22 461)	41 926	20 586	84 877	(19 540)	4 672	(142 657)	(55 210)	(136 712)	336 187

^(a) Adjusted EBITDA represents earnings after B-BBEE transaction charges but before interest, taxation, depreciation and amortisation and impairment charges. Adjusted EBITDA and Adjusted EBITDAR excludes amounts relating to impairments amounting to R420 million (2020: R488 million) which are recorded in central office and other segment.

^(b) Land and hotel building rental primarily reflects turnover-based rentals post implementation of IFRS 16 Leases.

^(c) Adjusted EBITDAR represents earnings after B-BBEE transaction charges but before interest, taxation, depreciation and amortisation, impairment charges and rental.

Geographical information

R000	South Africa		Rest of Africa		Total	
	2021	2020	2021	2020	2021	2020
Revenue	469 791	1 047 348	38 025	111 935	507 816	1 159 283
Property, plant and equipment (non-current and current)	1 359 339	1 398 885	672 503	1 110 867	2 031 842	2 509 752
Right-of-use assets (non-current and current)	932 979	874 775	119 053	110 239	1 052 032	985 014