

**BHARTI AIRTEL RDC HOLDINGS B.V.**

Annual Report and Financial Statements for the year ended 31 March 2020

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To the shareholders,  
Bharti Airtel RDC 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, 2019 and ending on March 31, 2020 of the Company (hereinafter referred to as the "Year 2019/2020").

We have prepared the annual accounts of the Year 2019/2020 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, 2020 and the Income Statement for the Year 2019/2020 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 Balance Sheet as on March 31, 2020 is showing a total amount of USD 850,726 thousands and the Income Statement for the Year 2019/2020 is showing a post-tax loss of USD 1 thousand (2018/2019 : loss of USD 41,047 thousands).

For purposes of 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



Tina Uneken (Jul 14, 2020 17:16 GMT+2)

J.C. Uneken - van de Vreede  
Managing Director

**Bharti Airtel RDC Holdings B.V.****Balance Sheet***(All amounts are in US dollar thousands; unless stated otherwise)*

	Notes	As of	
		March 31, 2020	March 31, 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Financial fixed assets</b>			
	(4)		
Participations in group company	(a)	1,976	1,976
Receivables from group company	(b)	822,527	871,527
Other receivables	(5)	26,222	26,222
<b>Total non-current assets</b>		<b>850,725</b>	<b>899,725</b>
<b>Current assets</b>			
<b>Cash and cash equivalents</b>			
	(6)	1	0
<b>Total assets</b>		<b>850,726</b>	<b>899,725</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's equity</b>			
	(7)		
Issued and paid-up share capital		20	20
Other reserves		11,321	52,368
Unappropriated results		(1)	(41,047)
		<b>11,340</b>	<b>11,341</b>
<b>Non-current liabilities</b>			
Payable to group company	(8)	837,585	886,494
<b>Current liabilities</b>			
Payable to group company	(9)	1,801	1,890
<b>Total equity and liabilities</b>		<b>850,726</b>	<b>899,725</b>

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

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

		<b>For the year ended</b>	
	<b>Notes</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
<b>Expenses</b>	(11)		
Interest expense and similar charges		(1)	(41,047)
<b>Result before taxation</b>		(1)	(41,047)
Taxation on result from operations		-	-
<b>Result after taxation</b>		(1)	(41,047)

# **Bharti Airtel RDC 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 Bharti Airtel Group of companies. Immediate parent Company is Bharti Airtel Africa B.V. having 100% shareholding in the Company and the step up parent Companies are;

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

#### **1.3 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	
	March 31, 2020	March 31, 2019
	%	%
Airtel Congo (RDC) S.A. Kinshasa, Democratic Republic of Congo	70.00	70.00
Partnership Investments SPRL Kinshasa, Democratic Republic of Congo	100.00	100.00

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

#### **2.1 Basis of preparation**

The financial statements have been prepared in accordance with the general provisions of Title 9, Book 2 of the Dutch Civil Code. As stipulated in art.2:396 paragraph 6 of the Dutch Civil Code, the valuation of the assets and liabilities and the determination of the result will be based on the principles for determination of the taxable profit, as meant in chapter II of the Corporate Income Tax Act 1969. 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. Further, amounts which are less than half a thousand are appearing as '0'.

#### **2.2 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 Airtel Africa plc, United Kingdom. A copy of the consolidated accounts of Airtel Africa plc is filed together with these financial statements and is available at the Trade Register of the Chamber of Commerce in Amsterdam.

#### **2.3 Reclassification/regrouping**

Previous year's figures have been regrouped / reclassified where necessary to confirm to current year's classification.

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

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

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### **2.4 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.

### **2.5 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 within finance income and expenses. 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.

### **2.6 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.

### **2.7 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 and affiliated 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. They are included in the current assets.

### **2.8 Current 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.

### **2.9 Cash and cash equivalents**

Cash includes cash in hand, bank balances and deposits held at call with maturities of less than 12 months. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet. Cash is stated at face value.

### **2.10 Non-current liabilities**

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

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

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

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**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 comprises of interest 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 Expenses**

Expenses comprises of interest expense on loans for the current reporting period.

**2.15 Taxes**

The Company forms a fiscal unity for corporate income tax purposes with Bharti Airtel International (Netherlands) B.V. The Company is jointly and severally liable for the taxed payable by the fiscal unity.

**3. Staff members**

During the year 2019/2020 the Company had no employees, and hence incurred no wages, salaries or related social security charges (2018/2019: NIL).



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

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

**4. Financial fixed assets**

	<b>As of</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
(a) Participations in group company	1,976	1,976
(b) Receivables from group company	822,527	871,527
	<u>824,503</u>	<u>873,503</u>

**(a) Participations in group company**

	<b>As of</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Airtel Congo (RDC) S.A. at Kinshasa, Democratic Republic of Congo	1,976	1,976
	<u>1,976</u>	<u>1,976</u>

**(b) Receivables from group company**

	<b>As of</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Loan receivable from Airtel Congo (RDC) S.A.	822,527	871,527
	<u>822,527</u>	<u>871,527</u>

The loan is unsecured, bears interest at the rate of 0% per annum (2018/2019: Nil) with maturity date of December 31, 2021. Any outstanding principal loan amounts and accrued interest thereon will be payable in full upon request of the lender by giving a 3 (three) months advance notice to the borrower.

**5. Other receivables**

	<b>As of</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Withholding tax	26,222	26,222
	<u>26,222</u>	<u>26,222</u>

**6. Cash and cash equivalents**

	<b>As of</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Cash at Bank	1	0
	<u>1</u>	<u>0</u>

Cash balances are free for disposal by the Company.

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

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

**7. Shareholder's Equity**

	<b>As of</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
<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 90.76 thousands. The Company's Euro denominated share capital is translated into USD at an exchange rate of Euro 1.104 as at March 31, 2020 (March 2019: Euro 1.123). Translation differences are recorded in Other reserves.

	<b>For the year ended</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
<b>Other reserves</b>		
Balance as of April 1	52,369	82,612
Allocation of previous financial year net result	(41,047)	(30,243)
	11,322	52,369
Foreign currency changes on share capital	(1)	(1)
Balance as of March 31	11,321	52,368

	<b>For the year ended</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
<b>Unappropriated results</b>		
Balance as of April 1	(41,047)	(30,243)
Unappropriated results	(1)	(41,047)
	(41,048)	(71,290)
Appropriation of result previous year	41,047	30,243
Balance as of March 31	(1)	(41,047)

**8. Payable to group company**

	<b>As of</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Loan payable to Bharti Airtel Africa B.V.	837,585	886,494
	837,585	886,494

The loan is unsecured, bears interest at the rate of 0% per annum (2018/2019: 3 Months libor + 225 bps) with maturity date of December 31, 2021. Any outstanding principal loan amounts and accrued interest thereon will be payable in full upon request of the lender by giving a 3 (three) months advance notice to the borrower.

**9. Payables to group company**

	<b>As of</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Amount owed to Airtel Congo (RDC) S.A.	1,801	1,890
	1,801	1,890

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

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

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

**Contingent liabilities**

**Tax-group liability**


The Company forms a fiscal unity for 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.

**11. Expenses**

<b>Interest expense and similar charges</b>	<b>For the year ended</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Interest expenses on loan from group companies	-	41,047
Bank Charges	1	-
	<u>1</u>	<u>41,047</u>

<b>Interest expenses on loan from group companies</b>	<b>For the year ended</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Interest expenses on loan from Bharti Airtel Africa B.V.	-	41,047
	<u>-</u>	<u>41,047</u>

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

  
Tina Uneke (Jul 14, 2020 17:16 GMT+2)

J.C. Uneken - van de Vreede  
Managing Director

  
Daan Vankootwijk (Jul 14, 2020 18:10 GMT+2)

D. van Kootwijk  
Managing Director



J.K. Paul  
Managing Director

**Date:**

## **Bharti Airtel RDC 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 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 General Meeting of shareholders determines the appropriation of the Company's net result for the year.

#### **3. Appropriation of the result for the 2018/2019 financial year**

The annual accounts for the year 2018/2019 were adopted by the General Meeting held on June 24, 2019. The General Meeting has determined the appropriation of the result as it was proposed.

#### **4. Proposed appropriation of result for the financial year 2019/2020**

The management board proposes to transfer the 2019/2020 result to the other reserves for an amount of USD 1 thousand (loss). The financial statements do (not yet) reflect this proposal.

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

There is no post Balance Sheet event to report.