

BHARTI AIRTEL UGANDA 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 result for the Year 2023/2024

12

Post Balance Sheet events

12

Bharti Airtel Uganda Holdings B.V.

Management Report

To the shareholders,
Bharti Airtel Uganda 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 19,765 thousands (2022/2023: equity of USD 29,602 thousands) and the Income Statement for the Year 2023/2024 is showing a post-tax profit of USD 119,827 thousands (2022/2023: USD 92,814 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 Uganda 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
ASSETS			
Fixed assets			
Financial fixed assets			
Participations in group companies	(5)	21,239	23,834
Non financial fixed assets			
Prepaid expense	(6)	202	-
Total fixed assets		21,441	23,834
Current assets			
Receivables			
Receivables from group companies	(7)	2	5,763
Other Current Assets			
Cash	(8)	47	5
Total current assets		49	5,768
Total assets		21,490	29,602
EQUITY AND LIABILITIES			
Shareholder's equity			
Issued share capital	(9)	20	20
Other reserves		0	23,817
Unappropriated results		19,745	5,765
		19,765	29,602
Current liabilities			
Payable to group company	(10)	1,725	-
		1,725	-
Total equity and liabilities		21,490	29,602

Bharti Airtel Uganda 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
Income	(12)		
Dividend income	(a)	69,435	92,910
Interest income	(b)	60	3
Other income	(c)	51,126	-
Total operating income		120,621	92,913
Expense			
Other expenses	(13)	490	-
Interest expense and similar charges	(14)	27	1
Total operating expenses		517	1
Result from operations		120,104	92,912
Foreign currency exchange differences loss	(15)	277	98
Result before taxation		119,827	92,814
Taxation		-	-
Net result for the year		119,827	92,814

Bharti Airtel Uganda Holdings B.V.

Notes to the 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.

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 Uganda Limited Kampala, Uganda	89.1102%	99.99993

On 29 August 2023, Airtel Uganda Limited issued a prospectus in relation to the offer for sale of 8,000,000,000 ordinary shares, representing 20% of Airtel Uganda Limited on the Uganda Stock Exchange (USE) in line with the 20% minimum public listing obligation for all National Telecom Operators under the current Uganda Communications (Fees & Fines) (Amendment) Regulations 2020.

In November 2023, Airtel Uganda Limited completed an initial public offering (IPO) and listed on the Main Investment Market Segment of the Uganda Securities Exchange (USE) with a total of 4.4 billion shares (10.89% of Airtel Uganda Limited's total share capital) transferred to minority shareholders. Airtel Uganda received a three-year waiver from the Uganda Securities Exchange from the requirement to transfer the remaining 9.11% required to meet the 20% shareholding listing requirement.

With this, the shareholding of the company in Airtel Uganda Limited, a subsidiary had been reduced to 89.11%.

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

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

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

statements and will thereafter be available at the Trade Register of the Chamber of Commerce in Amsterdam.

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 Uganda Holdings B.V. **Notes to the Financial Statements**

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

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 periods. Dividend income from investments in subsidiaries is recognized when the shareholder's 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).

Bharti Airtel Uganda Holdings B.V.
Notes to the Financial Statements

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

5. Financial fixed assets

	As of	
	31 March 2024	31 March 2023
Participation in group company (Airtel Uganda Limited at Kampala, Uganda)	21,239	23,834
	21,239	23,834

Refer note 1.3, in November 2023, Airtel Uganda Limited completed an initial public offering (IPO) compliance and listed on Uganda Securities Exchange (USE) with a total of 4.4 billion shares (10.89% of Airtel Uganda Limited's total share capital). With this, the shareholding of the company in Airtel Uganda Limited, a subsidiary had been reduced to 89.11%.

6. Prepaid expense

	As of	
	31 March 2024	31 March 2023
Prepaid expense	202	-
	202	-

Refer note 1.3, Capital Market Authority (CMA) approval fees were paid for 8bn shares based on a 20% IPO whereas the IPO was ultimately subscribed for 10.89%. The surplus CMA approval fees remain available for any future issue of shares to the public.

7. Cash and cash equivalents

	As of	
	31 March 2024	31 March 2023
Cash at Bank	47	5
	47	5

8. Receivable from group company

	As of	
	31 March 2024	31 March 2023
Receivable from Bharti Airtel Africa B.V.	2	5,763
	2	5,763

9. Shareholder's Equity

	As of	
	31 March 2024	31 March 2023
Issued and paid-up share capital		
18,152 Ordinary shares of EUR 1.00	20	20
	20	20

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 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 1 April	23,817	0
Allocation of previous financial year net result	5,765	23,816
Allocation of current year profit	100,082	87,049
	129,664	110,865
Foreign currency changes on share capital	0	1
Dividend paid during the year	(129,664)	(87,049)
Balance as of 31 March	0	23,817

Bharti Airtel Uganda Holdings B.V.
Notes to the Financial Statements*(All amounts are in US dollar thousands, unless stated otherwise)*

	As of	
	31 March 2024	31 March 2023
Unappropriated results		
Balance as of 1 April	5,765	23,816
Unappropriated results	19,745	5,765
	25,510	29,581
Appropriation of result previous year	(5,765)	(23,816)
Balance as of 31 March	19,745	5,765

10. Payable to group company

	As of	
	31 March 2024	31 March 2023
Payable to group company	1,725	-
	1,725	-

Refer note 1.3, expenditure incurred by subsidiary Airtel Uganda Limited and other group company for the IPO on behalf of the Company.

11. 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.

12a. Dividend income

	For the year ended	
	31 March 2024	31 March 2023
Dividend income from Airtel Uganda Limited	69,435	92,910
	69,435	92,910

12(b). Interest income

	For the year ended	
	31 March 2024	31 March 2023
Other interest income	60	3
	60	3

12(c). Other income

	For the year ended	
	31 March 2024	31 March 2023
Other income	51,126	-
	51,126	-

Refer note 1.3, this is gain on disposal of investment

13. Other expenses

	For the year ended	
	31 March 2024	31 March 2023
Professional and Legal fees	490	-
	490	-
Expense relating to IPO as mentioned in note 1.3		

Bharti Airtel Uganda Holdings B.V.**Notes to the Financial Statements***(All amounts are in US dollar thousands, unless stated otherwise)***14. Interest expense and similar charges**

	For the year ended	
	31 March 2024	31 March 2023
Bank charges	27	1
	27	1

15. Foreign currency exchange differences loss

	For the year ended	
	31 March 2024	31 March 2023
Foreign currency exchange difference loss	277	98
	277	98

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 Uganda Holdings 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 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 04 July 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 19,745 thousands. The financial statements do not yet reflect this proposal.

5. Post Balance Sheet events

The Company had declared dividend of USD 9,030 thousand in May 2024. Apart from this, there is no post balance sheet event occurred which would have a material effect on the financial statements as at and for the year ended 31 March 2024.