

**BHARTI AIRTEL ZAMBIA HOLDINGS B.V.**

Annual Report and Financial Statements for the year ended 31 March 2023

## **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 2021/2022

12

Proposed appropriation of the result for the Year 2022/2023

12

Post Balance Sheet events

12

## **Bharti Airtel Zambia Holdings B.V. Management Report**

---

To the shareholders,  
Bharti Airtel Zambia 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 2022 and ending on 31 March 2023 of the Company (hereinafter referred to as the "**Year 2022/2023**").

We have prepared the annual accounts of the Year 2022/2023 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 2023 and the Income Statement for the Year 2022/2023 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:

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

### **FINANCIAL PERFORMANCE**

The shareholder's equity as on 31 March 2023 is showing a total amount of USD 214,068 thousands (31 March 2022: equity of USD 226,837 thousands) and the Income Statement for the Year 2022/2023 is showing a post-tax profit of USD 43,444 thousands (2021/2022: profit of USD 12,658 thousand).

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/-

J.C. Uneken - van de Vreede  
Managing Director

Date: 04 July 2023

**Bharti Airtel Zambia Holdings B.V.**  
**Balance Sheet (before appropriation of result)**

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

	Notes	As of	
		31 March, 2023	31 March, 2022
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Financial fixed assets</b>			
Participations in group companies	(5)	214,006	214,006
Other receivables	(6)	55	55
<b>Total Financial fixed assets</b>		<b>214,061</b>	<b>214,061</b>
<b>Current assets</b>			
<b>Receivables</b>			
Receivables from group companies	(7)	1	14,120
<b>Cash</b>	(8)	<b>6</b>	<b>0</b>
<b>Total current assets</b>		<b>7</b>	<b>14,120</b>
<b>Total assets</b>		<b>214,068</b>	<b>228,181</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's equity</b>			
Issued share capital	(9)	20	20
Other reserves		170,604	214,159
Unappropriated results		43,444	12,658
		<b>214,068</b>	<b>226,837</b>
<b>Non-current liabilities</b>			
Payable to group company	(10)	-	1,344
<b>Total liabilities</b>		<b>-</b>	<b>1,344</b>
<b>Total equity and liabilities</b>		<b>214,068</b>	<b>228,181</b>

**Bharti Airtel Zambia Holdings B.V.**  
**Income Statement**

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

	Notes	For the year ended	
		31 March, 2023	31 March, 2022
<b>Income</b>	(12)		
Dividend income	(a)	46,103	13,392
Interest income	(b)	10	-
<b>Total operating income</b>		46,113	13,392
<b>Expense</b>			
Other expenses	(13)	-	0
<b>Total operating expenses</b>		-	0
<b>Result from operations</b>		46,113	13,392
Foreign currency exchange differences loss	(14)	345	64
<b>Result before taxation</b>		45,768	13,328
Taxation	(15)	2,324	670
<b>Net result for the year</b>		<b>43,444</b>	<b>12,658</b>

# **Bharti Airtel Zambia 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.
- 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 2023	31 March 2022
	%	%
Airtel Networks Zambia Plc Lusaka, Zambia	96.36	96.36

### **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 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.

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

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

---

### **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.

### **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.

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

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

---

**2.12 Income**

Income mainly comprises of interest and dividend for the reporting period. 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 2022/2023 the Company had no employees, and hence incurred no salaries or related social security charges (2021/2022: NIL).



**Bharti Airtel Zambia 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 2023	31 March 2022
Participation in group company	214,006	214,006
	214,006	214,006

**Participation in group company**

	As of	
	31 March 2023	31 March 2022
Airtel Networks Zambia Plc	214,006	214,006
	214,006	214,006

**6. Other receivables**

	As of	
	31 March 2023	31 March 2022
Withholding tax	55	55
	55	55

**7. Receivables from group company**

	As of	
	31 March 2023	31 March 2022
Bharti Airtel Africa B.V.	0	1,460
Amount owed by Airtel Networks Zambia Plc	1	1
Dividend Receivable	-	12,659
	1	14,120

**8. Cash and cash equivalents**

	As of	
	31 March 2023	31 March 2022
Cash at Bank	6	0
	6	0

**9. Shareholder's Equity**

	As of	
	31 March 2023	31 March 2022
<b>Issued and paid-up share capital</b>		
18,152 Ordinary shares of EUR 1.00	20	20
	20	20

The authorized share capital amounts to Euro 90,760 (31 March 2022: Euro 90,760). The Company's Euro denominated share capital is translated into USD at an exchange rate of Euro 1.090 as at 31 March 2023 (31 March 2022: Euro 1.116). Translation differences are recorded in Other Reserves.

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

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

	As of	
	31 March 2023	31 March 2022
<b>Other reserves</b>		
Balance as of 1 April	214,160	214,159
Allocation of previous year result	12,658	1
	226,818	214,160
Dividend declared	(56,214)	
Foreign currency changes on share capital	(0)	(1)
Balance as of 31 March	170,604	214,159

	As of	
	31 March 2023	31 March 2022
<b>Unappropriated results</b>		
Balance as of 1 April	12,658	1
Unappropriated results	43,444	12,658
	56,102	12,659
Appropriation of previous year result	(12,658)	(1)
Balance as of 31 March	43,444	12,658

**10. Payable to group company**

	As of	
	31 March 2023	31 March 2022
Amount payable to Bharti Airtel Africa B.V.	-	1,344
	-	1,344

**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.

**12. Income**

**(a) Dividend Income**

	For the year ended	
	31 March 2023	31 March 2022
Dividend income from Airtel Networks Zambia Plc	46,103	13,392
	46,103	13,392

**(b) Interest Income**

	For the year ended	
	31 March 2023	31 March 2022
Interest on Bank Balances	10	-
	10	-

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

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

**13. Other expenses**

	For the year ended	
	31 March 2023	31 March 2022
Professional and Legal fees	-	0
	-	0

**14. Foreign currency exchange differences loss**

	For the year ended	
	31 March 2023	31 March 2022
Unrealised foreign currency exchange differences loss	-	64
Realised foreign currency exchange differences loss	345	-
	345	64

**15. Taxation**

	For the year ended	
	31 March 2023	31 March 2022
Withholding tax on dividend income	2,324	670
	2,324	670

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

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

sd/-  
D. van Kootwijk  
Managing Director

sd/-  
J.K. Paul  
Managing Director

Date: 04 July 2023

**Bharti Airtel Zambia 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 2021/2022**

The annual accounts for the Year 2021/2022 were adopted by the General Meeting held on 21 July, 2022. The General Meeting determined the appropriation of the result proposed.

**4. Proposed appropriation of the result for the Year 2022/2023**

The management board proposes to transfer the profit for the Year 2022/2023 to the Other Reserves for an amount of USD 43,444 thousands. The financial statements do not yet reflect this proposal.

**5. Post Balance Sheet events**

There is no post Balance Sheet event to report.