

AIRTEL MOBILE COMMERCE B.V.

Annual Report and Financial Statements for the year ended 31 March 2024

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Airtel Mobile Commerce B.V. Management Report

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

Dear shareholders,

Please find attached the financial statements for the year starting on 1 April, 2023 and ending on 31 March, 2024 of the Company (hereinafter referred to as the "**Year 2023/2024**").

We have prepared the annual accounts of the Year 2023/2024 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, 2024 and the Income Statement for the Year 2023/2024 with the accompanying explanatory notes. These notes include a summary of the accounting policies which have been applied.

PRINCIPAL ACTIVITIES

The principal activity of the Company is that of an investment and holding company.

DIRECTORS

The following directors of the company served office during the Year 2023/2024:

- Jeroen Bronsveld
- Johanna Wilhelmina Maria Dessing
- Bernadette Dominic
- Ian Basil Ferrao
- Anders Mauritz Hansson
- Daan van Kootwijk
- Akinyemi Oludolapo Lalude
- Olusegun Ogunsanya
- Harjeet Singh Kohli
- Jantina Catharina van de Vreede

FINANCIAL PERFORMANCE

The shareholder's equity as on March 31, 2024 is USD 74,801 thousands (March 31, 2023: equity of USD 102,612 thousands) and the Income Statement for the Year 2023/2024 is showing a post-tax profit of USD 164,191 thousands (2022/2023: profit of USD 155,685 thousands).

On behalf of the management board of the Company

sd-/

J.C. Uneken - van de Vreede
Managing Director

10 June 2024

1.1 Fiscal unity

For the purpose of Corporate Income Tax and Value Added Tax (VAT), the Company forms a fiscal unity with its subsidiaries in The Netherlands whereby the result of each of the subsidiaries are added to the results of the parent company. The subsidiaries do not cease to exist for the purpose of either Corporate Income tax or VAT. Each entity has its own fiscal number, but it has no independent obligation to file a return. Under the terms and conditions of a fiscal unity, the losses of one of the members of the fiscal unity can be offset against the profits of another member. Each of the entities in the fiscal unity is jointly and severally liable for the tax liability of the fiscal unity.

Airtel Mobile Commerce B.V.
Balance Sheet (before appropriation of result)
(All amounts are in US dollar thousands, unless stated otherwise)

	Notes	As of	
		31 March, 2024	31 March, 2023
ASSETS			
Fixed assets			
Tangible fixed assets			
Other operating assets	(6) (a)	398	378
Right of use assets	(b)	186	258
Financial fixed assets			
Participations in group companies	(7) (a)	3,105	3,185
Receivables from group companies	(b)	48,417	67,607
Total fixed assets		52,106	71,428
Current assets			
Receivables			
Receivables from group companies	(8)	23,957	41,198
Other Current Assets	(9)	652	248
Cash and cash equivalents	(10)	58,323	30,411
Total current assets		82,932	71,857
Total assets		135,038	143,285
EQUITY AND LIABILITIES			
Shareholder's equity			
Issued share capital	(11)	19	20
Other reserves		10,591	21,907
Unappropriated results		64,191	80,685
		74,801	102,612
Non-current liabilities			
Lease Liability		132	214
Other Payable	(12)	79	55
Current liabilities			
Payable to group company	(13)	1,259	9,640
Lease Liability		82	78
Derivative liabilities		471	-
Other payables	(14)	58,214	30,686
Total liabilities		60,237	40,673
Total equity and liabilities		135,038	143,285

Airtel Mobile Commerce B.V.**Income Statement***(All amounts are in US dollar thousands, unless stated otherwise)*

	Notes	For the year ended	
		31 March, 2024	31 March, 2023
Income	(16)		
Management Fee	(a)	15,900	10,386
Dividend income	(b)	176,975	161,593
Interest income	(c)	2,986	2,617
Total operating income		195,861	174,596
Expense	(17)		
Employee benefits expense	(a)	9,024	6,381
Depreciation expense	(b)	192	171
Other expenses	(c)	3,329	3,567
Interest expense and similar charges	(d)	2,497	110
Total operating expenses		15,042	10,229
Result from operations		180,819	164,367
Foreign currency exchange differences loss	(18)	9,580	670
Result before taxation		171,239	163,697
Taxation	(19)	7,048	8,012
Net result for the year		164,191	155,685

Airtel Mobile Commerce B.V.

Notes to Financial Statements

(All amounts are in US dollar thousands, unless stated otherwise)

1. Corporate information

1.1 Activities

The activities of the Company are that of an investment and holding company. The Company has its registered office at Overschiestraat 65, 1062 XD Amsterdam, The Netherlands. On 18 October 2021 the Company registered a branch office in Dubai under number 99209. These financial statements include the financial results and financial position of the branch office.

1.2 Group structure

The Company forms part of the Airtel Africa Group of companies, which is part of the Bharti Airtel Group of Companies. Airtel Africa plc is a public company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. Airtel Africa plc was listed on the London Stock Exchange (LSE) on 3 July 2019 and on the Nigerian Stock Exchange (NGX) on 9 July 2019.

Immediate parent Company is Bharti Airtel International (Netherlands) B.V. and the step up parent Companies are:

- Airtel Africa plc
- Airtel Africa Mauritius Limited
- Network i2i Limited
- Bharti Airtel Limited
- Bharti Telecom Limited

Shareholding of the Company as on 31st March, 2024 is as under:

Bharti Airtel International (Netherlands) B.V.	77.893%
Minority shareholders:	22.107%
The Rise Fund II Aurora s.a.r.l	8.056%
Qatar Holding LLC	8.056%
Mastercard Asia/Pacific PTE. LTD.	4.028%
Chimetech Holding Ltd	1.967%

1.3 List of participating interests

The Company has the following capital interests:

Name, statutory registered office	Share in issued capital	
	31 March, 2024	31 March, 2023
	%	%
Airtel Mobile Commerce Holdings B.V. Amsterdam, The Netherlands	100.00	100.00
Airtel Mobile Commerce Madagascar S.A. Antananarivo, Madagascar	0.100	0.100
Airtel Money S.A. Libreville, Gabon	1.998	1.998
Airtel Mobile Commerce Zambia Limited Lusaka, Zambia	99.00	99.00
Airtel Mobile Commerce Limited Lilongwe, Malawi	99.99	99.99
Airtel Mobile Commerce Tanzania Limited Dar es Salaam, Tanzania	99.90	99.90

Airtel Mobile Commerce B.V.
Notes to Financial Statements

(All amounts are in US dollar thousands, unless stated otherwise)

1.3 List of participating interests (continued)

Name, statutory registered office	Share in issued capital	
	31 March, 2024	31 March, 2023
Airtel Money (RDC) S.A, Kinshasa, Democratic Republic of the Congo	5.15 %	5.15 %
Airtel Mobile Commerce (Kenya) Limited Nairobi, Kenya	99.90	99.90
Airtel Mobile Commerce (Seychelles) Ltd Victoria, Seychelles	-	99.00
Airtel Mobile Commerce Nigeria Limited Lagos, Nigeria	0.000002	0.000002
Airtel Mobile Commerce Rwanda B.V. Amsterdam, The Netherlands	100.00	100.00
Airtel Mobile Commerce Nigeria B.V. Amsterdam, The Netherlands	100.00	100.00
Airtel Mobile Commerce Zambia B.V. Amsterdam, The Netherlands	100.00	100.00
Airtel Mobile Commerce Uganda B.V. Amsterdam, The Netherlands	100.00	100.00
Airtel Mobile Commerce Kenya B.V. Amsterdam, The Netherlands	100.00	100.00
Airtel Mobile Commerce Madagascar B.V. Amsterdam, The Netherlands	100.00	100.00
Airtel Mobile Commerce Malawi B.V. Amsterdam, The Netherlands	100.00	100.00
Airtel Mobile Commerce (Seychelles) B.V. Amsterdam, The Netherlands	100.00	100.00
Airtel Mobile Commerce Tchad B.V. Amsterdam, The Netherlands	100.00	100.00
Airtel Mobile Commerce Congo B.V. Amsterdam, The Netherlands	100.00	100.00
Airtel Mobile Commerce DRC B.V. Amsterdam, The Netherlands	100.00	100.00
Airtel Mobile Commerce Gabon B.V. Amsterdam, The Netherlands	100.00	100.00
Airtel Mobile Commerce Niger B.V. Amsterdam, The Netherlands	100.00	100.00
Airtel Mobile Commerce Services Limited, Nairobi, Kenya	100.00	100.00
Airtel Mobile Commerce Tanzania B.V. Amsterdam, The Netherlands	100.00	100.00

Airtel Mobile Commerce B.V. **Notes to Financial Statements**

(All amounts are in US dollar thousands, unless stated otherwise)

2. General accounting principles for the preparation of the annual accounts

2.1 Basis of preparation

The financial statements are drawn up in accordance with the provisions of Title 9, Book 2, of Dutch Civil Code and the Dutch Accounting Standard applicable to small legal entities, as published by the Dutch Accounting Standard Board ('Raad voor de Jaarverslaggeving'). 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 Dollar. These financial statements will be submitted for consideration and approval at the forthcoming annual meeting of shareholders of the Company. Further, amounts which are less than half a thousand are appearing as '0'.

2.2 Consolidation

The Company 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 Airtel Africa plc, United Kingdom. A copy of the consolidated accounts of Airtel Africa plc will be filed together with these financial statements and will thereafter be available at the Trade Register of the Chamber of Commerce in Amsterdam.

2.3 Translation of foreign currency

The financial statements are presented in US dollar, which is also the Company's functional and presentation currency. This is based on the currency in which its main transactions are concluded.

Transactions in foreign currencies (other than functional currency of the Company) are initially recorded in the functional currency at the exchange rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the Balance Sheet date. Foreign exchange differences on subsequent re-statement/settlement are recognised in the Profit and Loss Account. Share capital, which is denominated in Euro, is translated at the exchange rate prevailing at the Balance Sheet date; foreign exchange differences are taken to the other reserves within shareholder's equity.

2.4 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.

2.5 Tangible fixed assets

An item is recognised as tangible fixed assets asset when

- The Company controls the asset and
- It is probable that the future economic benefits that are attributable to the asset will accrue to the Company and
- The cost of the asset can be reliably measured.

Tangible fixed assets are presented at cost less accumulated depreciation and, if applicable, less impairments in value. Depreciation is based on the estimated useful life and calculated as a fixed percentage of cost, taking into account any residual value.

The Company has established the estimated range of useful lives for different categories of PPE as follows:-

Airtel Mobile Commerce B.V.
Notes to Financial Statements

(All amounts are in US dollar thousands, unless stated otherwise)

Categories	Years
Furniture & fixture	1-5
Office equipment	1-5
Computer	3-5

2.6 Financial fixed assets

Due to the international structure of the group and the use of the consolidation exemption of Article 408, Book 2 of the Netherlands Civil Code, participating interests in group companies are carried at cost less any impairment. Receivables are valued at nominal value, unless disclosed differently. The receivables of group companies are included in financial fixed assets, except for maturities less than 12 months after balance sheet date which are included in the current assets. Any provisions for the risk of doubtful debts are deducted. These provisions are determined based on individual assessment of the receivables.

2.7 Current assets

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

2.8 Cash and cash equivalents

Cash includes cash at bank and any deposits with original maturities of three months or less.

2.9 Leases

The company has entered into a lease agreement for which IFRS-16 has been applied, as permitted under DAS 292.101.

The Company, at the inception of a contract, assesses the contract as, or containing, a lease if the contract conveys the right to control the use of an identified asset for a period of time, in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether the contract involves the use of an identified asset, the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and the Company has the right to direct the use of the asset.

Company as a lessee

The Company recognises a right-of-use asset ("ROU") and a corresponding lease liability with respect to all lease agreements in which it is the lessee in the statement of financial position. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate. Lease liabilities include the net present value of fixed payments (including in-substance fixed payments), variable lease payments that are based on consumer price index (CPI), the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Subsequently, the lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is changes in future lease payments including or when the lease contract is modified and the lease modification is not accounted for as a separate lease. The corresponding adjustment is made to the carrying amount of the ROU or is recorded in profit or loss if the carrying amount of the related ROU has been reduced to zero and there is a further reduction in the measurement of the lease liability.

ROU are measured at cost comprising the amount of the initial measurement of lease liability, any lease payments made at or before the commencement date and any initial direct costs less any lease incentives received. Subsequent to initial recognition, ROU are stated at cost less accumulated depreciation and any impairment losses and adjusted for certain remeasurements of the lease liability. Depreciation is computed using the straight-line method from the commencement date to the end of the useful life of the underlying asset or the end of the lease

Airtel Mobile Commerce B.V. **Notes to Financial Statements**

(All amounts are in US dollar thousands, unless stated otherwise)

term, whichever is shorter. The estimated useful lives of ROU are determined on the same basis as those of the underlying asset.

In the balance sheet, the ROU and lease liabilities are presented separately. In the statement of profit and loss, interest expenses on lease liabilities are presented separately from the depreciation charge for the ROU. Interest expense on the lease liability is a component of Interest expense and similar charges, which are presented separately in the statement of profit or loss.

2.10 Non-current liabilities

Borrowings are valued at amortised cost. Payables to group companies are included in non-current liabilities, except for maturities less than 12 months after balance sheet date, which are included in the current liabilities.

2.11 Current liabilities

Liabilities are valued at nominal value, unless determined differently.

2.12 Other costs

Other costs are recognized based on the historical cost convention and are allocated to the reporting year to which they relate.

2.13 Income

Income mainly comprises of interest, management fee and dividend income for the current reporting period. Dividend income from investments in subsidiaries is recognized when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably).

2.14 Taxes

Tax is calculated on the profit/ (loss) before taxation in the Income Statement, taking into account any losses carried forward from previous financial years, tax exempted items arising on account of participation exemption and non-deductible expenses, and using current tax rates.

For the purpose of Corporate Income Tax and Value Added Tax (VAT), the Company forms a fiscal unity with its subsidiaries in The Netherlands whereby the results of each of the subsidiaries is added to the results of the parent company. The subsidiaries do not cease to exist for the purpose of either Corporate Income Tax or VAT. Each entity has its own fiscal number, but it has no independent obligation to file a return. Under the terms and conditions of a fiscal unity, the losses of one of the members of the fiscal unity can be offset against the profits of another member. Each of the entities in the fiscal unity is jointly and severally liable for the tax liability of the fiscal unity.

Taxation arising during the year is on account of withholding tax accounted on remitted and unremitted earnings and management fees cross charged to operating countries.

3. Estimates

In applying the principles and policies for drawing up the financial statements, the directors of Airtel Mobile Commerce B.V. make various estimates and judgments that may be essential to the amounts disclosed in the financial statements.

4. Cash flow statement

Since the Company's financial data and cash flow are included in the consolidated financial statements of Airtel Africa Plc, no cash flow statement has been presented. This is permitted under the Dutch Accounting Standard by RJ 360.104.

5. Staff members

During the Year 2023/24, the average monthly number of employees was 24 (As at 31 March 2023: 16).

Airtel Mobile Commerce B.V.
Notes to Financial Statements

(All amounts are in US dollar thousands, unless stated otherwise)

6. Tangible fixed assets

(a) Other operating assets

The following table presents the reconciliation of changes in the carrying value of PPE for the years ended 31 March 2024 and 31 March 2023:

	Computers	Office Equipments	Leasehold improvements	Furniture and fixtures	Total
Gross carrying amount					
Balance as at 01 April 2022	-	-	-	-	-
Purchased during the year	25	4	360	58	447
Balance as at 31st March 2023	25	4	360	58	447
Purchased during the year	138	2	-	-	140
Balance as at 31st March 2024	163	6	360	58	587
Accumulated depreciation					
Balance as at 01 April 2022	-	-	-	-	-
Depreciation charged during the year	5	1	54	9	69
Balance as at 31st March 2023	5	1	54	9	69
Depreciation charged during the year	16	1	91	12	120
Balance as at 31st March 2024	21	2	145	21	189
Net book value as at 31st March 2023	20	3	306	49	378
Net book value as at 31st March 2024	142	4	215	37	398

(b) Right of use assets

	As of	
	31 March, 2024	31 March, 2023
Building		
Opening balance	258	-
Additions	-	360
Depreciation charge for the year	72	102
	186	258
Depreciation rates per annum	%	%
Right of use of Building	20	20

7. Financial fixed assets

	As of	
	31 March, 2024	31 March, 2023
(a) Participations in group companies	3,105	3,185
(b) Receivables from group companies	48,417	67,607
	51,522	70,792

(a) Participations in group companies

	As of	
	31 March, 2024	31 March, 2023
Airtel Money (RDC) S.A.	2,500	2,500
Airtel Mobile Commerce Madagascar S.A.	28	28
Other group companies ¹	577	657
	3,105	3,185

¹During the Year 2023/2024, the Company transferred its investment in Airtel Mobile Commerce (Seychelles) Limited to Airtel Mobile Commerce Seychelles B.V.

Airtel Mobile Commerce B.V.
Notes to Financial Statements

(All amounts are in US dollar thousands, unless stated otherwise)

(b) Receivables from group company - Non current

	As of	
	31 March, 2024	31 March, 2023
Loan receivable from Airtel Mobile Commerce Nigeria B.V.	13,861	13,861
Loan receivable from Airtel Mobile Commerce Niger B.V.	-	2,198
Loan receivable from Airtel Mobile Commerce Tchad B.V.	858	858
Loan receivable from Airtel Mobile Commerce Congo B.V.	1,820	845
Loan receivable from Airtel Mobile Commerce DRC B.V.	22,740	39,290
Loan receivable from Airtel Mobile Commerce Services Ltd	532	1,954
Loan receivable from Airtel Mobile Commerce Kenya B.V.	8,599	8,599
Loan receivable from other group companies	7	2
	48,417	67,607

Loans receivable from group company includes USD 23,271 thousand of loans drawn under intercompany credit facilities provided to Airtel Mobile Commerce DRC B.V. and Airtel Mobile Commerce Services Ltd, at 3M LIBOR + 2%, with a maturity date of December 31, 2026 unless agreed otherwise between the Company and the Borrower. There are no collaterals/securities for these loans provided by the Company.

Loans receivable from group company includes USD 11,279 thousand of loans drawn under intercompany credit facilities provided to Airtel Mobile Commerce Tchad B.V., Airtel Mobile Commerce Congo B.V., Airtel Mobile Commerce Rwanda B.V., and Airtel Mobile Commerce Kenya B.V., which are interest free. The maturity date of the said credit facilities is December 31, 2025 unless agreed otherwise between the Company and the Borrower. and USD 13,861 thousand of loans drawn under intercompany credit facility provided to Airtel Mobile Commerce Nigeria B.V., which is interest free. The maturity date of the said credit facility is December 31, 2035 unless agreed otherwise between the Company and the Borrower. There are no collaterals/securities for these loans provided by the Company.

8. Receivables from group companies - Current

	As of	
	31 March, 2024	31 March, 2023
Dividend receivable from Airtel Mobile Commerce Limited	10,850	24,113
Amounts owed by Airtel Mobile Commerce Madagascar B.V.	4,663	7,773
Amounts owed by other group companies	1,942	1,859
Management Fee Receivable from Airtel Mobile Commerce Limited, Malawi	2,203	797
Management Fee Receivable from Airtel Mobile Commerce Tanzania Limited	2,744	995
Management Fee Receivable from Airtel Mobile Commerce Zambia Limited	505	2,185
Management Fee Receivable from Airtel Mobile Commerce Uganda Limited	192	1,680
Management Fee Receivable from other group companies	858	1,796
	23,957	41,198

Airtel Mobile Commerce B.V.
Notes to Financial Statements

(All amounts are in US dollar thousands, unless stated otherwise)

9. Other Current Assets

	As of	
	31 March, 2024	31 March, 2023
Employee receivables	476	161
Advance to Vendors	64	60
Sales Tax / VAT Receivable	45	10
Prepaid Expenses	3	11
Security Deposit	3	6
Interest accrued on bank deposits	61	-
	652	248

10. Cash and cash equivalents

	As of	
	31 March, 2024	31 March, 2023
Cash at Bank	13,323	30,411
Bank deposits with original maturity of three months or less	45,000	-
	58,323	30,411

11. Shareholder's Equity

	As of	
	31 March, 2024	31 March, 2023
Issued share capital		
18,000 Ordinary shares of EUR 1.00	19	20
	19	20

The authorized share capital amounts to Euro 90,000 (31 March, 2023: Euro 90,000). The Company's Euro denominated share capital is translated into USD at an exchange rate of Euro 1.0802 as at 31 March, 2024

(31 March, 2023: Euro 1.090).

Translation differences are recorded in Other reserves.

	As of	
	31 March, 2024	31 March, 2023
Other reserves		
Balance as of April 1	21,909	40,272
Allocation of previous year result	80,685	51,637
Dividend Declared	(92,000)	(70,000)
	10,594	21,909
Foreign currency changes on share capital	(3)	(2)
Balance as of March 31	10,591	21,907

Unappropriated results

	As of	
	31 March, 2024	31 March, 2023
Balance as of April 1	80,685	51,637
Unappropriated results	164,191	155,685
	244,876	207,322
Dividend Declared	(100,000)	(75,000)
Appropriation of previous year result	(80,685)	(51,637)
Balance as of March 31	64,191	80,685

During FY2023/2024 the Company declared final dividend for FY2022/23 amounting to USD 92,000 thousand and interim dividend for FY2023/24 amounting to USD 100,000 thousand.

Airtel Mobile Commerce B.V.
Notes to Financial Statements

(All amounts are in US dollar thousands, unless stated otherwise)

12. Other payable- Non Current

	As of	
	31 March, 2024	31 March, 2023
Payable to Employees	79	55
	79	55

13. Payable to group company - Current

	As of	
	31 March, 2024	31 March, 2023
Loan payable to Airtel Mobile Commerce Uganda B.V.	-	6,945
Management Fee Payable to Airtel Mobile Commerce Services Limited	364	1,800
Management Fee Payable to Airtel Africa Services (UK) Limited, Dubai	895	895
	1,259	9,640

14. Other payable

	As of	
	31 March, 2024	31 March, 2023
Payable to Airtel Mobile Commerce Holdings B.V.	1,280	955
Payable to Airtel Africa Services (UK) Limited Dubai	991	675
Payable to other group companies	282	106
Payable to employees	3,133	1,246
Dividend Payable ²	49,551	24,738
Trade payable	98	-
Accrued Expenses	829	471
Taxes and Statutory Liabilities	482	294
Payable to others	1,568	2,201
	58,214	30,686

²Out of the total Dividend Payable of USD 50,000 thousand, USD 449 thousand withheld tax payable is included in Taxes and Statutory Liabilities.

15. Assets and Commitments not shown in the Balance sheet

Tax-group liability

The Company forms a fiscal unity for each Corporate Income Tax and VAT purposes with its subsidiaries based in The Netherlands. The Company is jointly and severally liable for the taxes payable by the fiscal unity.

Airtel Mobile Commerce B.V.
Notes to Financial Statements

(All amounts are in US dollar thousands, unless stated otherwise)

16. Income

(a) Management Fee

	For the year ended	
	31 March, 2024	31 March, 2023
Management Fee Income from Airtel Mobile Commerce Limited, Malawi	1,654	938
Management Fee Income from Airtel Mobile Commerce Tanzania Limited	2,057	1,171
Management Fee Income from Airtel Mobile Commerce Zambia Limited	4,485	2,732
Management Fee Income from Airtel Mobile Commerce Uganda Limited	3,757	3,402
Management Fee Income from other group companies	3,947	2,143
	15,900	10,386

(b) Dividend income

	For the year ended	
	31 March, 2024	31 March, 2023
Dividend Income from Airtel Money (RDC) S.A.	1,252	2,208
Dividend Income from Airtel Mobile Commerce Uganda B.V.	72,538	58,281
Dividend Income from Airtel Mobile Commerce Madagascar B.V.	-	2,227
Dividend Income from Airtel Mobile Commerce Gabon B.V.	14,611	9,820
Dividend Income from Airtel Money S.A.	365	289
Dividend Income from Airtel Mobile Commerce Madagascar S.A.	4	2
Dividend Income from Airtel Mobile Commerce Limited	-	26,792
Dividend Income from Airtel Mobile Commerce Niger B.V.	960	-
Dividend Income from Airtel Mobile Commerce Tanzania B.V.	6,703	-
Dividend Income from Airtel Mobile Commerce Zambia Limited	80,542	61,974
	176,975	161,593

(c) Interest income

	For the year ended	
	31 March, 2024	31 March, 2023
Interest income from group companies	2,037	2,266
Interest income from Fixed Deposits and Other Balances	949	351
	2,986	2,617

17. Expense

(a) Employee Benefit Expenses

	For the year ended	
	31 March, 2024	31 March, 2023
Salaries and Bonus	7,906	5,857
Employee welfare expenses	771	156
Others	347	368
	9,024	6,381

(b) Depreciation Expenses

	For the year ended	
	31 March, 2024	31 March, 2023
Depreciation on right of use assets	72	102
Depreciation on other operating assets	120	69
	192	171

Airtel Mobile Commerce B.V.
Notes to Financial Statements

(All amounts are in US dollar thousands, unless stated otherwise)

(c) Other expenses

	For the year ended	
	31 March, 2024	31 March, 2023
Legal and Professional charges	1,571	2,799
Rent	39	41
Audit Fee	452	398
Travelling and Conveyance	1,164	173
Miscellaneous Expenses	103	156
	<u>3,329</u>	<u>3,567</u>

(d) Interest expense and similar charges

	For the year ended	
	31 March, 2024	31 March, 2023
Interest expenses on loan payable	-	54
Finance charge on Lease	13	24
Bank Charges	49	32
Transaction cost to repatriate dividend	1,964	-
Other finance cost	471	-
	<u>2,497</u>	<u>110</u>

18. Foreign currency exchange differences loss

	For the year ended	
	31 March, 2024	31 March, 2023
Realized foreign currency exchange differences loss	2,087	956
Unrealized foreign currency exchange differences loss/(gain)	7,493	(286)
	<u>9,580</u>	<u>670</u>

19. Taxation on result

	For the year ended	
	31 March, 2024	31 March, 2023
Withholding tax on Dividend Income	4,351	6,277
Withholding Tax on Interest Income	18	14
Withholding Tax on Management Fee	2,679	1,721
	<u>7,048</u>	<u>8,012</u>

Airtel Mobile Commerce B.V.
Notes to Financial Statements

(All amounts are in US dollar thousands, unless stated otherwise)

On behalf of the management board of the Company

sd-/
J. Bronsveld
Managing Director

sd-/
D. van Kootwijk
Managing Director

sd-/
J.W.M. Dessing
Managing Director

sd-/
A.O. Lalude
Managing Director

sd-/
B. Dominic
Managing Director

sd-/
O.A. Ogunsanya
Managing Director

sd-/
I.B. Ferrao
Managing Director

sd-/
H. Singh Kohli
Managing Director

sd-/
A.M. Hansson
Managing Director

sd-/
J.C. Uneken-van de Vreede
Managing Director

Airtel Mobile Commerce B.V.

Other Information

(All amounts are in US dollar thousands, unless stated otherwise)

1. Notification regarding the absence of an audit report

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

2. Statutory appropriation of profit

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

3. Appropriation of the result for the Year 2022/2023

The annual accounts for the Year 2022/2023 were adopted by the General Meeting held on July 14, 2023. The General Meeting has determined the appropriation of the result as it was proposed.

4. Proposed appropriation of result for the Year 2023/2024

The management board proposes to transfer the profit for the Year 2023/2024 to the other reserves for an amount of USD 64,191 thousands. The financial statements do not yet reflect this proposal.

5. Significant transactions

- a. In June 2023 regulatory approvals for the restructuring of the shareholding of Airtel Money Tanzania Limited were received. The revised shareholding will result in Airtel Mobile Commerce Tanzania B.V. holding 50.9%, the Government of Tanzania holding 48.9% and Airtel Tanzania plc holding 0.2% of the shares in Airtel Money Tanzania Limited. Registration formalities were completed in Sep'23.
- b. In June 2023, an asset transfer agreement was approved by the respective local Boards and consequently signed between Airtel Congo S.A. and Mobile Commerce Congo S.A. to effect the transfer of Airtel money related assets from Congo GSM to MCC w.e.f. 01 July 2023. In June 2023 the restructuring of Mobile Commerce Congo S.A. shareholding was also agreed. It involves a capital increase with issuance of new ordinary shares. A portion of the newly issued shares in Mobile Commerce Congo SA will be subscribed by Solthy International S.A. After this, Solthy International S.A. will hold 10% of the shares in Mobile Commerce Congo S.A. and Airtel Mobile Commerce Congo B.V. will hold 90%. The restructuring of Mobile Commerce Congo S.A. is subject to prior approval of the Congolese Central Bank. The application has been submitted.
- c. On 2nd June 2023 regulatory approvals for the restructuring of the shareholding of Airtel Money Transfer Limited (in Kenya) were received permitting the transfer of the company from Airtel Network Kenya Limited and Bharti Airtel Africa B.V. to Airtel Money Kenya Limited. All transfer instruments were approved by the respective boards and Shareholders and filed with the Company Registrar. Registration of the revised shareholding was completed on 26th June 2023.

6. Post Balance Sheet events

No material subsequent events or transactions have occurred since the date of statement of financial position except as disclosed below:

- a. In its meeting held on 10th June 2024, the management board of the Company recommended a final dividend for the Year 2023 / 2024 of US\$ 3,722 per qualifying and eligible share.