

**AIRTEL MOBILE COMMERCE HOLDINGS B.V.  
AT AMSTERDAM**

Annual Report 2018/2019

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To the shareholders  
Airtel Mobile Commerce Holdings B.V. (the "Company")  
Overschiestraat 65  
1062 XD Amsterdam

Dear shareholders,

Please find attached the financial statements for the year starting on April 1, 2018 and ending on March 31, 2019 of the Company (hereinafter referred to as the "Year 2018/2019").

We have prepared the annual accounts of the Year 2018/2019 of the Company in accordance with Part 9 of Book 2 of the Dutch Civil Code. The financial statements comprise the Balance Sheet as at March 31, 2019 and the Profit and Loss Account for the Year 2018/2019 with the accompanying explanatory notes. These notes include a summary of the accounting policies which have been applied.


The activities of the Company consist of providing holding and finance services. On March 31, 2019 the board of directors is formed by;

- J.C. Uneken- van de Vreede
- D. Van Kootwijk
- J. Paul

The Balance Sheet is showing a total amount of USD 25,330 and the Profit and Loss Account is showing loss of USD 917 post-tax result. The result for the Year 2018/2019 is loss of USD 917 compared with a nil profit for the year 2017/2018.

For purposes of corporate income tax, the Company forms a fiscal unity with Bharti Airtel International (Netherlands) B.V. The corporate income tax of the subsidiaries of the Company is reported in the accounts of Bharti Airtel International (Netherlands) B.V. The withholding taxes paid by the subsidiaries of the Company are reported in the accounts of the subsidiaries. We will gladly provide further explanations upon request.

Sincerely yours,



J.C. Uneken - van de Vreede  
On behalf of the management board of the Company

**FINANCIAL STATEMENTS**

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**I. BALANCE SHEET AS OF MARCH 31, 2019**

(Before result distribution)

	Notes	March 31, 2019		March 31, 2018	
		USD	USD	USD	USD
<b>ASSETS</b>					
<b>Current assets</b>					
<b>Receivables</b>					
Receivables from group companies	(1)		25,330		25,330
			<u>25,330</u>		<u>25,330</u>
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholder's equity</b>					
Issued share capital	(2)	20,214		22,327	
Other reserves		(872)		(1,839)	
Unappropriated results		<u>(917)</u>		<u>-</u>	
			18,425		20,488
<b>Current liabilities</b>					
Payable to group companies	(3)		6,905		4,842
			<u>25,330</u>		<u>25,330</u>

**II. PROFIT & LOSS ACCOUNT 2018/2019**

	Notes	<u>2018/2019</u> USD	<u>2017/2018</u> USD
<b>Expenses</b>			
Other expenses	(4)	(917)	-
		<u>(917)</u>	<u>-</u>
<b>Result from operations before taxation</b>		<u>(917)</u>	<u>-</u>
Taxation on result from operations		-	-
<b>Result from after taxation</b>		<u><u>(917)</u></u>	<u><u>-</u></u>

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**III. NOTES TO THE COMPANY ACCOUNTS****GENERAL****Activities**

The activities of the Company consist of providing holding and finance services. The Company has its registered office at Overschiestraat 65, 1062 XD Amsterdam, Netherlands.

**Group structure**

The Company forms part of the Bharti Airtel Group of companies. Immediate parent Company is Airtel Mobile Commerce B.V. and the step up parent Companies are;

- Airtel Africa Limited, United Kingdom
- Bharti Airtel Limited, India.

**Consolidation**

In accordance with article 2:407 part 2A of the Dutch Civil Code no consolidated financial statements have been prepared. The Company also avails itself of the facility of article 408, Book 2 of the Dutch Civil Code. The annual accounts of the Company and its subsidiaries are consolidated into the annual accounts of Bharti Airtel Limited, India. Copies of the consolidated accounts are available at the Trade Register of the Chamber of Commerce in Amsterdam. The consolidated accounts will be filed together with the financial statements of the Company.

**LIST OF PARTICIPATING INTERESTS**

The Company has the following capital interests which have not been valued at net capital value:

Name, statutory registered office	Share in issued capital
	%
Airtel Mobile Commerce Zambia Limited Lusaka, Zambia	1.00
Airtel Mobile Commerce Ltd. Lilongwe, Malawi	0.001
Airtel Mobile Commerce (Kenya) Ltd. Nairobi, Kenya	1.00
Airtel Mobile Commerce Uganda Ltd. Kampala, Uganda	1.00
Airtel Mobile Commerce (Tanzania) Ltd. Dar es Salaam, Tanzania	0.10
Airtel Mobile Commerce (Seychelles) Ltd. Victoria, Seychelles	0.10



**GENERAL ACCOUNTING PRINCIPLES FOR THE PREPARATION OF THE ANNUAL ACCOUNTS**

The financial statements have been prepared in accordance with the general provisions of Title 9, Book 2 of the Dutch Civil Code. As allowed in art.2:396 paragraph 6 of the Dutch Civil Code, the valuation of the assets and liabilities and the determination of the result is based on the principles for determination of the taxable profit, as meant in chapter II of the Corporate Income Tax Act 1969.

The value of the participating interests according to the principles of accounting purposes may be different from the value according to the valuation principles for the tax purposes.

The annual report and financial statements have been prepared on the historical cost basis, and based on the principal accounting policies set out below. They are presented in US Dollars. These financial statements will be submitted for consideration and approval at the forthcoming annual meeting of shareholders of the Company.

**Financial instruments**

Financial instruments are both primary financial instruments, such as receivables and payables, and financial derivatives. For the principles of primary financial instruments, reference is made to the treatment per Balance Sheet item.

The Company does not use derivatives.

**Translation of foreign currency**

Transactions in foreign currencies (transactions not in the functional currency of the transaction entity) are translated at the foreign exchange rate at transaction date.

Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rate prevailing at the Balance Sheet date. All differences are taken to the income statement.

**Staff members**

During the Year 2018/2019 the Company has no employees, and hence incurred no wages, salaries or related social security charges, nor during the previous period.

**PRINCIPLES OF VALUATION OF ASSETS AND LIABILITIES****Impairment**

At each Balance Sheet date, the Company tests whether there are any indications of assets being subject to impairment. If any such indications exist, the recoverable amount of the asset is determined. If this proves to be impossible, the recoverable amount of the cash generating unit to which the asset belongs is identified. An asset is subject to impairment if its carrying amount exceeds its recoverable amount; the recoverable amount is the higher of an asset's fair value less costs to sell and value in use.



### **Receivables and deferred assets**

Receivables are valued at nominal value. Any provisions for the risk of doubtful debts are deducted. These provisions are determined based on individual assessment of the receivables.

The receivables of group companies are included in financial fixed assets, except for maturities less than 12 months after Balance Sheet date. They are included in the current assets.

### **Current liabilities**

Liabilities are valued at nominal value, unless disclosed differently.

## **PRINCIPLES FOR THE DETERMINATION OF THE RESULT**

### **General**

The result is defined as the difference between the revenue from goods delivered and services performed on one hand and, on the other hand, the costs and expenses for that year, valued at historical costs.

### **Determination of the result**

The result is determined based upon the difference between the net turnover and the costs and other expenses taking into account the accounting principles mentioned before.

Income and expenses are accounted for on accrual basis. Profit is only included when realized on the Balance Sheet date. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

### **Taxes**

Tax is calculated on the profit/(loss) before taxation in the Profit and Loss Account, taking into account any losses carried forward from previous financial years, tax-exempt items and non-deductible expenses, and using current tax rates.

**IV. NOTES TO THE SPECIFIC ITEMS OF THE BALANCE SHEET AS OF MARCH 31, 2019****ASSETS****1. Current Assets**

	<u>March 31, 2019</u> USD	<u>March 31, 2018</u> USD
<b>(a) Receivables from group companies</b>		
Airtel Mobile Commerce B.V.	25,330	25,330
	<u>25,330</u>	<u>25,330</u>

**EQUITY AND LIABILITIES****2. Shareholder's Equity**

	<u>March 31, 2019</u> USD	<u>March 31, 2018</u> USD
<b>Issued share capital</b>		
18,000 ordinary shares at par value Euro 1.00	20,214	22,327
	<u>20,214</u>	<u>22,327</u>

The statutory share capital amounts to Euro 90,000. The Company's Euro denominated share capital is translated into USD at an exchange rate of Euro 1.123 as at 31 March 2019 (31 March 2018: Euro 1.230). Translation differences are recorded in Other reserves.

	<u>March 31, 2019</u> USD	<u>March 31, 2018</u> USD
<b>Other reserves</b>		
Balance as of April 1	1,241	1,031
Allocation of previous financial year net result	-	210
	<u>1,241</u>	<u>1,241</u>
Foreign currency changes on share capital	(2,113)	(3,080)
Balance as of March 31	<u>(872)</u>	<u>(1,839)</u>

	<u>March 31, 2019</u> USD	<u>March 31, 2018</u> USD
<b>Unappropriated results</b>		
Balance as of April 1	-	210
Unappropriated results	(917)	-
	<u>(917)</u>	<u>210</u>
Appropriation of result previous year	-	(210)
Balance as of March 31	<u>(917)</u>	<u>-</u>

**3. Current Liabilities**

	<u>March 31, 2019</u> USD	<u>March 31, 2018</u> USD
<b>Payable to group companies</b>		
Airtel Mobile Commerce B.V.	6,905	4,842
	<u>6,905</u>	<u>4,842</u>

## CONTINGENT ASSETS AND LIABILITIES

### Contingent liabilities

#### *Tax entity*

The Company is part of the fiscal unity for corporate income tax purposes of Airtel Mobile Commerce B.V. Under the Tax Collection Act, the Company is jointly and severally liable for the taxes payable by the group.

#### On behalf of the management board of the Company

  
J.C. Uneken - van de Vreede  
Director

  
D. Van Kootwijk  
Director

J. Paul  
Director

Date: 25<sup>th</sup> June 2019

## CONTINGENT ASSETS AND LIABILITIES

### Contingent liabilities

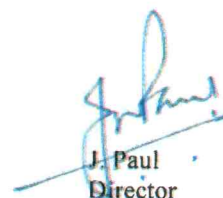
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#### On behalf of the management board of the Company

J.C. Uneken - van de Vreede  
Director

D. Van Kootwijk  
Director



J. Paul  
Director

Date: 25<sup>th</sup> June 2019

**OTHER INFORMATION**

## **OTHER INFORMATION**

### **1 Notification regarding the absence of an audit report**

The Company is exempt from the audit requirement because it is within the limits set in Article 2: 396 paragraph 1 of the Dutch Civil Code. Therefore the annual accounts do not include an audit report.

### **2 Statutory appropriation of profit**

According to the Company's Articles of Association, article 22, the annual meeting of shareholders determines the appropriation of the Company's net result for the year.

### **3 Appropriation of the result for the year 2017/2018**

The annual accounts for the Year 2017/2018 were adopted by the General Meeting held on July 12, 2018. The General Meeting has determined the appropriation of the result as it was proposed.

### **4 Post Balance Sheet events**

There is no post Balance Sheet event to report.