

**BHARTI AIRTEL MALAWI HOLDINGS B.V.**

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

## **CONTENTS**

### **Page**

### **MANAGEMENT REPORT**

3

### **FINANCIAL STATEMENTS**

Balance Sheet

4

Income Statement

5

Notes to the Financial Statements

6

### **OTHER INFORMATION**

Notification regarding the absence of an audit report

12

Statutory appropriation of profit

12

Appropriation of the result for the Year 2022/2023

12

Proposed appropriation of the result for the Year 2023/2024

12

Post Balance Sheet events

12

To the shareholders,  
Bharti Airtel Malawi Holdings B.V. (the "Company")  
Overschiestraat 65  
1062 XD Amsterdam, The Netherlands

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 31 March 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 appointed in terms of the Articles of Association of the company served office during the period:

- M.L. van Dam (appointed w.e.f. 1st July 2024)
- J.C. Uneken- van de Vreede (resigned w.e.f. 30th June 2024)
- D. van Kootwijk
- J.K. Paul

### **FINANCIAL PERFORMANCE**

The shareholder's equity as on 31 March 2024 is showing a total amount of USD 21,903 thousands (31 March 2023: USD 25,894 thousands) and the Income Statement for the Year 2023/2024 is showing a post-tax profit of USD 12,009 thousands (2022/2023: USD 22,510 thousands).

For purposes of VAT and Corporate Income Tax, the Company forms a fiscal unity with Bharti Airtel International (Netherlands) B.V. We will gladly provide further explanations upon request.

On behalf of the management board of the Company

sd/-

M.L. van Dam  
Managing Director  
Date – 25 July 2024

**Bharti Airtel Malawi Holdings 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
<b>ASSETS</b>			
<b>Fixed assets</b>			
Intangible fixed assets	(5)	-	-
<b>Financial fixed assets</b>			
Participations in group companies	(6)	7,057	7,061
Other receivables	(7)	11,228	11,228
<b>Total Financial fixed assets</b>		<b>18,285</b>	<b>18,289</b>
<b>Current assets</b>			
<b>Receivables</b>			
Receivables from group companies	(8)	8,806	5,928
<b>Cash</b>	(9)	<b>17</b>	<b>5,008</b>
<b>Total current assets</b>		<b>8,823</b>	<b>10,936</b>
<b>Total assets</b>		<b>27,108</b>	<b>29,225</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's equity</b>			
Issued share capital	(10)	20	20
Other reserves		9,874	3,364
Unappropriated results		12,009	22,510
		<b>21,903</b>	<b>25,894</b>
<b>Current liabilities</b>			
Payable to other companies	(11)	3,630	1,756
Other Current Liabilities	(12)	1,575	1,575
<b>Total liabilities</b>		<b>5,205</b>	<b>3,331</b>
<b>Total equity and liabilities</b>		<b>27,108</b>	<b>29,225</b>

**Bharti Airtel Malawi Holdings 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
<b>Income</b>	14		
Gain on sale of investments	(i)	449	-
Dividend income	(ii)	21,433	25,464
Interest income	(iii)	22	9
<b>Total operating income</b>		21,904	25,473
<b>Expense</b>	(15)		
Other expenses	(i)	-	5
Interest expense and similar charges	(ii)	1	1
<b>Total operating expenses</b>		1	6
<b>Result from operations</b>		21,903	25,467
Foreign currency exchange differences (gain)/ loss	(16)	7,751	(9)
<b>Result before taxation</b>		14,152	25,476
Taxation	(17)	2,143	2,966
<b>Net result for the year</b>		<b>12,009</b>	<b>22,510</b>

# **Bharti Airtel Malawi Holdings B.V.**

## **Notes to the Financial Statements**

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

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### **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.

#### **1.2 Group structure**

The Company forms part of the Airtel Africa Group of companies.

Immediate parent company is Bharti Airtel Africa B.V. and the step-up parent Companies are:

- Bharti Airtel International (Netherlands) B.V., The Netherlands
- Airtel Africa plc, United Kingdom
- Bharti Airtel Limited, India

#### **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 Malawi plc Lilongwe, Malawi	79.95	80.00

Pursuant to the requirement of the New Telecommunication Act in Malawi it was made mandatory for companies holding an electronic communication license to have 20% local shareholding. To give effect to this, the Company had transferred by way of a secondary sale, 20% of its shareholding in Airtel Malawi plc ("Airtel Malawi"), a wholly owned subsidiary of the Company, to the public by means of a listing of Airtel Malawi on the Malawi Stock Exchange on 24 February 2020. However, during this secondary sale, 0.0515% shares were sold to outside residents inadvertently. Now for the purpose of regulation compliance, shares have been sold to local employees under an Employee Share Ownership Scheme ('ESOS').

### **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.

## **Bharti Airtel Malawi Holdings B.V.** **Notes to the Financial Statements**

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

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### **2.3 Financial instruments**

Financial assets and financial liabilities are recognized on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument. Financial instruments can be both primary financial instruments, such as receivables and payables, and financial derivatives.

The Company does not use derivatives.

### **2.4 Translation of foreign currency**

The financial statements are presented in US dollar, which is also the Company's functional and presentation currency, this 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.

### **2.5 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.

### **2.6 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.

### **2.9 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.

### **2.10 Current liabilities**

Liabilities are valued at nominal value, unless determined differently.

## **Bharti Airtel Malawi Holdings B.V.** **Notes to the Financial Statements**

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

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### **2.11 Other expenses**

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

### **2.12 Income**

Income mainly comprises of interest and dividend for the 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).

### **2.13 Taxes**

The Company forms a fiscal unity for VAT and Corporate Income Tax purposes with Bharti Airtel International (Netherlands) B.V. The Company is jointly and severally liable for the tax payable by the fiscal unity.

## **3. Estimates**

In applying the principles and policies for drawing up the financial statements, the directors of the company make estimates and judgments that may be essential to the amounts disclosed in the financial statements. If it is necessary in order to provide the transparency required under article 362, sub 1, book 2 of the Dutch Civil Code that the nature of these estimates and judgments, including related assumptions, is disclosed in the Notes to the relevant financial statement item.

## **4. Staff members**

During the Year 2023/2024 the Company had no employees, and hence incurred no salaries or related social security charges (2022/2023: NIL).

## **5. Intangible assets**

	<b>As of</b>	
	<b>31 March 2024</b>	<b>31 March 2023</b>
<b>Book value as of 1 April</b>		
Purchase price	3,080	3,080
Accumulated amortisation	(3,080)	(3,080)
	-	-
<b>Movements</b>		
Adjustment - Purchase price	-	-
Adjustment - Accumulated amortisation	-	-
	-	-
<b>Book value as of 31 March</b>		
Purchase price	3,080	3,080
Accumulated amortisation	(3,080)	(3,080)
	-	-



## Bharti Airtel Malawi Holdings B.V. Notes to the Financial Statements

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

### 6. Financial fixed assets

	As of	
	31 March 2024	31 March 2023
Airtel Malawi plc	7,057	7,061
	<u>7,057</u>	<u>7,552</u>

Refer note 1.3, shares 0.515% have been sold to local employees under an Employee Share Ownership Scheme ('ESOS')

### 7. Other receivables

	As of	
	31 March 2024	31 March 2023
Withholding tax	695	695
Claim Receivable	10,533	10,533
	<u>11,228</u>	<u>11,228</u>

### 8. Receivables

	As of	
	31 March 2024	31 March 2023
<b>Receivables from group company</b>		
Dividend receivable from Airtel Malawi plc	7,833	5,129
Amounts owed by Airtel Malawi plc*	973	799
	<u>8,806</u>	<u>5,928</u>

\*Amount includes the claim receivables for sale of shares under ESOS as per note 1.3

### 9. Cash and cash equivalents

	As of	
	31 March 2024	31 March 2023
Cash at bank	17	5,008
	<u>17</u>	<u>5,008</u>

### 10. Shareholder's Equity

	As of	
	31 March 2024	31 March 2023
<b>Issued and paid-up share capital</b>		
18,152 Ordinary shares of Euro 1.00	20	20
	<u>20</u>	<u>20</u>

The authorized share capital amounts to Euro 90,760 (31 March 2023: Euro 90,760). The Company's Euro denominated share capital is translated into USD at an exchange rate of Euro 1.080 as at 31 March 2023 (31 March 2023: Euro 1.090). Translation differences are recorded in other reserves.

	For the year ended	
	31 March 2024	31 March 2023
<b>Other reserves</b>		
Balance as of 1 April	99,188	71,564
Allocation of previous financial year net result	22,510	27,624
	<u>121,698</u>	<u>99,188</u>
Foreign currency changes on share capital	0	(0)
Dividend paid during the year	(111,824)	(95,824)
Balance as of 31 March	<u>9,874</u>	<u>3,364</u>

	For the year ended	
	31 March 2024	31 March 2023
<b>Unappropriated results</b>		
Balance as of 1 April	22,510	27,624
Unappropriated results	12,009	22,510
	<u>34,519</u>	<u>50,134</u>
Appropriation of result previous year	(22,510)	(27,624)
Balance as of 31 March	<u>12,009</u>	<u>22,510</u>

**Bharti Airtel Malawi Holdings B.V.**  
**Notes to the Financial Statements**

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

**11. Payable to other companies**

	For the year ended	
	31 March 2024	31 March 2023
Dividend payable to Bharti Airtel Africa B.V.	2,460	-
Amounts owed to Bharti Airtel Africa B.V.	490	490
Amounts owed to Airtel Malawi plc	680	1,756
	<u>3,630</u>	<u>2,246</u>

**12. Other Current Liabilities**

	For the year ended	
	31 March 2024	31 March 2023
Provision for Expense	1,364	1,364
Provision for Tax	211	211
	<u>1,575</u>	<u>1,575</u>

**13. Assets and Commitments not shown in the Balance sheet**

**Contingent liabilities**

**Tax-group liability**

The Company forms a fiscal unity for VAT and Corporate Income Tax purposes with Bharti Airtel International (Netherlands) B.V. The Company is jointly and severally liable for the tax payable by the fiscal unity.

**14. Income**

**(i) Gain on sale of investment**

	For the year ended	
	31 March 2024	31 March 2023
Gain on disposal of shares under ESOS <sup>1</sup>	449	-
	<u>449</u>	<u>-</u>

<sup>1</sup>Refer note 1.3, gain on disposal of investment under ESOS

**(ii) Dividend income**

	For the year ended	
	31 March 2024	31 March 2023
Dividend income from Airtel Malawi plc	21,433	25,464
	<u>21,433</u>	<u>25,464</u>

**(iii) Interest income**

	For the year ended	
	31 March 2024	31 March 2023
Others Interest	22	9
	<u>22</u>	<u>9</u>

**15. Expense**

**(i) Other expenses**

	For the year ended	
	31 March 2024	31 March 2023
Professional and Legal fees	-	5
	<u>-</u>	<u>5</u>

**(ii) Interest expense and similar charges**

	For the year ended	
	31 March 2024	31 March 2023
Bank charges	1	1
	<u>1</u>	<u>1</u>

**Bharti Airtel Malawi Holdings B.V.**  
**Notes to the Financial Statements**

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

**16. Foreign currency exchange differences (gain)/ loss**

	For the year ended	
	31 March 2024	31 March 2023
Realised foreign currency exchange differences (gain)/ loss	7,751	(9)
	7,751	(9)

**17. Taxation**

	For the year ended	
	31 March 2024	31 March 2023
Capital gain on sale of investment	-	420
Withholding tax on dividend income	2,143	2,546
	2,143	2,966

**On behalf of the management board of the Company**

sd/-

M.L. van Dam  
Managing Director

sd/-

D. van Kootwijk  
Managing Director

sd/-

J.K. Paul  
Managing Director

## **Bharti Airtel Malawi Holdings B.V.**

### **Other Information**

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

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

The Company is exempt from audit as 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 04, 2023. The General Meeting has determined the appropriation of the result as it was proposed.

#### **4. Proposed appropriation of the 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 12,009 thousands. The financial statements do not yet reflect this proposal.

#### **5. Post Balance Sheet events**

There is no post Balance Sheet event to report.