Airtel Africa plc

Results for the year ended 31 March 2022

11 May 2022

A year of strong growth, margin expansion and cash generation. Delivering results and embedding sustainability

Full-year highlights

- Reported revenue grew by 20.6% for the year, to $4,714m, and 17.8% for Q4. Constant currency underlying revenue grew 23.3% for the year and 19.1% in Q4.
- Constant currency underlying revenue growth was strong in all regions: Nigeria up 27.7%, East Africa up 22.7% and Francophone Africa up 17.2%; and across all key services, with revenue in Voice up 15.4%, Data up 34.6% and Mobile Money up 34.9%.
- Underlying EBITDA of $2,311m, grew by 29.0% in reported currency.
- Underlying EBITDA margin of 49.0%, increased by 294 basis points.
- Operating profit grew by 37.2% to $1,535m in reported currency.
- Profit after tax grew by 82.0% to $755m.
- Basic EPS of 16.8 cents, an increase of 86.5%. EPS before exceptional items of 16.0 cents (FY'21: 8.2 cents).
- Operating free cash flow of $1,655m, up 40.5%, with net cash generated from operating activities up 20.7% to $2,011m. Over the last twelve months the business has repaid nearly $1.4bn of debt at HoldCo as a result of strong cash upstreaming across its OpCos and proceeds from minority investments in mobile money and tower sales.
- Leverage ratio improved to 1.3x from 2.0x in the prior year, with $1bn of debt now held at HoldCo (FY'21: $2.4bn).
- Customer base of 128.4 million, up 8.7%, with increased penetration across mobile data (customer base up 15.2%) and mobile money services (customer base up 20.7%). NIN/SIM regulations in Nigeria impacted customer growth in H1, but then returned to strong growth, adding 4 million customers in Nigeria during H2'22.
- Board recommends a final dividend of 3 cents per share, making total FY'22 dividends 5 cents per share (FY'21: 4 cents).

Alternative performance measures [2] (Year ended)					**GAAP measures (Year ended)**			
Description	**Mar-22 $m**	**Mar-21 $m**	**Reported currency change %**	**Constant currency change %**	**Description**	**Mar-22 $m**	**Mar-21 $m**	**Reported currency change %**
Underlying revenue [1]	4,714	3,888	21.3%	23.3%	Revenue	4,714	3,908	20.6%
Underlying EBITDA	2,311	1,792	29.0%	31.2%	Operating profit	1,535	1,119	37.2%
Underlying EBITDA margin	49.0%	46.1%	294 bps	296 bps	Profit after tax	755	415	82.0%
EPS before exceptional items ($ cents)	16.0	8.2	96.0%		Basic EPS ($ cents)	16.8	9.0	86.5%
Operating free cash flow	1,655	1,178	40.5%		Net cash generated from operating activities	2,011	1,666	20.7%

(1) Underlying revenue excludes a one-time exceptional revenue of $20m relating to a settlement in Niger in the prior year.

(2) Alternative performance measures (APM) are described on page 51.

Segun Ogunsanya, chief executive officer, on the trading update:

"This is another strong set of results for Airtel Africa, demonstrating our solid execution as we continue to enrich the lives of a growing number of people through leveraging the sizeable opportunity to promote digital and financial inclusion across our markets.

We have delivered strong double-digit growth in revenues across all our regions and all our key services, with improving margins driven by strong cost control, and expanding cash generation which is enabling us to continue to invest in our network and services and expand our distribution, as well as strengthening our balance sheet and increasing our returns to shareholders. We are connecting more customers in new and existing coverage areas and driving usage levels and ARPUs to new highs.

We have successfully executed on a number of strategic initiatives in the year, with tower sales completed in four countries, $550m of minority investments secured for our mobile money business and a successful buyout of minorities in our Nigerian operation. Our receipt last month of a full PSB licence in Nigeria will help us to accelerate financial inclusion in the territory and drive our mobile money business even faster.

While the fundamentals of our six-pillar growth strategy remain unchanged, we are looking to accelerate our performance through a greater focus on digitalisation and we have underpinned our strategic pillars with our sustainability ambition.

I am particularly proud of the progress we have made in articulating our sustainability strategy this year as well as the partnership we announced with UNICEF to help drive and support educational programmes in our territories. I very much look forward to us publishing both our pathway to net zero and our first full sustainability report later in the year.

Turning to the outlook, long-term opportunities for us remain attractive. While mindful of currency devaluation and repatriation risks, we continue to work actively to mitigate all our material risks and to deliver value for all our stakeholders. There are increasing challenges from global inflationary pressures, but we continue to target revenue growth ahead of the market and moderate margin expansion."

Airtel Africa plc ("Airtel Africa" or "Group") annual financial information contained in this report is drawn from Airtel Africa plc's audited annual consolidated financial statements for the years ended 31 March 2022 and 31 March 2021, prepared in accordance with the requirements of the Companies Act 2006 and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and approved for use in the United Kingdom (UK) by the UK Accounting Standards Endorsement Board (UKEB). Quarterly information is drawn from unaudited IAS 34 financials of respective periods. Comparative period figures have been regrouped/ reclassified to conform with current year grouping/ classification.

About Airtel Africa

Airtel Africa is a leading provider of telecommunications and mobile money services, with a presence in 14 countries in Africa, primarily in East Africa and Central and West Africa.

Airtel Africa offers an integrated suite of telecoms solutions to its subscribers, including mobile voice and data services as well as mobile money services, both nationally and internationally. We aim to continue providing a simple and intuitive customer experience through streamlined customer journeys.

Enquiries

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Conference call

Management will host an analyst and investor presentation and conference call at 12:00pm UK time (BST), on Wednesday 11 May 2022, including a Question and Answer session.

To receive an invitation with the dial in numbers to participate in the event, please register beforehand using the following link:

https://services.choruscall.za.com/DiamondPassRegistration/register?confirmationNumber=1370750&linkSecurityString=2d5d99c98

Key financial information

Description	Unit of measure	Year ended Mar-22	Year ended Mar-21	Year ended Reported currency change %	Year ended Constant currency change %	Quarter ended Mar-22	Quarter ended Mar-21	Quarter ended Reported currency change %	Quarter ended Constant currency change %
Profit and loss summary									
Underlying revenue [1]	**$m**	**4,714**	**3,888**	**21.3%**	**23.3%**	**1,222**	**1,038**	**17.8%**	**19.1%**
Voice revenue	$m	2,358	2,083	13.2%	15.4%	611	547	11.8%	13.6%
Data revenue	$m	1,525	1,157	31.8%	34.6%	397	315	26.0%	27.9%
Mobile money revenue [2]	$m	553	401	37.9%	34.9%	147	110	33.6%	29.0%
Other revenue	$m	407	347	17.4%	19.9%	102	91	12.3%	14.0%
Expenses	$m	(2,413)	(2,107)	14.5%	16.4%	(616)	(544)	13.2%	14.8%
Underlying EBITDA [3]	**$m**	**2,311**	**1,792**	**29.0%**	**31.2%**	**608**	**495**	**22.9%**	**23.7%**
Underlying EBITDA margin	%	49.0%	46.1%	294 bps	296 bps	49.7%	47.7%	206 bps	187 bps
Depreciation and amortisation	$m	(744)	(681)	9.3%	11.3%	(188)	(176)	6.6%	8.4%
Operating exceptional items [4]	$m	(32)	14	-	-	(32)	1	-	-
Operating profit	**$m**	**1,535**	**1,119**	**37.2%**	**39.4%**	**390**	**319**	**22.3%**	**22.0%**
Net finance costs [5]	$m	(403)	(423)	(4.6%)		(112)	(104)	7.7%	
Non-operating exceptional items[6]	$m	92	-	-		82	-	-	
Profit before tax	**$m**	**1,224**	**697**	**75.6%**		**360**	**215**	**67.4%**	
Tax	$m	(471)	(318)	48.2%		(122)	(82)	47.5%	
Tax - exceptional items	$m	2	36	-		2	21	-	
Total tax charge	$m	(469)	(282)	66.3%		(120)	(61)	95.2%	
Profit after tax	**$m**	**755**	**415**	**82.0%**		**240**	**154**	**56.0%**	
Non-controlling interest	$m	(124)	(76)	62.9%		(50)	(22)	130.7%	
Profit attributable to owners of the company - before exceptional items	$m	602	308	95.9%		171	121	41.5%	
Profit attributable to owners of the company	**$m**	**631**	**339**	**86.3%**		**190**	**132**	**43.7%**	
EPS - before exceptional items	cents	16.0	8.2	96.0%		4.6	3.2	41.6%	
Basic EPS	cents	16.8	9.0	86.5%		5.1	3.5	43.8%	
Weighted average no of shares	million	3,754	3,758	(0.1%)		3,753	3,756	(0.1%)	
Capex	$m	656	614	6.9%		224	211	6.4%	
Operating free cash flow	$m	1,655	1,178	40.5%		384	284	35.1%	
Net cash generated from operating activities	$m	2,011	1,666	20.7%		512	449	14.1%	
Net debt	$m	2,941	3,530			2,941	3,530		
Leverage (net debt to underlying EBITDA)	times	1.3x	2.0x			1.3x	2.0x		
Return on capital employed	%	23.3%	16.5%	678 bps		23.2%	16.4%	680 bps	
Operating KPIs									
ARPU	$	3.2	2.8	13.5%	15.4%	3.2	2.9	9.5%	10.7%
Total customer base	million	128.4	118.2	8.7%		128.4	118.2	8.7%	
Data customer base	million	46.7	40.6	15.2%		46.7	40.6	15.2%	
Mobile money customer base	million	26.2	21.7	20.7%		26.2	21.7	20.7%	

(1) Revenue includes intra-segment eliminations of $129m for the year ended 31 March 2022 and $100m for the prior year. And it also excludes one-time exceptional revenue of $20m relating to a settlement in Niger in the year ended 31 March 2021.

(2) Mobile money revenue post intra-segment eliminations with mobile services was $424m for the year ended 31 March 2022, and $301m for the prior year.

(3) Underlying EBITDA includes other income of $10m for the year ended 31 March 2022, and $11m for the prior year.

(4) Operating exceptional items of $32m in the year ended 31 March 2022 consists of a $12m provision for expected settlement of a contractual dispute in which one of the Group's subsidiaries is a party and $20m costs of agreeing historical spectrum fees in one of the Group's subsidiaries. The prior year operating exceptional items includes exceptional revenue relating to a one-time settlement in Niger for $20m, partially offset by one-off costs of $6m in Francophone Africa.

(5) Net finance costs in the year ended 31 March 2022 excludes a one-off cost of $19m on prepayment of $505m bonds in March 2022.

(6) Non-operating exceptional items in the year ended 31 March 2022 include a gain of $111m on the sale of telecommunication tower assets in the Group's subsidiaries in Tanzania, Malawi, Madagascar, and Rwanda, partially offset by costs of $19m on prepayment of $505m of bonds.

Financial review for the year ended 31 March 2022

We have recorded another strong set of results that demonstrate the effective execution of our strategy, with strong performance across our regional segments and key services. Reported revenue grew by 20.6%.

Underlying revenue in constant currency grew by 23.3%. Revenue in Nigeria grew by 27.7%, in East Africa by 22.7% and in Francophone Africa by 17.2% in constant currency. We have delivered strong double-digit growth across all our key services: voice revenue grew by 15.4%, data revenue grew by 34.6%, mobile money revenue grew by 34.9%, and other revenue by 19.9%. Growth in other revenues was marginally impacted in Q4’22 from the loss of c.$6m revenues from tower sharing related to tower sales completed in the year. Mobile services revenue grew by 22.0% in constant currency (19.6% in reported currency) and mobile money services revenue grew by 34.9% (37.9% in reported currency). Revenue growth for the year benefited from a weakened performance in the first quarter of the prior year during the peak period of Covid-19 restrictions across the region.

Net finance costs were broadly flat. The increase in tax charges of $187m was due to higher operating profits and withholding tax on dividends by subsidiaries, with the prior year also benefitting from $36m deferred tax credit recognition.

Basic EPS improved to 16.8 cents while EPS before exceptional items improved to 16.0 cents, with higher profits more than offsetting the associated increased tax charges, and higher non-controlling interests due to higher profit contributions in OpCos with minority shareholdings and new minority shareholdings in Airtel Money, partially offset by lower minority interests in Airtel Nigeria as a result of the successful share buy-back.

Leverage improved to 1.3x from 2.0x in the prior year, largely driven by increased cash generation, expansion of underlying EBITDA and proceeds from Airtel Money investments. Our balance sheet has also been further de-risked by continued localisation of our debt into the OpCos and material debt reduction in HoldCo.

GAAP measures

Revenue

Reported revenue grew by 20.6% to $4,714m. The prior year benefited from one-time exceptional revenue of $20m relating to a settlement in Niger. Excluding this, revenue grew by 21.3% in reported currency and by 23.3% in constant currency. Constant currency growth of 23.3% was partially offset by currency devaluations, mainly in the Nigerian naira (5.6%) and the Malawian kwacha (7.2%), in turn partially offset by appreciation in the Ugandan shilling (4.1%) and Zambian kwacha (4.4%). Revenue growth for the year benefited from a weakened performance in the first quarter of the prior year during the peak period of Covid-19 restrictions across the region.

Operating profit

Operating profit grew by 37.2% to $1,535m in reported currency as a result of strong revenue growth and improvements in operating efficiency across all our regions. Operating profit included a one-time cost of $32m consisting of a $12m provision for expected settlement of a contractual dispute in which one of the Group’s subsidiaries is a party, and $20m costs relating to an agreement on historical spectrum fees in one of the Group’s subsidiaries. This compared to the prior year which included a gain of $20m for a one-time settlement in Niger, which was partially offset by one-off costs of $6m in Francophone Africa. Excluding exceptional items, operating profit grew by 41.9%.

Net finance costs

Net finance costs were broadly flat, as lower foreign exchange and derivative losses, higher interest income and a one-time $12m gain in other finance charges as a result of the reversal of an interest provision in one of our operating entities were offset by a one-off cost of $19m for the applicable premium paid on the early repayment of the $505m bonds in March 2022. Additionally, interest costs were also broadly flat as lower interest costs on our reduced market debt were offset by an increase in interest costs on lease liabilities.

The Group effective interest rate increased to 5.6% compared to 4.9%, largely driven by repayment of the EUR750m bond in May 2021, which carried a lower-than-average coupon, and due to higher local currency debt at the OpCo level. In line with our strategy to continue to reduce foreign currency debt at HoldCo, we also repaid $505m bonds in March 2022, one year earlier than their March 2023 redemption date. One-off costs of $19m, including applicable premium, have been recorded under non-operating exceptional items, while the Group will save an aggregate of c.$26m on interest payments from the early redemption.

Taxation

Total tax charges were $469m, an increase of $187m, driven by higher operating profit and withholding tax on dividends by subsidiaries. The prior year also benefited from the recognition of a deferred tax credit of $36m in Tanzania.

Profit after tax

Profit after tax increased by 82.0% to $755m. This increase was mainly led by higher operating profits and stable net finance costs which more than offset the associated increase in tax charges. Exceptional gains were also $12m higher than the prior year.

Basic EPS

Basic EPS climbed to 16.8 cents, an improvement of 7.8 cents (+86.5%) from 9.0 cents in the prior year. This increase was mainly due to higher operating profits which more than offset increased tax charges and higher non-controlling interests (due to higher profit contributions in OpCos with minority shareholdings, new minority shareholdings in Airtel Money partially offset by lower minority interests in Airtel Nigeria as a result of the successful share buy-back).

Net cash generated from operating activities

Net cash generated from operating activities was $2,011m, an increase of 20.7% from $1,666m in the prior period. The increase was largely driven by higher profit before tax of $527m, which was partially offset by higher tax payments on the increased profits and withholding tax on dividends by subsidiaries. Over the last twelve months the business has repaid nearly $1.4bn of debt at HoldCo as a result of strong cash upstreaming across its OpCos and proceeds from minority investments in mobile money and tower sales.

Alternative performance measures[1]

Underlying revenue

Underlying revenue in constant currency grew by 23.3%, driven by both customer base growth of 8.7% and ARPU growth of 15.4%. The slowdown in customer base growth was due to the introduction of new SIM registration regulations in Nigeria. Excluding Nigeria, the customer base grew by 10.2%. In Nigeria, our customer base returned to growth in the second half of the year, adding a net 2.4 million customers for the full year. At the end of the year our total customer base was 128.4 million, an increase of 10.2 million. ARPU growth of 15.4% was driven by all our key services: with data contributing 7.7%, voice contributing 4.3%, mobile money contributing 2.7%, and the balance coming from other revenue, which was marginally impacted in Q4 from the loss of tower sharing revenues relating to towers sold during the year.

Revenue growth was recorded across all our regions and key services. Underlying revenue in Nigeria grew by 27.7%, in East Africa by 22.7%, and in Francophone Africa by 17.2%. Voice revenue grew by 15.4%, data revenue grew by 34.6% and mobile money revenue grew by 34.9% in constant currency.

Underlying EBITDA

Underlying EBITDA was $2,311m, an increase of 29.0% in reported currency and of 31.2% in constant currency. Growth in underlying EBITDA was led by revenue growth and supported by improved operating efficiencies. The underlying EBITDA margin improved by 294 basis points in reported currency to 49.0%.

Foreign exchange had an adverse impact of $58m on revenue, and $26m on underlying EBITDA, as a result of devaluations of the Nigerian naira and the Malawian kwacha, in turn partially offset by appreciations of both the Ugandan shilling and the Zambian kwacha.

With respect to currency devaluation sensitivity, on a 12-month basis, a 1% currency devaluation across all currencies in our OpCos would have a negative impact of $43m on revenues, $26m on underlying EBITDA and $21m on finance costs. Our largest exposure is to the Nigerian naira, for which a 1% devaluation would have a negative impact of $18m on revenues, $11m on underlying EBITDA and $7m on finance costs.

Tax

The effective tax rate was 39.0% compared to 43.2% in the prior period, largely due to profit mix changes amongst the OpCos. The effective tax rate is higher than the weighted average statutory corporate tax rate of approximately 33%, largely due to the profit mix between various OpCos and withholding taxes on dividends by subsidiaries.

Exceptional items

Operating exceptional items of $32m in the year ended 31 March 2022 consists of a $12m provision for expected settlement of a contractual dispute in which one of the Group's subsidiaries is a party and $20m costs of agreeing historical spectrum fees in one of the Group's subsidiaries. The prior period operating exceptional items includes exceptional revenue on account of a one-time settlement in Niger amounting to $20m, partially offset by a one-off cost of $6m in Francophone Africa.

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[1] *Alternative performance measures (APM) are described on page 51.*

Non-operating exceptional items in the year ended 31 March 2022 include a gain of $111m on the sale of telecommunications tower assets in the Group's subsidiaries in Tanzania, Malawi, Madagascar, and Rwanda, partially offset by one-off costs of $19m including applicable premium paid on the early repayment of $505m bonds in March 2022.

Exceptional tax benefit of $2m recognised in the year mainly relate to the provision for the contractual dispute in which one of the Group's subsidiaries is a party, and the $36m in the prior year relates to deferred tax credit recognition in Tanzania.

EPS before exceptional items

EPS before exceptional items almost doubled to 16.0 cents, up by 96.0% (+7.8 cents) from 8.2 cents in the prior year. This increase was mainly due to higher operating profits which more than offset the increased tax charges and higher non-controlling interests (due to higher profit contributions in OpCos with minority shareholdings, new minority shareholdings in Airtel Money partially offset by lower minority interests in Airtel Nigeria as a result of the successful share buy-back).

Operating free cash flow

Operating free cash flow increased by 40.5% to $1,655m, as higher underlying EBITDA more than offset increased capital expenditure. Capital expenditure in the prior year was slightly lower due to logistical challenges as a result of the pandemic.

Leverage

Leverage (net debt to underlying EBITDA) improved to 1.3x at 31 March 2022, from 2.0x at 31 March 2021, largely driven by increased cash generation, expansion in underlying EBITDA and receipts of $550m from mobile money minority investments. Our balance sheet continued to be de-risked through a reduction of HoldCo debt (now $1bn, down from $2.4bn in the prior year) and increased localisation of our debt into the OpCos, such that our gross OpCo debt of $2,921m (including lease obligations) is now significantly higher than our HoldCo debt of $1,000m.

Other significant updates

Full payment service bank licence in Nigeria

In April 2022, Airtel Africa's subsidiary SMARTCASH Payment Service Bank Limited ('Smartcash') was granted final approval to operate a payment service bank ('PSB') business in Nigeria.

The PSB licence is required for Airtel to provide mobile financial services in Nigeria, such as accepting cash deposits and carrying out payments and remittances, issuing debit and prepaid cards, operating electronic wallets and rendering other financial services.

Full super-agent licence in Nigeria

On 14 November 2021, Airtel Africa's subsidiary Airtel Mobile Commerce Nigeria Ltd was granted approval in principle by the Central Bank of Nigeria to operate as a super-agent in Nigeria. This was subsequently upgraded to approval for a full super-agent licence in April 2022.

Under the super-agent licence, we are able to create an agent network that can service the customers of licensed Nigerian banks, payment service banks and licenced mobile money operators in Nigeria.

Early Bond redemption

In March 2022, the Group confirmed that it had completed the early repayment of its $505m 5.125% Guaranteed Senior Notes, originally due in March 2023, using cash balances available at Group level.

Settlement included all outstanding accrued interest up to the redemption date of 7 March 2022. One-off costs of $19m, including applicable premium, have been recorded under non-operating exceptional items, while the Group will save an aggregate of c.$26m on interest payments from early redemption.

Since the time of the IPO in June 2019, Airtel Africa has successfully pursued a strategy of strengthening its balance sheet through both deleveraging and reducing its US dollar debt exposure. Over this period the Group has reduced its USD HoldCo debt by c.$1.7bn and improved its leverage ratio to 1.3x net debt to underlying EBITDA at 31 March 2022. Following this early repayment of senior notes, the Group now has only $1bn of bonds remaining at HoldCo level, due in May 2024.

Completion of Airtel Nigeria minority buyout offer

On 2 December 2021, further to the buyout offer announcement on 4 October 2021, Airtel Africa announced the completion of the minority shareholding buyback of Airtel Networks Limited ('Airtel Nigeria'), a subsidiary of Airtel Africa plc and a leading provider of telecommunication services in Nigeria.

The purchase consideration for the 8.22% minority shareholdings acquired under the buyback was NGN 67.6bn, equivalent to $163m, including directly attributable transaction costs.

NIN - SIM linkage registration rules in Nigeria

Following a directive issued by the Nigerian Communications Commission (NCC) on 7 December 2020 to all Nigerian telecom operators, Airtel Nigeria has been working with the government to ensure that all our subscribers provide their valid National Identification Numbers (NINs) to update SIM registration records. To complete the registration process, we must link the NIN information received with the SIM of the respective subscribers and share the same with the National Identity Management Commission (NIMC).

The original regulatory directive set an initial deadline for customers to register (link) their NIN with their SIM of 30 December 2020. This was subsequently moved several times, with the last deadline being 31 March 2022. Airtel Nigeria was subsequently notified that with effect from 4 April 2022, all SIMs that have not been linked to a NIN were to be placed on 'receive only' status, meaning all their outgoing calls have been barred with immediate effect.

Subscribers of such lines can still link their SIMs to their NINs in order that these restrictions can be lifted. Customers have therefore been given a final opportunity to fully comply with the latest registration requirements.

We have made significant progress on capturing the NINs of our customers and building the database in collaboration with the NIMC. As at the end of April 2022, we have collated NIN information for 35.9 million active customers. Outgoing voice revenues for those active subscribers who have not yet linked their NIN with their SIM amounts to around 7% of total revenues from Nigeria, and around 3% of total revenues for the Group. However, our experience of adopting similar procedures in other countries suggests that SIM registration is accelerated, and some SIM consolidation is likely to occur in response to implementation, potentially reducing any financial impact. As at the end of the year, Airtel Nigeria had an active customer base of 44.4 million and posted revenue of $1,878m.

We continue to work closely with the regulator and impacted customers to help them to comply with the registration requirements, making every effort to minimise disruption and ensure affected customers can continue to benefit from full-service connectivity as soon as possible; in line with our aim to drive increased connectivity and digital inclusion across Nigeria.

Kenya spectrum licences

On 7 March 2022, the Group announced that its Kenya subsidiary, Airtel Kenya Networks Limited ('Airtel Kenya'), had entered into agreements with the Communications Authority of Kenya regarding its operating and spectrum licences, and received approval for the replacement of its temporary licence with a ten-year frequency licence for 2x10 MHz of spectrum in the 2100 MHz band, as follows:

- In respect of agreements regarding 2015-2025 operating and spectrum licences, Airtel Kenya will pay a total of c.$20m in four instalments over the next three years.
- In respect of the 2x10 MHz licence, 2022-2032, Airtel Kenya has agreed and paid for a ten-year licence for $10m.

Airtel Kenya is one of the Group's largest markets by revenue, and from FY'19 to FY'22 grew revenues by 22.2% CAGR. This $30m investment reflects our continued confidence in the tremendous opportunity inherent in the Kenya market.

Uganda listing obligation

Under Article 16 of Uganda's National Telecom Operator ('NTO') licence, Airtel Uganda limited is obliged to comply with the sector policy, regulations and guidelines requiring the listing of part of its shares on the Uganda Stock Exchange. The current Uganda Communications (Fees & Fines) (Amendment) Regulations 2020, creates a public listing obligation for all NTO licensees, and specifies that 20% of the shares of the operator must be listed within two years of the date of the effective date of the licence. Currently, this imposes a listing requirement by 15 December 2022 on Airtel Uganda. On 5th April 2022 we applied to the Uganda Communications Commission for an extension on the deadline for a period of one year.

Tower sales

On 25 March 2022 and 3 November 2021, Airtel Africa announced the first closings of transactions to sell its telecommunications tower companies in Malawi and Madagascar respectively, to Helios Towers plc, a leading independent telecommunications infrastructure company in Africa.

On 5 January 2022, Airtel Africa announced the first closing of the transaction to sell its telecommunications tower assets in Tanzania to a joint venture company owned by a wholly-owned subsidiary of SBA Communications Corporation, a leading global independent owner and operator of wireless communications infrastructure, as majority owner, and by Paradigm Infrastructure Limited, a UK company focused on developing, owning and operating shared passive wireless infrastructure in selected growth markets.

The gross considerations for these transactions are $55m in Malawi, $52m in Madagascar, and $177m in Tanzania. Loss of tower sharing revenue as a result of the sale of these towers amounted to $29m per annum. As a result of the tower sales across our OpCos the Group recorded a gain of $111m.

Under the terms of these tower transactions, Airtel Africa's subsidiaries in the respective countries will continue to develop, maintain and operate its equipment on the towers under separate lease arrangements with the purchaser.

In March 2021, the Group also announced memorandum of understanding arrangements with Helios Towers for the potential sale of its tower assets in Chad and Gabon. In February 2022, Airtel Africa announced that it had agreed an extension to their memorandum of understanding arrangement with Helios Towers in Gabon, with completion still subject to Helios Towers obtaining a passive infrastructure licence. The memorandum of understanding arrangement relating to tower assets in Chad expired in February 2022, and Airtel Africa and Helios Towers have mutually agreed that this would not be renewed.

Strategic investments in our mobile money business

Following earlier similar announcements of investments in our mobile money business of $200m by TPG's The Rise Fund and $100m by Mastercard (made on 18 March 2021 and 1 April 2021 respectively) in July 2021, Airtel Africa signed agreements with Qatar Holding LLC, an affiliate of the Qatar Investment Authority ('QIA'), regarding their investment of $200m in Airtel Mobile Commerce BV ('AMC BV'), a subsidiary of Airtel Africa plc. AMC BV is the holding company for several of Airtel Africa's mobile money operations; and ultimately is intended to own and operate the mobile money businesses across all of Airtel Africa's 14 operating countries.

On 2 August 2021 and 20 August 2021 Airtel Africa announced first closings relating to the Airtel Money minority investment transactions with TPG's The Rise Fund and Mastercard, and subsequently with Qatar Holding LLC respectively. Upon first closings, The Rise Fund, Mastercard and QIA invested $150m, $75m and $150m respectively in a secondary purchase of shares in AMC BV from a subsidiary of Airtel Africa, and both QIA and TPG each appointed a director to the board of AMC BV.

In November 2021, Airtel Africa announced second closings relating to these Airtel Money minority investment transactions, with a further $50m, $25m and $50m invested into AMC BV by The Rise Fund, Mastercard and QIA respectively.

In December 2021, Airtel Africa announced the introduction of Chimera Investment LLC as an additional investor in AMC BV through a $50m secondary purchase of shares from a subsidiary of Airtel Africa plc. Chimera Investment LLC (through its subsidiary Chimetech

Holding Ltd.) now holds minority stakes in AMC BV alongside the other minority investors, with Airtel Africa continuing to hold the majority stake.

These transactions are a continuation of the Group's pursuit of strategic asset monetisation and investment opportunities, and it is the aim of Airtel Africa to explore the potential listing of the mobile money business within four years from first closing.

Airtel Africa has now received a total of $550m cumulative proceeds from minority stake sales in Airtel Money from the four investors. As previously reported, the proceeds from these secondary stake sale transactions were used for repayment of Group debt and for investment in network and sales infrastructure in the respective operating countries.

Launch of sustainability strategy

Within our Full Year Results announcement in May 2021, we highlighted that we would publish the measurable medium to long-term sustainability goals we set ourselves. In the first six months of this financial year, we identified the programmes needed, along with key milestones towards these goals. We also conducted a consultation progress with our stakeholders to gather feedback and further inform our sustainability strategy.

In October 2021, Airtel Africa launched an ambitious sustainability strategy that underpins our well-established corporate purpose of 'Transforming Lives.' The strategy demonstrates our commitment to developing the infrastructure and services that will drive both digital and financial inclusion for people across Africa and provides a framework to contribute to six of the United Nations' Sustainable Development Goals ('SDGs') where we believe we can have the biggest impact. These are SDG 4: Delivering quality education; SDG 5: Gender equality; SDG 8: Decent work and economic growth; SDG 9: Industry innovation and infrastructure; SDG 10: Reduced inequalities; and SDG 12: Responsible consumption and production.

The launch of our sustainability strategy builds upon the Group's sustainability framework, announced with the FY'21 results, with its four key pillars of 'Our business', 'Our people', 'Our communities' and 'Our environment', and the strong foundations of the work we are already doing at a Group level and across all our local operations. The new sustainability strategy covers every aspect of our business activities, and has environmental, social and governance criteria at its core.

The sustainability strategy includes nine goals and commitments, with corresponding programmes that address the business' material topics (identified through an extensive consultation at the beginning of the year) and enable the Group to continue delivering sustainable growth and uphold the best governance standards:

- **Data security goal:** Establish industry-leading data security for our customers; through investments in technology and expertise, updated processes and consumer awareness - with focus areas around confidentiality, integrity and availability.
- **Service quality goal**: Provide underserved communities with access to reliable networks and connectivity; through the rollout of new infrastructure and technology, improved fibre connectivity and capacity - with focus areas on service accessibility, delivery and reliability.
- **Supply chain goal:** Ensure all our suppliers are aligned with our sustainability agenda; through programmes to increase supplier disclosure and audit ESG performance - with focus areas on enhanced supplier due diligence and ongoing ESG compliance.
- **Commitments to our people:** with our ambition to provide rewarding employment opportunities and to achieve genuine diversity and inclusion at all levels across the business through four key commitments**:**
    - Delivering equality in our workforce; through recruitment and programmes to provide training and advancement for everyone regardless of gender, nationality or disability;
    - Providing best practice training and development; through upskilling and reskilling initiatives to ensure they can succeed in their future careers. And through supporting female entrepreneurs through training and increasing women's participation in the technology and engineering sectors;
    - Providing the highest standards of health and safety for our employees and contractors; through the introduction of a best practice social and health and safety management system, improved policies and full compliance with all legislation and regulation; and,
    - Maintaining the highest levels of employee engagement; through the introduction of additional channels that provide every one of our people with a voice.
- **Digital inclusion goal**: significantly improve digital Inclusion across Africa; by driving the penetration of mobile, smartphones and home broadband in rural areas through the provision of retail and support services.

- **Financial inclusion goal**: significantly increase financial inclusion in Africa, with particular support for women; through the development of affordable financial products to meet the needs of the un- and under-banked, a reliable service and financial confidence and literacy.
- **Access to education goal:** helping transform the lives of over one million children through improving access to education - with programmes around connectivity, the provision of zero-rated education content under a five-year UNICEF partnership, connecting 1,400 schools to the internet by 2027, and the adoption and support of schools in all our markets.
- **Greenhouse gas emissions reduction goal:** Our ambition is to achieve net zero greenhouse gas ('GHG') emissions ahead of the 2050 deadline set out in the Paris Agreement. To do this we must fully identify, measure and reduce our GHG emissions which can only be achieved in partnership with our peers and the wider industry. We will establish and launch a sector leading and credible decarbonisation pathway in 2022, ahead of the publication of our first Sustainability Report. In January 2022, we have engaged with the Carbon Trust for their advice and assistance with several aspects of our Greenhouse gas emissions measurement, management and reporting.
- **Environmental stewardship:** Eliminate hazardous waste from our operations, significantly reduce our non-hazardous waste and minimise our water consumption; with programmes to replace damaging materials, expand recycling schemes and build employees' awareness around the protection of our natural resources.

Partnership with UNICEF

On 1 November 2021, Airtel Africa and UNICEF announced a five-year pan-African partnership to help accelerate the roll-out of digital learning through connecting schools to the internet and ensuring free access to learning platforms across 13 countries. By providing equal access to quality digital learning, particularly for the most vulnerable children, the partnership will help to ensure that every child reaches their full potential.

Airtel Africa is the first African private sector partner to make a multimillion-dollar commitment to 'Reimagine Education', a global initiative launched by UNICEF in 2020 calling for public and private sector investment in digital learning as an essential service for every child and young person across the globe. This initiative aims to give children a chance to catch up on their learning needs amid the ongoing global pandemic.

Airtel Africa's financial and in-kind contribution for this partnership is $57m over five years to 2027. The programme will call on technology and expertise, in addition to direct financial support to connect schools and communities to the internet and enable free access to online educational content for students. It will also provide vital data insights to inform UNICEF's work to scale-up digital learning and help ensure it is sustainable and meets students' needs across Africa.

The Airtel Africa and UNICEF pan-African partnership will benefit students in Chad, Congo, Democratic Republic of the Congo, Gabon, Kenya, Madagascar, Malawi, Niger, Nigeria, Rwanda, Tanzania, Uganda and Zambia.

Dividend policy

In October 2021, the Board approved an upgrade to the progressive dividend policy as a result of continued strong business performance and significant progress made in reducing the leverage ratio. The new policy aims to grow the dividend annually by a mid to high-single digit percentage from a new base of 5 cents per share for FY'22, with a continued focus to further strengthen the balance sheet.

The Board recommends a final dividend of 3 cents per share, making total FY'22 dividends 5 cents per share including the interim dividend of 2 cents per share, and in line with this upgraded dividend policy.

Covid update

The Covid-19 pandemic contributed to a rapid acceleration of already existing macro trends across the countries where we operate, with people, businesses and governments seeking access to more and better connectivity and improved financial inclusion. These challenging times have shown that the telecoms industry is a key and essential service for these economies, allowing customers to work remotely, reduce their travel, keep connected and have access to affordable entertainment and financial services.

Covid-19 presented significant challenges to the business, particularly during the initial phase of the pandemic in Q1 last year, when mobile money and mobile services growth both slowed. However, the actions taken by the Board at that time enabled the continued execution of our strategy, including meeting increased customer demand for data, mobile money and mobile services.

Through multiple lockdowns and during times of national crisis our people have kept our distribution channels available and our networks fully operational. Our business partners have similarly continued to deliver their services despite numerous logistical challenges, and governments and regulators have continued to support the industry and helped facilitate our continued support to the economies of the countries and the communities we serve.

Several times through the pandemic, the governments in the countries where we operate have acted swiftly to implement and enforce restrictions on the movement of people to prevent contagion. These swift actions, along with low population density and relatively youthful population demographics, less frequent travel, and local experience in dealing with contagious diseases, have resulted in generally lower infection rates in sub-Saharan Africa relative to some other regions. Around the world the vaccination effort is well under way, with a significant easing of social distancing rules and travel restrictions, although Africa lags most developed economies in attaining full vaccination cover.

Despite the resilience demonstrated by our business during the last two years, we are constantly monitoring how the situation is evolving to identify key risks and to put in place adequate mitigation plans to minimise any potential disruptions.

The Group will continue to focus on ensuring the safety of our employees, our outsourced partners and our customers; ensuring that our network and distribution channels remain fully operational and available; ensuring that our customers continue to have access to financial services and ensuring that at Group level we are in the right financial position to meet our financial obligations at all times.

New shareholding requirements in Kenya

On 9 April 2021, the Minister for ICT in Kenya published an amendment to the National Information Communications and Technology (ICT) Policy Guidelines, 2020 (ICT Policy). The ICT Policy amendment will affect Airtel Africa's Kenya business as follows:

- Airtel Networks Kenya Limited, which currently holds an indefinite exemption from the Minister for ICT, dated 20 March 2013, has three years with effect from 9 April 2021 to comply with the requirement to have a 30% local shareholding.
- Airtel Money Kenya Limited, which holds a Content Service Provider Licence from the Communications Authority of Kenya, with effect from November 2020, has three years from the date of the licence to comply with the requirement to have a 30% local shareholding.

Under the amended ICT policy, a licensee may apply to the ICT Minister for an extension of time to comply with the requirement, or to obtain an exemption.

Appointment of new CEO, and other Board appointments and changes

On 29 April 2021, Airtel Africa announced that Olusegun 'Segun' Ogunsanya, managing director and chief executive officer Airtel Nigeria was to succeed Raghunath 'Raghu' Mandava, as managing director and chief executive officer following Raghu Mandava's informing the Board of his intention to retire. Segun Ogunsanya joined the Board of Airtel Africa plc with effect from 1 October 2021.

Segun Ogunsanya joined Airtel Africa in 2012 as managing director and chief executive officer Airtel Nigeria and has been responsible for the overall management of our operations in Nigeria, our largest market in Africa. Segun has more than 25 years' business management experience in banking, consumer goods and telecoms. Before joining Airtel in 2012, Segun held leadership roles at Coca-Cola in Ghana, Nigeria, and Kenya (as managing director and chief executive officer). He has also been the managing director of Nigerian Bottling Company Ltd (Coca-Cola Hellenic owned) and Group head of retail banking operations at Ecobank Transnational Inc, covering 28 countries in Africa. He is an electronics engineer and also a chartered accountant.

Raghu Mandava has retired as managing director and chief executive officer, as a director of Airtel Africa plc and as a member of the Market Disclosure Committee as of 30 September 2021. Following his cessation of employment at Airtel Africa, Mr. Mandava remains available to advise the Chairman, the Airtel Africa Board and the newly appointed managing director and chief executive officer for a nine-month period.

Jaideep Paul, chief financial officer, was appointed as an executive director and joined the Board of Airtel Africa plc with effect from 1 June 2021.

On 12 October 2021, Airtel Africa announced the appointment of Ms Tsega Gebreyes to the Board as an independent non-executive director, with immediate effect.

New administrative office in Dubai

Airtel Africa plc has opened a new office in Dubai, adding to its existing administrative office locations in Nairobi, London, Amsterdam and Delhi.

The executive committee of Airtel Africa plc now operates out of the new office, which provides for significantly improved connectivity and enhanced cooperation with our 14 operating markets across Africa and with our other administrative offices.

Information on additional KPIs

An investor relations pack with information on the additional KPIs and balance sheet is available to download on our website at airtel.africa/investors.

Strategic overview

The Group provides telecoms and mobile money services in 14 emerging markets of sub-Saharan Africa. Our markets are characterised by huge geographies with relatively sparse populations, high population growth rates, high proportions of youth in the population, low smartphone penetration, low data penetration and relatively unbanked populations. Unique mobile user penetration across the Group's footprint is around 47%, and banking penetration remains under 50%. These indicators illustrate the significant opportunity still available to Airtel Africa to enhance both digital and financial inclusion in the communities we serve, enriching and transforming their lives through digitalisation at the same time as growing our revenues profitably, across each of our key services of voice, data and mobile money.

The Group continued to invest in its network and distribution infrastructure to enhance both mobile connectivity and financial inclusion across our countries of operation. In particular, we continued to invest in expanding our 4G network footprint to increase data capacity in our networks to support future business growth, as well as deploying new sites, especially in rural areas, to enhance coverage and connectivity.

We describe our 'Win with' strategy through six strategic pillars. Our customers lie at the core of our strategy, through our fundamental purpose around transforming lives.

Our focus on digitalisation, of both our products and services and our internal systems and processes, increasingly functions as a catalyst, or an 'accelerator', for each of our strategic pillars.

Underpinning our Group strategy is our sustainability platform, describing our continued commitment to both driving sustainable development and acting as a responsible business. We launched our sustainability strategy earlier this year, describing our commitment to developing the infrastructure and services that will drive both digital and financial inclusion for people across Africa and provides a framework to describe our contribution to the United Nations' Sustainable Development Goals ('SDGs'). We have four key pillars within our sustainability framework: 'Our business', 'Our people', 'Our communities' and 'Our environment'; and we have nine summary goals and commitments, along with corresponding programmes that address each of the 'material' identified topics of the business, covering data security, service quality, supply chain, people commitments, digital inclusion, financial inclusion, access to education, greenhouse gas emissions reduction and environmental stewardship.

This year, we continued to make strong progress across each of our core strategic pillars: 'Win with network', 'Win with distribution' (renamed from the previous 'Win with customers'), 'Win with data', 'Win with mobile money', 'Win with cost' and 'Win with people'.

Win with network

The Group aims to continually provide a best-in-class network experience, including internet experience, to customers. We continued to invest in our network by expanding 4G coverage and building capacity to cater for the future needs of our customers and to continue providing them with high-speed data. Our expansion of 4G network capability across our footprint and connecting rural areas through deployment of new sites continued to be our two key focus areas. Our investment in the 4G network through single RAN technology has resulted in both expansion of our 4G coverage and enhanced network capacity. At the end of FY'22, 87.6% of our total sites are now on 4G, compared to 76.5% in the previous year. We are building a leading, modernised network that can provide the data capacity to meet rapidly growing demand, and enhanced connectivity and digitalisation needs of our markets. Our network data capacity has increased by 40.4% year on year, reaching 16,900+ TB per day, with additional capacity being added at only very marginal cost. We continued to modernise our network across all our countries of operation, with 96% of our sites now on single RAN.

The Group has added almost 10,000 km of additional fibre in the year, with total fibre now more than 64,500km.

The Group has also added additional spectrum in a few of our markets. We have added 10 MHz in the 2600 band in Malawi and 10 MHz in the 2100 band in Kenya. These allocations will help us to maximise network capacity and coverage.

Capital expenditure related to investment activities during FY'22 was $656m, excluding spectrum acquisitions and licence renewals.

Win with distribution (formerly named 'Win with customers')

Sub-Saharan Africa is characterised by low penetrated markets, with unique subscriber penetration at 47%. The Group's strategy is to build assured availability of service through deployment of exclusive retail footprint and ensuring sufficient resourcing to drive revenue generation at each distribution site.

The Group continued to build a unique mix of multi-brand and exclusive franchise channels, combined with a simplified and enhanced self-service app to provide a seamless customer onboarding experience. These have enabled us to add customers, resulting in customer base growth of 8.7% year on year (excluding Nigeria the customer base grew by 10.2%). This has also helped us to grow voice revenue by 15.4% in constant currency.

The Group continued its investment in strengthening our distribution network infrastructure, with a focus on rural distribution networks. During the period, the Group expanded its exclusive franchise stores, adding more than 15,000+ kiosks and mini-shops (taking the total to almost 53,000) across our footprint. The Group also added more than 43,000 activating entities in the year, up by 21%.

Win with data

The Group continued to invest in the expansion of our 4G network, adding significant data capacity to the network at only marginal cost, expanding both home broadband and enterprise business services to greater leverage the 4G network capacity; growing data ARPU and data revenue. We continue to focus on increasing smartphone ownership and increasing data usage at scale, largely via smartphone offerings through OEM (Original Equipment Manufacturer) device partnerships, and through expanding our network of smartphone device selling outlets.

Our improved 4G network supported our drive to increase smartphone penetration, data customer penetration and the uptake of larger data volumes, resulting in greater data consumption per customer. Smartphone penetration was up by 1.2 percentage point to 34.2% and our data customer base grew by 15.2%, now representing 36.4% of our total customer base.

Data usage per customer reached 3.4 GB per month (from 2.6 GB) led by an increase in smartphone penetration and expansion of our home broadband and enterprise customers. This helped us to grow data revenue by 34.6% in constant currency. Growing penetration and the data usage of customers (particularly 3G and 4G) helped us to grow data ARPU by 18.6%. 4G data usage constituted 66.7% of total data usage on the network in FY'22 with 4G data usage per customer reaching 5.5 GB per month in FY'22, up by 10.7% on FY'21.

Win with mobile money

The Group has continued to drive financial inclusion. The low penetration of traditional banking services across our footprint leaves a large number of unbanked customers whose needs can be largely fulfilled through mobile money services. We aim to drive the uptake of Airtel Money services in all our markets, harnessing the ability of our profitable mobile money business model to enhance financial inclusion in some of the most 'unbanked' populations in the world.

The Group continued to expand our exclusive distribution network of kiosks, mini-shops and Airtel Money branches, so that customers can access their cash with relative ease. We have increased the number of kiosks and mini-shops by 40.0% and Airtel money branches by almost 60%. Additionally, we have increased the number of (non-exclusive) mobile money agents by 41.7%. Throughout the year, the expansion of our mobile money product portfolio, both through partnerships with leading financial institutions and through expansion of our merchant ecosystem, have further strengthened our mobile money propositions.

Our distribution expansion and enhanced offerings helped drive 20.7% growth in our mobile money customer base, now serving over 26.2 million customers and representing 20.4% of our total customer base (31.1% excluding Nigeria).

Mobile money continues to be one of our fastest growing services, delivering revenue growth of 34.9% in FY'22. It is an increasingly important part of our business, delivering $64.4bn of annual transaction value and accounting for 11.7% of total revenue in FY'22.

Mobile money ARPU increased by 12.2% in FY'22, driven by increased transaction values and higher contributions from merchant payments, cash transactions, P2P transfers and mobile services recharges through Airtel Money.

Win with cost

Our operating cost model is focused on enhancing cost efficiency through changes in the operating design and digitalisation initiatives. We embrace robust cost discipline and continuously seek to improve our processes to reduce operating costs, delivering one of the highest underlying EBITDA margins in the industry. We also use the latest technology to optimally design our networks and improve our capital expenditure efficiency; enabling us to build large incremental capacities at lower marginal cost.

As we continued to expand our business, various cost efficiency initiatives were undertaken during the period, relating mainly to: (i) reduced operating costs at sites due to single RAN; (ii) optimisation of incremental network/site requirements through efficient spectrum utilisation (iii) remodelling our managed services through diversification of supply; and (iv) bandwidth capacity optimisation and implementation of dynamic and contextual interactive voice recognition ('IVR') for more efficient customer interactions.

These have contributed to an expansion of our underlying EBITDA margin by 294 basis points in reported currency and 296 basis points in constant currency. Our underlying EBITDA margin was 49.0% for FY'22, and our operating expenditure as a percentage of revenue improved by 3.0 percentage points.

Win with people

Our values of being Alive, Inclusive and Respectful, underpin our vision of being a responsible employer. We work in highly collaborative teams across the 18 countries in which we have operations or offices, and with 35 different nationalities represented.

Our talented and diverse people have continued to demonstrate incredible dedication and resilience. Their commitment to our business and customers has been a key driver to our long-term growth and as we continue to transform lives in the markets we serve.

Diversity and inclusion remain a key focus area for our business. We made further progress this year with 28% of our ExCo (including OpCos) now being women, up by 5.0 percentage points, with women representing 26% of our total workforce. And we continued to expand financial and digital inclusion to the communities we serve.

Investing in opportunities for learning and development of our people across all our operations has been accelerated through the launch of several digital platforms. Building and maintaining strong functional expertise and capability is a key driver of our performance.

We are committed to employee engagement and upward feedback through regular market visits, town-halls and open mic sessions, which enable us to understand issues that really matter to our colleagues, our workplaces and business operations.

Our reward system is based on simple and consistent metrics that drive a high-performance culture and our people performance metrics are aligned to our business priorities.

We continue to make strides to be an employer of choice with a diverse and inclusive work environment.

Financial review for the year ended 31 March 2022

Nigeria

Description	Unit of measure	Year ended				Quarter ended			
		Mar-22	Mar-21	Reported currency change %	Constant currency change %	Mar-22	Mar-21	Reported currency change %	Constant currency change %
Summarised statement of operations									
Revenue	**$m**	**1,878**	**1,552**	**21.0%**	**27.7%**	**507**	**422**	**20.0%**	**24.2%**
Voice revenue [1]	$m	985	897	9.8%	15.9%	268	240	11.7%	15.6%
Data revenue	$m	734	549	33.7%	41.1%	194	152	28.0%	32.5%
Other revenue [1]	$m	159	106	50.0%	58.2%	44	30	46.0%	51.1%
Underlying EBITDA	**$m**	**1,037**	**839**	**23.6%**	**30.4%**	**279**	**232**	**20.6%**	**24.8%**
Underlying EBITDA margin	%	55.2%	54.1%	115 bps	114 bps	55.1%	54.8%	27 bps	25 bps
Depreciation and amortisation	$m	(268)	(236)	13.2%	19.5%	(71)	(60)	19.8%	23.8%
Operating exceptional items	$m	-	-	-	-	-	-	-	-
Operating profit	**$m**	**769**	**602**	**27.8%**	**34.8%**	**208**	**172**	**21.4%**	**25.7%**
Capex	$m	251	275	(8.8%)	(8.8%)	69	97	(28.9%)	(28.9%)
Operating free cash flow	$m	786	564	39.3%	50.7%	210	135	56.2%	64.3%
Operating KPIs									
ARPU	$	3.8	3.0	26.1%	33.0%	3.9	3.3	18.7%	22.9%
Total customer base	million	44.4	42.0	5.8%		44.4	42.0	5.8%	
Data customer base	million	20.3	17.7	14.9%		20.3	17.7	14.9%	

(1) Voice revenue includes inter-segment revenue of $1m and other revenue includes inter-segment revenue of $2m in the year ended 31 March 2022. Excluding inter-segment revenue, voice revenue was $984m and other revenue was $157m in the year ended 31 March 2022.

Reported currency revenue grew by 21.0% to $1,878m with constant currency growth of 27.7%. The differential in growth rates was due to devaluation of the Nigerian naira by 5.6%. The constant currency revenue growth of 27.7% was driven by both customer base growth of 5.8% and ARPU growth of 33.0% largely driven by higher data and voice usage.

Voice revenue grew by 15.9%, driven by an increase in voice usage per customer of 20.8% which led to an ARPU increase of 20.7%. Customer base growth was affected by the NIN-SIM linkage regulations in Nigeria during the first half of the year but returned to growth, adding 4 million customers in the second half of the year, achieving net growth of 2.4 million customers over the full year. The number of regulatory approved outlets expanded to over 19,100 as of 31 March 2022.

Data revenue grew by 41.1% in constant currency, driven by data customer base growth of 14.9% and data ARPU growth of 37.6%, led by growth in data usage per customer to 4.0 GB per month (from 2.8 GB in the prior year). Our continued 4G network expansion and increased smartphone penetration has supported data usage growth. Almost 99% of our sites in Nigeria are now delivering 4G, and smartphone penetration of our customers has increased by almost 1 percentage point. Data revenue accounted for 39.1% of total revenue in Nigeria in the year, up by 3.7% on the prior year. For Q4'22, 43.6% of our data customer base were 4G users, contributing to 76.0% of total data usage. Data usage per customer reached 4.2 GB per month and 4G data usage per customer reached 6.5 GB per month, a significant increase on the 4.6 GB usage per customer per month of Q4'21.

Other revenue grew by 58.2%, with the main contribution coming from the growth in value added services revenue, led by airtime credit services.

Underlying EBITDA was $1,037m, growing by 23.6% in reported currency and representing constant currency growth of 30.4%. Underlying EBITDA margin improved to 55.2%, an increase of 115 basis points in reported currency and 114 basis points in constant currency, as a result of improvements in operational efficiency.

Operating free cash flow was $786m, up by 50.7%, due to the expansion of underlying EBITDA.

East Africa[1]

Description	Unit of measure	Year ended Mar-22	Year ended Mar-21	Reported currency change %	Constant currency change %	Quarter ended Mar-22	Quarter ended Mar-21	Reported currency change %	Constant currency change %
Summarised statement of operations									
Revenue [2]	**$m**	**1,717**	**1,381**	**24.3%**	**22.7%**	**436**	**358**	**21.9%**	**17.9%**
Voice revenue [3]	$m	783	650	20.3%	19.2%	196	164	19.4%	16.3%
Data revenue	$m	457	354	29.1%	27.4%	118	92	28.1%	24.2%
Mobile money revenue [4]	$m	411	291	41.5%	37.1%	111	79	39.9%	31.5%
Other revenue [3]	$m	152	150	1.1%	1.6%	34	38	(10.0%)	(10.7%)
Underlying EBITDA	**$m**	**848**	**631**	**34.4%**	**31.6%**	**218**	**168**	**29.4%**	**23.8%**
Underlying EBITDA margin	%	49.4%	45.7%	369 bps	331 bps	49.9%	47.0%	291 bps	238 bps
Depreciation and amortisation	$m	(240)	(221)	8.7%	7.9%	(60)	(57)	6.4%	4.1%
Operating exceptional items [5]	$m	(32)	-	-	-	(32)	-	-	-
Operating profit	**$m**	**576**	**408**	**41.0%**	**36.8%**	**126**	**111**	**12.6%**	**4.6%**
Capex	$m	271	249	8.8%	8.8%	111	81	36.5%	36.5%
Operating free cash flow	$m	577	382	51.1%	46.8%	107	87	22.8%	11.6%
Operating KPIs									
ARPU	$	2.5	2.3	12.2%	10.7%	2.6	2.3	12.5%	8.8%
Total customer base	million	57.2	53.1	7.8%		57.2	53.1	7.8%	
Data customer base	million	18.3	16.2	12.9%		18.3	16.2	12.9%	
Mobile money customer base	million	21.7	18.0	20.5%		21.7	18.0	20.5%	

(1) The East Africa business region includes Kenya, Malawi, Rwanda, Tanzania, Uganda and Zambia.

(2) Revenue includes intra-segment eliminations of $85m for the year ended 31 March 2022 and $64m for the prior year.

(3) Voice revenue includes inter-segment revenue of $1m and other revenue includes inter-segment revenue of $6m in the year ended 31 March 2022. Excluding inter-segment revenue, voice revenue was $782m and other revenue was $146m in the year ended 31 March 2022.

(4) Mobile money revenue post intra-segment eliminations with mobile services was $326m for the year ended 31 March 2022 and $227m for the prior year.

(5) Operating exceptional items of $32m in the year ended 31 March 2022 consist of $12m provision for expected settlement of a contractual dispute in which one of the Group's subsidiaries is a party and $20m cost of agreeing historical spectrum fees in one of the Group's subsidiaries.

East Africa revenue in reported currency grew by 24.3% to $1,717m with constant currency revenue growth of 22.7%. This growth was delivered across all key services; voice revenue grew by 19.2%, data revenue by 27.4% and mobile money revenue by 37.1% in constant currency. Reported currency revenue growth was slightly higher than constant currency rates due to currency appreciation in the Ugandan shilling and Zambian kwacha, partially offset by currency devaluation in the Malawian kwacha.

Voice revenue grew by 19.2%, driven by both customer base growth of 7.8% and voice ARPU growth of 7.5%. The customer base growth was largely driven by expansion of both network coverage and the distribution network. Voice usage per customer increased by 5.8% to 349 minutes per customer per month, thereby driving voice ARPU growth of 7.5%.

Data revenue grew by 27.4%, largely driven by data customer base growth of 12.9% and data ARPU growth of 5.6%. We continued to invest in our network and expanded our 4G network infrastructure which helped us to grow both data usage and the data customer base. The data customer base increased 12.9% to 18.3 million, with 4G customers accounting for 40.5% of our total data customer base and contributing 60.2% of total data usage. 85.8% of our total sites are now on 4G, compared with 76.4% at the end of the prior year. Data usage per customer reached 3.3 GB per customer per month, up by 22.1%.

Mobile money revenue was up by 37.1%, largely driven by growth in Zambia, Uganda and Malawi. The mobile money customer base grew by 20.5% and mobile money ARPU increased by 14.5%, due largely to expansion of our distribution network. The transaction value per customer reached $183 per customer per month, up by 16.0% from $153 per customer per month in the prior year. The slowdown in mobile money revenue growth was due to implementation of additional levies by the Government of Tanzania on mobile money withdrawal and P2P transactions from July 2021, which were subsequently revised downwards in early September 2021.

The underlying EBITDA margin reached 49.4%, an improvement of 331 basis points in constant currency, as a result of strong revenue growth and improvements in operating efficiency.

Operating free cash flow was $577m, up by 46.8% due largely to the expansion of underlying EBITDA.

Francophone Africa[1]

Description	Unit of measure	Year ended				Quarter ended			
		Mar-22	Mar-21	Reported currency change %	Constant currency change %	Mar-22	Mar-21	Reported currency change %	Constant currency change %
Summarised statement of operations									
Underlying revenue [2]	**$m**	**1,131**	**964**	**17.2%**	**17.2%**	**282**	**260**	**8.4%**	**12.2%**
Voice revenue [3]	$m	594	541	9.9%	10.0%	148	143	3.3%	7.3%
Data revenue	$m	334	254	31.5%	31.0%	84	70	18.9%	22.6%
Mobile money revenue [4]	$m	142	110	29.0%	29.6%	36	31	17.7%	22.6%
Other revenue [3]	$m	104	96	8.9%	8.3%	26	25	3.6%	5.3%
Underlying EBITDA	**$m**	**464**	**364**	**27.6%**	**27.7%**	**118**	**110**	**7.4%**	**10.8%**
Underlying EBITDA margin	%	41.0%	37.7%	332 bps	337 bps	41.7%	42.1%	(39) bps	(53) bps
Depreciation and amortisation	$m	(203)	(207)	(2.0%)	(2.1%)	(48)	(52)	(8.6%)	(5.8%)
Operating exceptional item [5]	$m	0	14	-	-	0	1	-	-
Operating profit [5]	**$m**	**261**	**170**	**53.7%**	**54.6%**	**70**	**59**	**20.1%**	**24.8%**
Capex	$m	125	88	42.0%	42.0%	42	32	30.5%	30.5%
Operating free cash flow	$m	339	276	23.0%	23.1%	76	78	(2.1%)	2.6%
Operating KPIs									
ARPU	$	3.7	3.8	(1.9%)	(1.9%)	3.6	3.9	(8.2%)	(5.0%)
Total customer base	million	26.8	23.1	15.9%		26.8	23.1	15.9%	
Data customer base	million	8.2	6.7	21.3%		8.2	6.7	21.3%	
Mobile money customer base	million	4.4	3.6	21.8%		4.4	3.6	21.8%	

(1) The Francophone Africa business region includes Chad, Democratic Republic of the Congo, Gabon, Madagascar, Niger, Republic of the Congo, and Seychelles.

(2) Underlying revenue includes intra-segment eliminations of $44m for the year ended 31 March 2022 and $36m for the prior year. It also excludes one-time exceptional revenue of $20m relating to a settlement in Niger in the year ended 31 March 2021.

(3) Voice revenue includes inter-segment revenue of $2m in the year ended 31 March 2022. Excluding inter-segment revenue, voice revenue was $592m in the year ended 31 March 2022.

(4) Mobile money revenue post intra-segment eliminations with mobile services was $98m in the year ended 31 March 2022 and $74m in the prior year.

(5) Operating exceptional items in the prior year include exceptional revenue relating to a one-time settlement in Niger for $20m partially offset by one-off cost of $6m in Francophone Africa.

Underlying revenue grew by 17.2% both in reported currency and in constant currency. This growth was largely driven by DRC, Chad, Niger and Gabon. The slight currency devaluation of the Central African franc was offset by appreciation in the Seychelles rupee.

Voice underlying revenue grew by 10.0% in constant currency, driven by customer base growth of 15.9% partially offset by voice ARPU decline of 7.9%. The ARPU decline was mainly driven by reductions in international call revenue and local incoming call revenue (the latter due to changes in local interconnect rates in Gabon, Niger and Republic of the Congo). The customer base growth was driven by expansion of both network coverage and distribution infrastructure.

Data revenue grew by 31.0% in constant currency, supported by both customer base growth of 21.3% and data ARPU growth of 1.3%. We continued to expand our 4G network (65.3% of sites now on 4G) and data network coverage, and we enhanced our distribution infrastructure supporting further growth of the data customer base. 30.5% of the Francophone Africa customer base now use data services. 4G data usage contributes 64.1% of total data usage and 44.8% of data users were 4G customers. Data usage per customer was 2.4 GB per month (up 23.1% on the prior year) while 4G data usage per customer reached 4.5 GB (up 3.4%).

Mobile money revenue grew by 29.6% in constant currency, driven by both customer base growth of 21.8% and mobile money ARPU growth of 5.2%. The mobile money ARPU growth was driven by an increase in the transaction value per customer of 8.3%, now at $422 per customer per month. Expansions of our exclusive distribution network and the number of agents helped us to grow the mobile money customer base by 21.8%.

Underlying EBITDA grew by 27.6% with a margin of 41.0%, an improvement of 332 basis points in reported currency and 337 basis points in constant currency. This underlying EBITDA growth was driven by both revenue growth and increased efficiency in operating expenses.

Operating free cash flow was $339m, up 23.1%, due to the expansion in underlying EBITDA.

Mobile services

Description	Unit of measure	Year ended				Quarter ended			
		Mar-22	Mar-21	Reported currency change %	Constant currency change %	Mar-22	Mar-21	Reported currency change %	Constant currency change %
Summarised statement of operations									
Underlying revenue [1]	**$m**	**4,294**	**3,592**	**19.6%**	**22.0%**	**1,112**	**955**	**16.5%**	**18.3%**
Underlying EBITDA	$m	2,077	1,639	26.8%	29.7%	542	456	18.9%	20.4%
Underlying EBITDA margin	%	48.4%	45.6%	276 bps	286 bps	48.7%	47.7%	100 bps	86 bps
Depreciation and amortisation	$m	(697)	(654)	6.5%	8.4%	(176)	(165)	6.5%	8.3%
Operating exceptional items [2]	$m	(32)	14	-	-	(32)	1	-	-
Operating profit	$m	1,348	995	35.5%	39.0%	335	292	14.8%	16.1%
Capex	$m	621	580	7.1%	7.1%	217	185	17.1%	17.1%
Operating free cash flow	$m	1,456	1,059	37.6%	42.6%	325	271	20.0%	22.9%
Operating KPIs									
Mobile voice									
Voice revenue	$m	2,358	2,083	13.2%	15.4%	611	547	11.8%	13.6%
Customer base	million	128.4	118.2	8.7%		128.4	118.2	8.7%	
Voice ARPU	$	1.6	1.5	5.9%	8.0%	1.6	1.5	3.9%	5.6%
Mobile data									
Data revenue	$m	1,525	1,157	31.8%	34.6%	397	315	26.0%	27.9%
Data customer base	million	46.7	40.6	15.2%		46.7	40.6	15.2%	
Data ARPU	$	2.9	2.5	16.1%	18.6%	2.9	2.6	10.5%	12.1%

(1) Mobile service revenue after inter-segment eliminations was $4,290m in the year ended 31 March 2022 and $3,587m in the prior year. Underlying revenue for Mobile service excludes one-time exceptional revenue of $20m relating to a settlement in Niger in the year ended 31 March 2021.

(2) Operating exceptional items of $32m in the year ended 31 March 2022 consist of a $12m provision for expected settlement of a contractual dispute in which one of the Group's subsidiaries is a party and $20m costs of agreeing historical spectrum fees in one of the Group's subsidiaries. The prior year operating exceptional items include exceptional revenue on account of a one-time settlement in Niger amounting to $20m, partially offset by one-off costs of $6m in Francophone Africa.

Mobile services underlying revenue in reported currency grew by 19.6%, with constant currency growth of 22.0%, supported by growth in both voice and data services.

Voice underlying revenue grew by 15.4% in constant currency, supported by customer base growth of 8.7% and voice ARPU growth of 8.0%. The customer base growth was driven by expansion of our network and distribution infrastructure. The slowdown in customer base growth was due to the introduction of new SIM registration regulations in Nigeria. Excluding Nigeria, the customer base grew by 10.2%. In Nigeria, our customer base returned to growth in the second half of the year, adding a net 2.4 million customers for the full year. Voice minutes per customer reached 257 minutes per month, up by 9.8%, resulting in voice ARPU growth of 8.0%. Total network minutes increased by 17.3%.

Data revenue continued to be a key driver of growth, up by 34.6% in constant currency. This was driven by data customer base growth of 15.2% and data ARPU growth of 18.6%. Our continued investment in our network and expansion of our 4G network infrastructure helped us to expand our data customer base. 87.6% of our Group sites are now operating on 4G, compared with 76.5% in the prior year. 36.4% of our total customer base were data users, up from 34.3% in the prior year. 4G data usage per customer increased to 5.5 GB per month compared with 5.0 GB in the prior year. 4G data usage reached 5.9 GB per customer per month for Q4'22. Total data usage per customer reached 3.4 GB per month, up 31.0% from the 2.6 GB of the prior year. At the end of the year, 42.6% of the total data customer base were 4G data customers, up from 36.4% in the prior year. The increase in 4G data customer penetration has helped to drive data ARPU growth.

Data revenue contribution reached 32.3% of total Group revenue in the year, up from 29.8% in the prior year.

Mobile money

Description	Unit of measure	Year ended				Quarter ended			
		Mar-22	Mar-21	Reported currency change %	Constant currency change %	Mar-22	Mar-21	Reported currency change %	Constant currency change %
Summarised statement of operations									
Revenue [1]	**$m**	**553**	**401**	**37.9%**	**34.9%**	**147**	**110**	**33.6%**	**29.0%**
Underlying EBITDA	$m	270	195	38.1%	34.2%	72	54	33.6%	27.9%
Underlying EBITDA margin	%	48.7%	48.7%	5 bps	(27) bps	48.7%	48.7%	0 bps	(39) bps
Depreciation and amortisation	$m	(14)	(10)	34.8%	30.9%	(4)	(4)	(4.6%)	(7.4%)
Operating profit	$m	256	185	38.3%	34.4%	68	50	36.5%	30.5%
Capex	$m	25	32	(19.9%)	(19.9%)	5	25	(79.8%)	(79.8%)
Operating free cash flow	$m	245	163	49.6%	44.8%	67	29	129.7%	122.3%
Operating KPIs									
Mobile money key KPIs									
Transaction value	$m	64,436	46,009	40.1%	37.0%	16,792	12,538	33.9%	29.2%
Active customers	million	26.2	21.7	20.7%		26.2	21.7	20.7%	
Mobile money ARPU	$	1.9	1.7	14.7%	12.2%	1.9	1.7	12.7%	8.7%

(1) Mobile money service revenue post inter-segment eliminations with mobile services was $424m in the year ended 31 March 2022 and $301m in the prior year.

Reported currency mobile money revenue grew by 37.9% with a constant currency growth of 34.9%. The slowdown in mobile money revenue growth since July 2021 has been due to the implementation of levies by the Government of Tanzania on mobile money withdrawal and P2P transactions (subsequently revised downwards in early September 2021). Excluding Tanzania, revenue grew by 41.6% in constant currency. The constant currency revenue growth of 34.9% was driven by both customer base growth of 20.7% and ARPU growth of 12.2%. The mobile money customer base growth was due to the expansion of our distribution network, particularly our exclusive channels of Airtel money branches and kiosks. We continued to expand our mobile money portfolio through partnerships with leading financial institutions, and the expansion of our merchant ecosystem further strengthened our mobile money propositions. The increase in transaction value per customer to $223 per month, up by 13.9%, led to mobile money ARPU growth of 12.2%.

Q4'22 annualised transaction value reached $67.2bn in reported currency, with mobile money revenue contributing 12.0% of total revenue in the quarter.

The mobile money customer base grew by 20.7% to 26.2 million in the year. Mobile money customer base penetration reached 20.4%, an increase of 2 percentage points. The ARPU growth of 12.2% was largely driven by an increase in transaction values and higher contributions from cash transactions, merchant payments, P2P transfers and mobile service recharges through Airtel Money.

Underlying EBITDA was $270m, up by 38.1% in reported currency, with a constant currency growth of 34.2%. The reported currency growth rate was higher than the constant currency growth rate due to appreciation in the Zambian kwacha. The underlying EBITDA margin for the year was 48.7%, broadly in line with the prior year.

Forward looking statements

This document contains certain forward-looking statements regarding our intentions, beliefs or current expectations concerning, amongst other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and the economic and business circumstances occurring from time to time in the countries and markets in which the Group operates.

These statements are often, but not always, made through the use of words or phrases such as "believe," "anticipate," "could," "may," "would," "should," "intend," "plan," "potential," "predict," "will," "expect," "estimate," "project," "positioned," "strategy," "outlook", "target" and similar expressions.

It is believed that the expectations reflected in this document are reasonable, but they may be affected by a wide range of variables that could cause actual results to differ materially from those currently anticipated.

All such forward-looking statements involve estimates and assumptions that are subject to risks, uncertainties and other factors that could cause actual future financial condition, performance and results to differ materially from the plans, goals, expectations and results expressed in the forward-looking statements and other financial and/or statistical data within this communication.

Among the key factors that could cause actual results to differ materially from those projected in the forward-looking statements are uncertainties related to the following: the impact of competition from illicit trade; the impact of adverse domestic or international legislation and regulation; changes in domestic or international tax laws and rates; adverse litigation and dispute outcomes and the effect of such outcomes on Airtel Africa's financial condition; changes or differences in domestic or international economic or political conditions; the ability to obtain price increases and the impact of price increases on consumer affordability thresholds; adverse decisions by domestic or international regulatory bodies; the impact of market size reduction and consumer down-trading; translational and transactional foreign exchange rate exposure; the impact of serious injury, illness or death in the workplace; the ability to maintain credit ratings; the ability to develop, produce or market new alternative products and to do so profitably; the ability to effectively implement strategic initiatives and actions taken to increase sales growth; the ability to enhance cash generation and pay dividends and changes in the market position, businesses, financial condition, results of operations or prospects of Airtel Africa.

Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser. The forward-looking statements contained in this document reflect the knowledge and information available to Airtel Africa at the date of preparation of this document and Airtel Africa undertakes no obligation to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on such forward-looking statements.

No statement in this communication is intended to be, nor should be construed as, a profit forecast or a profit estimate and no statement in this communication should be interpreted to mean that earnings per share of Airtel Africa plc for the current or any future financial periods would necessarily match, exceed or be lower than the historical published earnings per share of Airtel Africa plc.

Financial data included in this document are presented in US dollars rounded to the nearest million. Therefore, discrepancies in the tables between totals and the sums of the amounts listed may occur due to such rounding. The percentages included in the tables throughout the document are based on numbers calculated to the nearest $1,000 and therefore minor rounding differences may result in the tables. Growth metrics are provided on a constant currency basis unless otherwise stated. The Group has presented certain financial information on a constant currency basis. This is calculated by translating the results for the current financial year and prior financial year at a fixed 'constant currency' exchange rate, which is done to measure the organic performance of the Group. Growth rates for our reporting regions and service segments are provided in constant currency as this better represents the underlying performance of the business.

Consolidated Financial Statements

Consolidated Statement of Comprehensive Income

(All amounts are in US Dollar Millions; unless stated otherwise)

	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
Income			
Revenue	5	4,714	3,908
Other income		10	11
		4,724	**3,919**
Expenses			
Network operating expenses		817	694
Access charges		407	376
License fee and spectrum usage charges		244	198
Employee benefits expense		297	275
Sales and marketing expenses		224	187
Impairment loss on financial assets		5	7
Other operating expenses		451	382
Depreciation and amortisation		744	681
		3,189	**2,800**
Operating profit		**1,535**	**1,119**
Finance costs		441	432
Finance income		(19)	(9)
Other non-operating income		(111)	-
Share of profit from associate		(0)	(1)
Profit before tax		**1,224**	**697**
Income tax expense	7	469	282
Profit for the year		**755**	**415**
Profit before tax (as presented above)		**1,224**	**697**
Less: Exceptional items (net)	6	(60)	(14)
Underlying profit before tax		**1,164**	**683**
Profit after tax (as presented above)		**755**	**415**
Less: Exceptional items (net)	6	(62)	(50)
Underlying profit after tax		**693**	**365**

	Notes	For the year ended 31 March 2022	31 March 2021
Profit for the year (continued from previous page)		**755**	**415**
Other comprehensive income ('OCI')			
Items to be reclassified subsequently to profit or loss:			
Loss due to foreign currency translation differences		(4)	(147)
Tax (expense)/credit on above		(3)	9
Share of OCI of associate		1	0
Net loss on net investments hedge		(8)	(11)
		(14)	(149)
Items not to be reclassified subsequently to profit or loss:			
Re-measurement loss on defined benefit plans		(0)	(0)
Tax credit on above		0	0
		(0)	(0)
Other comprehensive loss for the year		**(14)**	**(149)**
Total comprehensive income for the year		**741**	**266**
Profit for the year attributable to:		**755**	**415**
Owners of the Company		631	339
Non-controlling interests		124	76
Other comprehensive loss for the year attributable to:		**(14)**	**(149)**
Owners of the Company		(12)	(140)
Non-controlling interests		(2)	(9)
Total comprehensive income for the year attributable to:		**741**	**266**
Owners of the Company		619	199
Non-controlling interests		122	67
Earnings per share			
Basic	**8**	16.8c	9.0c
Diluted	**8**	16.8c	9.0c

Consolidated Statement of Financial Position

(All amounts are in US Dollar Millions; unless stated otherwise)

	Notes	As of 31 March 2022	As of 31 March 2021
Assets			
Non-current assets			
Property, plant and equipment	**9**	2,214	2,066
Capital work-in-progress	**9**	189	166
Right of use assets		1,109	799
Goodwill	**10 & 11**	3,827	3,835
Other intangible assets		632	558
Intangible assets under development		2	177
Investment in associate		6	4
Financial assets			
- Investments		0	0
- Derivative instruments		3	6
- Others		7	17
Income tax assets (net)		22	33
Deferred tax assets (net)		222	314
Other non-current assets		134	112
		8,367	**8,087**
Current assets			
Inventories		3	7
Financial assets			
- Derivative instruments		3	6
- Trade receivables		123	113
- Cash and cash equivalents	**12**	638	813
- Other bank balances	**12**	378	282
- Balance held under mobile money trust		513	440
- Others		124	66
Other current assets		215	147
Assets of disposal group classified as held for sale		-	31
		1,997	**1,905**
Total assets		**10,364**	**9,992**

	Notes	As of	
		31 March 2022	31 March 2021
Current liabilities			
Financial liabilities			
- Borrowings	**13**	786	1,468
- Lease liabilities		323	240
- Derivative instruments		9	7
- Trade payables		404	366
- Mobile money wallet balance		496	432
- Others		428	448
Provisions		69	65
Deferred revenue		162	135
Current tax liabilities (net)		220	173
Other current liabilities		176	151
Liabilities of disposal group classified as held for sale		-	19
		3,073	**3,504**
Net current liabilities		**(1,076)**	**(1,599)**
Non-current liabilities			
Financial liabilities			
- Borrowings	**13**	1,486	1,871
- Lease liabilities		1,337	1,037
- Put option liability	**4(g)**	579	-
- Derivative instruments		-	6
- Others		88	91
Provisions		20	25
Deferred tax liabilities (net)		114	81
Other non-current liabilities		18	24
		3,642	**3,135**
Total liabilities		**6,715**	**6,639**
Net Assets		**3,649**	**3,353**
Equity			
Share capital	**14**	3,420	3,420
Retained earnings		3,436	2,975
Other reserves		(3,354)	(2,990)
Equity attributable to owners of the company		**3,502**	**3,405**
Non-controlling interests ('NCI')		147	(52)
Total equity		**3,649**	**3,353**

The consolidated financial statements (company registration number: 11462215) were approved by the Board of directors and authorised for issue on 10 May 2022 and were signed on its behalf by:

Olusegun Ogunsanya
Chief Executive Officer
10 May 2022

Consolidated Statement of Changes in Equity (All amounts are in US Dollar Millions; unless stated otherwise)

	Equity attributable to owners of the company						Non-controlling interests (NCI)	Total equity
	Share Capital		Retained earnings	Other reserves		Equity attributable to owners of the company		
	No of shares[(2)]	Amount		Transactions with NCI reserve	Other components of equity			
As of 1 April 2020	**6,839,896,081**	**3,420**	**2,805**	**(585)**	**(2,252)**	**3,388**	**(107)**	**3,281**
Profit for the year	-	-	339	-	-	339	76	415
Other comprehensive loss	-	-	(0)	-	(140)	(140)	(9)	(149)
Total comprehensive income	**-**	**-**	**339**	**-**	**(140)**	**199**	**67**	**266**
Transaction with owners of equity								
Employee share-based payment reserve	-	-	(0)	-	0	0	-	0
Purchase of own shares	-	-	-	-	(4)	(4)	-	(4)
Transactions with NCI	-	-	-	(9)	-	(9)	1	(8)
Dividend to owners of the company	-	-	(169)	-	-	(169)	-	(169)
Dividend (including tax) to NCI (1)	-	-	-	-	-	-	(13)	(13)
As of 31 March 2021	**6,839,896,081**	**3,420**	**2,975**	**(594)**	**(2,396)**	**3,405**	**(52)**	**3,353**
Profit for the year	-	-	631	-	-	631	124	755
Other comprehensive loss	-	-	(0)	-	(12)	(12)	(2)	(14)
Total comprehensive income	**-**	**-**	**631**	**-**	**(12)**	**619**	**122**	**741**
Transaction with owners of equity								
Employee share-based payment reserve	-	-	(1)	-	3	2	-	2
Purchase of own shares	-	-	-	-	(6)	(6)	-	(6)
Transactions with NCI [Note 4 (g) & (h)]	-	-	-	(348)	(1)	(349)	153	(196)
Dividend to owners of the company [Note 4 (a) & (b)]	-	-	(169)	-	-	(169)	-	(169)
Dividend (including tax) to NCI (1)	-	-	-	-	-	-	(76)	(76)
As of 31 March 2022	**6,839,896,081**	**3,420**	**3,436**	**(942)**	**(2,412)**	**3,502**	**147**	**3,649**

(1) Dividend to NCI includes tax of USD 4m (March 2021: USD 0m).
(2) Includes ordinary and deferred shares.

Consolidated Statement of Cash Flows (All amounts are in US Dollar Millions; unless stated otherwise)

	For the year ended	
	31 March 2022	31 March 2021
Cash flows from operating activities		
Profit before tax	**1,224**	**697**
Adjustments for -		
Depreciation and amortization	744	681
Finance income	(19)	(9)
Finance cost(s)	441	432
Share of profit of associate	(0)	(1)
Other non-operating income adjustment [refer to note 4(c) and (f)]	(111)	-
Other non-cash adjustments[1]	(6)	(15)
Operating cash flow before changes in working capital	**2,273**	**1,785**
Changes in working capital		
Increase in trade receivables	(18)	(8)
Decrease / (Increase) in inventories	4	(4)
Increase / (Decrease) in trade payables	34	(38)
Increase in mobile money wallet balance	64	139
Increase in provisions	14	1
Increase in deferred revenue	27	17
Decrease in income received in advance	-	(1)
Increase in other financial and non financial liabilities	50	18
Increase in other financial and non financial assets	(144)	(48)
Net cash generated from operations before tax	**2,304**	**1,861**
Income taxes paid	(293)	(195)
Net cash generated from operating activities (a)	**2,011**	**1,666**
Cash flows from investing activities		
Purchase of property, plant and equipment and capital work-in-progress	(717)	(645)
Proceeds from sale of tower assets [refer to note 4(c) and (d)]	171	-
Purchase of intangible assets	(22)	(270)
Maturity of deposits with bank	301	-
Investment in deposits with bank[2]	(388)	(257)
Proceeds from sale of tower subsidiary (net of cash acquired) [note 4(e) and (f)]	79	-
Interest received	19	14
Net cash used in investing activities (b)	**(557)**	**(1,158)**
Cash flows from financing activities		
Proceeds from sale of shares to non-controlling interests [refer to note 4(g)]	550	-
Acquisition of non-controlling interests [refer to note 4(h)]	(164)	(7)
Purchase of own shares by ESOP trust	(6)	(4)
Proceeds from issue of share to non-controlling interests	2	-
Proceeds from borrowings	973	407
Repayment of borrowings	(2,115)	(265)
Repayment of lease liabilities	(251)	(208)
Dividend paid to non-controlling interests	(48)	(9)
Dividend paid to owners of the Company	(169)	(169)
Interest on borrowings and lease liabilities and other finance charges	(370)	(317)
Payment on maturity of derivatives	(9)	(3)
Net cash used in financing activities (c)	**(1,607)**	**(575)**
Decrease in cash and cash equivalents during the year (a+b+c)	(153)	(67)
Currency translation differences relating to cash and cash equivalents	(3)	(17)
Cash and cash equivalent as at beginning of the year	1,003	1,087
Cash and cash equivalents as at end of the year (Note 12) [3]	**847**	**1,003**

1. For the year ended 31 March 2022, this mainly includes movement in trade receivables impairment and other provisions. For the year ended 31 March 2021, this mainly includes recognition of revenue pertaining to earlier years on a cumulative catch-up basis, arising out of a non-cash settlement agreement entered with a customer in one of the Group's subsidiaries in Niger.
2. Includes investment in deposits with original maturity of more than 3 months and deposits placed against certain borrowings. These are included within other bank balances in the consolidated statement of financial position.
3. Includes balance held under mobile money trust of USD 513m (2021: USD 440m) on behalf of mobile money customers which are not available for use by the Group.

Notes to Consolidated Financial Statements

(All amounts are in US Dollar Millions; unless stated otherwise)

1. Corporate information

Airtel Africa plc ('the company') is a public company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales (registration number 11462215). The registered address of the company is First Floor, 53/54 Grosvenor Street, London W1K 3HU, United Kingdom. The company listed on the London Stock Exchange (LSE) on 3 July 2019 and on the Nigerian Stock Exchange (NGX) on 9 July 2019. The company is a subsidiary of Airtel Africa Mauritius Limited ('the parent'), a company registered in Mauritius. The registered address of the parent is c/o IQ EQ Corporate Services (Mauritius) Ltd., 33, Edith Cavell Street, Port Louis, 11324, Mauritius.

The company, together with its subsidiary undertakings (hereinafter referred to as 'the Group') has operations in Africa. The principal activities of the Group and its associate consist of the provision of telecommunications and mobile money services.

2. Basis of preparation

The results for the year ended 31 March 2022 are an abridged statement of the full annual report which was approved by the Board of Directors on 10 May 2022 and signed on its behalf on 10 May 2022. The consolidated financial statements within the full annual report are prepared in accordance with the requirements of the Companies Act 2006 and International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB) and approved for use in the United Kingdom (UK) by the UK Accounting Standards Endorsement Board (UKEB).

The financial information set out above does not constitute the company's statutory accounts for the years ended 31 March 2022 and 2021, but is derived from those accounts. Statutory accounts for March 2021 have been delivered to the Registrar of Companies and those for 2022 will be delivered following the company's annual general meeting.

The financial information included in this release announcement does not itself contain sufficient information to comply with IFRS. The company will publish full financial statements that comply with IFRS, in June 2022.

All the amounts included in the financial statements are reported in United States dollars, with all values rounded to the nearest millions (USD m) except when otherwise indicated. Further, amounts which are less than half a million are appearing as '0'.

The accounting policies as set out in the following paragraphs of this note have been consistently applied by all the Group entities to all the periods presented in these financial statements.

3. Going concern

These consolidated financial statements have been prepared on a going concern basis. In making this going concern assessment, the Group has considered cash flow projections to June 2023 under both base and reasonable worst case scenarios taking into considerations its principal risks and uncertainties including a reduction in revenue and EBITDA and a significant devaluation of the various currencies in the countries in which the Group operates including the Nigerian Naira. As part of this evaluation, the Group has considered available ways to mitigate these risks and uncertainties and has also considered committed undrawn facilities of USD 424m expiring beyond the going concern assessment period (total committed undrawn facilities as of the date of authorisation of these consolidated financial statements are USD 587m), which will fulfil the Group's cash flow requirement under both the base and reasonable worst case scenarios.

Having considered all the factors above impacting the Group's businesses, the impact of downside sensitivities, and the mitigating actions available including a reduction and deferral of capital expenditure, the directors are satisfied that the Group has adequate resources to continue its operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis of accounting in preparing the consolidated and company only financial statements.

4. Significant transactions/new developments

a) The directors recommended and shareholders approved a final dividend of 2.5 cents per ordinary share for the year ended 31 March 2021, which was paid on 23 July 2021 to the holders of ordinary shares on the register of members at the close of business on 25 June 2021.

b) The interim dividend of 2 cents per share was approved by the Board on 27 October 2021 and paid on 10 December 2021 to the holders of ordinary shares on the register of members at the close of business on 12 November 2021.

c) On 2 June 2021, the Group signed an agreement to sell 1,445 towers in Tanzania to a joint venture company owned by a wholly-owned subsidiary of SBA Communications Corporation as majority owner and by Paradigm Infrastructure Limited, for a gross consideration of USD 177m. The first close of such sale was completed on 4 January 2022 and a portion of consideration amounting USD 160m was received. The Group has leased back a portion of such tower assets and thus a corresponding portion of the total gain on the sale has been recognized as a deduction in the cost of the Right of Use assets for the assets leased back. The resultant remaining gain (amounting to USD 83m) has been recorded as 'other non-operating income' and presented as an exceptional item (refer to Note 6(1)). The Group has recognised Right of Use assets and Lease Liabilities for the portion of towers leased back by the Group.

   Consequent to the completion of this sale, as per the settlement agreement with Government of Tanzania (GOT), shareholder loans payable by Airtel Tanzania (a subsidiary of the Group) to Bharti Airtel Tanzania BV ('BATBV') and Bharti Airtel International (Netherlands) B.V. ('BAIN') (other subsidiaries of the Group) amounting to USD 408m were forgiven after repayment of a part of the shareholder loan amounting USD 107m by Airtel Tanzania to BATBV. A portion of the impact of this waiver pertaining to the non-controlling holders has been allocated to non-controlling interest in the consolidated financial statements.

   As per the settlement agreement, Airtel Tanzania also paid a special dividend of USD 18m to its 49% shareholder, Government of Tanzania. The reduction in net assets of Airtel Tanzania (subsidiary) due to this distribution has been allocated to owners of the Company and non-controlling interests in the consolidated financial statements in proportion of their respective shareholdings.

d) In line with the agreement to sell 162 towers in Rwanda, signed by the Group on 22 February 2021 with IHS Rwanda Ltd, during the year ended 31 March 2022, the Group completed the first and second close of the sale of telecommunication tower assets and received a consideration of USD 11m. Since the Group has leased back a portion of such tower assets, a corresponding portion of the total gain on the sale has been recognized as a deduction in the cost of the Right of Use asset for the assets leased back with the remaining gain (amounting to USD 4m) recorded as 'other non-operating income' and presented as an exceptional item (refer to Note 6(1)). The Group has recognised Right of Use assets and Lease Liabilities for the portion of towers leased back by the Group.

e) In line with the agreement to sell, signed by the Group on 23 March 2021 with Helios Towers for gross consideration of USD 52m, during the year ended 31 March 2022, the Group completed the first and second close of the sale of the Group's subsidiary which holds tower assets in Madagascar and received consideration of USD 46m. Since the Group has leased back a portion of such tower assets, a corresponding portion of the total gain on the sale has been recognized as a deduction in the cost of the Right of Use asset for the assets leased back with the remaining gain (amounting to USD 5m) recorded as 'other non-operating income' and presented as an exceptional item (refer to Note 6(1)). The Group has recognised Right of Use assets and Lease Liabilities for the portion of towers leased back by the Group.

The details of the consideration received, assets and liabilities over which control was lost and gain recorded during the year are as follows:

	As of
A. Consideration received	**2 November 2021**
Fair value of consideration (first and subsequent closings)	49
B. Net assets disposed	
Non-current assets	
Property Plant and Equipment	18
Others	2
Current Assets	
Cash and Cash Equivalents	2
Others	1
Total Assets	**23**
Current Liabilities	
Trade Payables	4
Non-Current Liabilities	
Others	2
Total Liabilities	**6**
Net Assets	**17**
C. Gain on Disposal[(1)]	**5**
D. Net Cash inflow on disposal	
Consideration received in Cash and Cash Equivalents (at first and second close)	46

[(1)] Gain on disposal has been computed after adjusting foreign currency translation losses reclassified to the statement of comprehensive income amounting to USD 6m and a gain amounting to USD 21m pertaining to the portion of assets leased back by the Group which has been recognized as a deduction in the right of use asset.

f) In line with the agreement to sell, signed by the Group on 23 March 2021 with Helios Towers for gross consideration of USD 55m, the Group completed the first close of the sale of the Group's subsidiary which holds tower assets in Malawi on 24 March 2022 and received a portion of consideration amounting to USD 34m. Since the Group has leased back a portion of such tower assets, a corresponding portion of the total gain on the sale has been recognized as a deduction in the cost of the Right of Use assets for the assets leased back with the remaining gain (amounting to USD 19m) recorded as 'other non-operating income' and presented as an exceptional item (refer to Note 6(1)). The Group has recognised Right of Use assets and Lease Liabilities for the portion of towers leased back by the Group.

The details of the consideration received, assets and liabilities over which control was lost and gain recorded during the year is as follows:

	As of 24 March 2022
A. Consideration received	
Fair value of consideration received (first and subsequent close)	51
B. Net assets disposed:	
Non-current assets	
Property Plant and Equipment	31
Right of use assets	3
Others	2
Current Assets	
Cash and Cash Equivalents	2
Others	2
Total Assets	**40**
Current Liabilities	
Trade Payables	5
Others	2
Non-Current Liabilities	
Deferred tax liability	2
Others	3
Total Liabilities	**12**
Net Assets	**28**
C. Gain on Disposal(1)	**19**
D. Net Cash inflow on disposal	
Consideration received in Cash and Cash Equivalents	34

(1) Gain on disposal has been computed after adjusting Foreign Currency Translation gains reclassified to the statement of comprehensive income amounting to USD 11m and a gain amounting to USD 15m pertaining to the portion of assets leased back by the Group which has been recognized as a deduction in the right of use asset.

g) In March 2021, the Group had entered into agreements with TPG's The Rise Fund and Mastercard for the sale of non-controlling interests in one of the Group's subsidiaries (AMC BV) by way of secondary sale of AMC BV's shares.

On 02 August 2021, the Group completed the first close of the transaction, whereby The Rise Fund and Mastercard invested USD 150m and USD 75m respectively.

On 30 July 2021, the Group further entered into an agreement with Qatar Holdings LLC for the sale of further non-controlling interests in AMC BV and completed the first close of the transaction on 19 August 2021 receiving USD 150m from Qatar Holdings LLC.

On 16 November 2021, the Group completed the second close of the above transactions whereby The Rise Fund and Qatar Holdings LLC each invested a further USD 50m, and Mastercard a further USD 25m.

On 15 December 2021, the Group further entered into an agreement with Chimetech Holding Limited for the sale of further non-controlling interests in AMC BV and received USD 50m from Chimetech Holding Limited.

While the Group continues to control AMC BV, for all the above-mentioned investments, the Group has recorded a non-controlling interest including shares held within Escrow. These shares may transfer to the investors at the end of a restructuring period as per the terms of the agreements. The Group has concluded that it does not control the shares placed in Escrow and hence has recorded these shares as part of the Group's non-controlling interests.

Under the terms of the transaction, and in very limited circumstances (including in the event that there is no Initial Public Offering of shares in AMC BV within four years of first close), The Rise Fund and Mastercard would have the option, so as to provide liquidity to them, to sell its shares in AMC BV to Airtel Africa or its affiliates at fair market value (determined by a mutually agreed merchant bank using an agreed internationally accepted valuation methodology). The Group has determined that successfully executing the IPO is not within complete control of the Group and has thus recorded a put option liability at the present value of the expected buy-back amount which is also the maximum amount, by debiting 'transactions with NCI reserve'. Subsequent re-measurement of this liability has been recognised as a finance cost.

h) On 1 December 2021, Airtel Nigeria completed the buy-back of 8.22% non-controlling interest (out of existing 8.26%) from its non-controlling shareholders at a total cost of NGN 67.6 billion (approximately USD 163m) including directly attributable transaction costs. The difference between such cost and the carrying value of such non-controlling interest, has been recorded in 'Transaction with NCI reserve' as part of owner's equity.

i) On 7 March 2022, Bharti Airtel International (Netherlands) B.V., a subsidiary of the Group, completed early repayment of its USD 505m, 5.125% Guaranteed Senior Notes, with original maturity due in March 2023 using cash balances available at the Group level. The settlements included all outstanding accrued interest up to the redemption date and an applicable premium. The difference of USD 19m between the carrying value of such bonds and the total consideration paid has been recognized as a finance cost in the statement of comprehensive income and presented as an exceptional item.

j) During the year ended 31 March 2022, Airtel Kenya Networks Limited ('Airtel Kenya'), a subsidiary of the Group, entered into an agreement with the Communications Authority of Kenya regarding its 2015-2025 operating and spectrum licence. Under this agreement, Airtel Kenya agreed to pay a total of USD 20m in four instalments over the next three years. The first instalment of USD 5m has been paid and for the balance amount, a deferred payment liability has been recognized in the consolidated financial statements. This cost has been charged to the statement of comprehensive income and presented as an exceptional item.

5. Segmental Information

The group's segment information is provided on the basis of geographical clusters to the group's chief executive officer i.e. chief operating decision maker (CODM) for the purposes of resource allocation and assessment of performance. The group's reporting segments are as follows:

Nigeria

East Africa - Comprising operations in Kenya, Malawi, Rwanda, Tanzania, Uganda and Zambia

Francophone Africa - Comprising operations in Chad, Congo B, DRC, Gabon, Madagascar, Niger and Seychelles

Each segment derives revenue from mobile services, mobile money and other services. Expenses, assets and liabilities primarily related to the corporate headquarters of the Group are presented as Unallocated Items.

The amounts reported to CODM are based on the accounting principles used in the preparation of the financial statements. Each segment's performance is evaluated based on segment revenue and segment result.

The segment result is Underlying EBITDA i.e. earnings before interest, tax, depreciation and amortisation before exceptional items. In March 2021, Underlying EBITDA was also adjusted for charitable donations. This is the measure reported to the CODM for the purpose of resource allocation and assessment of segment performance.

Inter-segment pricing and terms are reviewed and changed by management to reflect changes in market conditions and changes to such terms are reflected in the period in which the change occurs.

The 'Eliminations/Adjustments' column comprises inter-segment revenues eliminated upon consolidation and Group accounting policy alignments.

Segment assets and segment liabilities comprise those assets and liabilities directly managed by each segment. Segment assets primarily include receivables, property, plant and equipment, capital work in progress, right-to-use assets, intangibles assets, inventories and cash and cash equivalents. Segment liabilities primarily include operating liabilities. Segment capital expenditure comprises investment in property, plant and equipment, capital work in progress, intangible assets (excluding licenses) and capital advances.

Investment elimination upon consolidation and resulting goodwill are reflected in the 'elimination /adjustment' column.

Summary of the segmental information and disaggregation of revenue for the year ended and as of 31 March 2022 is as follows:

	Nigeria	East Africa	Francophone Africa	Unallocated	Eliminations	Total
Revenue from external customers						
Voice revenue	984	782	592	-	-	2,358
Data revenue	734	457	334	-	-	1,525
Mobile money revenue(1)	0	326	98	-	-	424
Other revenue(2)	157	146	104	-	-	407
	1,875	**1,711**	**1,128**	**-**	**-**	**4,714**
Inter-segment revenue	3	6	3	-	(12)	-
Total revenue	**1,878**	**1,717**	**1,131**	**-**	**(12)**	**4,714**
Segment results: Underlying EBITDA	1,037	848	464	(38)	(0)	2,311
Less:						
Depreciation and amortisation	268	240	203	33	0	744
Finance costs						441
Finance income						(19)
Other non-operating Income, (net)						(111)
Share of profit of associate						(0)
Exceptional items pertaining to operating profit	-	32	-		-	32
Profit before tax						**1,224**
Other segment items						
Capital expenditure	251	271	125	9	-	656
As of 31 March 2022						
Segment assets	2,254	2,394	1,720	27,422	(23,426)	10,364
Segment liabilities	1,437	2,869	2,495	14,491	(14,577)	6,715
Investment in associate (included in segment assets above)	-	-	6	-	-	6

(1) intra-segment elimination of USD 129m adjusted with Mobile money revenue. It includes USD 85m pertaining to East Africa and balance USD 44m pertaining to Francophone Africa.

(2) it includes messaging, value added services, enterprise, site sharing and handset sale revenue.

Summary of the segmental information and disaggregation of revenue for the year ended and as of 31 March 2021 is as follows:

	Nigeria	East Africa	Francophone Africa	Unallocated	Eliminations	Total
Revenue from external customers						
Voice revenue	896	649	558	0	-	2,103
Data revenue	549	354	254	-	-	1,157
Mobile money revenue (1)	0	227	74	-	-	301
Other revenue (2)	104	147	96	-	-	347
	1,549	**1,377**	**982**	**0**	**-**	**3,908**
Inter-segment revenue	3	4	3	-	(10)	-
Total revenue	**1,552**	**1,381**	**985**	**0**	**(10)**	**3,908**
Segment results: Underlying EBITDA	839	631	364	(42)	-	1,792
Less:						
Depreciation and amortisation	236	221	207	17	-	681
Finance costs						432
Finance income						(9)
Share of profit of associate						(1)
Charitable donation	1	2	1	2	-	6
Exceptional items pertaining to operating profit	-	-	(14)	-	-	(14)
Profit before tax						**697**
Other segment items						
Capital expenditure	275	249	88	2	-	614
As of 31 March 2021						
Segment assets	1,889	2,042	1,791	29,207	(24,937)	9,992
Segment liabilities	1,192	2,989	2,715	16,907	(17,164)	6,639
Investment in associate (included in segment assets above)	-	-	4	-	-	4

(1) intra-segment elimination of USD 100m adjusted with mobile money revenue. It includes USD 64m pertaining to East Africa and balance USD 36m pertaining to Francophone Africa.

(2) it includes messaging, value added services, enterprise, site sharing and handset sale revenue.

Geographical information disclosure on non-current assets (PPE, CWIP, ROU, Intangible assets including goodwill and intangible assets under development):

	As of	
	31 March 2022	**31 March 2021**
United Kingdom	1	1
Nigeria	1,670	1,455
Netherlands (including goodwill)	3,773	3,805
Others	2,529	2,341
Total	**7,973**	**7,602**

Additional product related information:

Currently, based on the information provided to the CODM for the purposes of resource allocation and assessment of performance, Group's segments are geographical clusters in which the Group operates. The Group also presents additional product-wise information to investors on a regular basis, however products do not currently meet the requirements of being operating segments for the Group. Given the increasing focus of the Group on mobile money services, the Directors have decided to provide additional disclosure on a product basis within this operating segment note, consistent with the information provided within the strategic report. The Group will continue re-assess its definition and presentation of operating segments, particularly in respect of mobile money as the size and importance to the Group grows.

	For the year ended							
	31 March 2022				31 March 2021			
	Mobile Services	**Mobile Money**	**Eliminations/ Adjustment**	**Total**	**Mobile Services**	**Mobile Money**	**Eliminations/ Adjustment**	**Total**
Revenue	4,294	553	(133)	4,714	3,612	401	(105)	3,908
Underlying EBITDA	2,077	270	(36)	2,311	1,639	195	(42)	1,792
Depreciation and amortization	697	14	33	744	654	10	17	681
Capital Expenditure	621	25	10	656	580	32	2	614

6. Exceptional items

Underlying profit before tax excludes the following exceptional items:

	For the year ended	
	31 March 2022	**31 March 2021**
Profit before tax	**1,224**	**697**
Add: Exceptional items		
- Gain on sale of tower assets (1)	(111)	-
- Spectrum fee agreement cost (2)	20	-
- Bond prepayment cost (3)	19	-
- Provision for settlement of contractual dispute (4)	12	-
- Service revenues (5)	-	(20)
- Employee restructuring cost (6)	-	6
	(60)	**(14)**
Underlying profit before tax	**1,164**	**683**

(1) Represents the gain on the sale of telecommunication tower assets in the Group's subsidiaries in Tanzania, Rwanda, Madagascar, and Malawi, (refer to Note 4(c) to 4(f)), as part of the Group's strategic asset monetisation programme recognised in other non-operating income.

(2) Represents cost of agreeing historical spectrum fees in one of the Group's subsidiaries (refer to Note 4(j)) recognised in license fees and spectrum usage charges.

(3) Comprises cost of prepaying USD 505m bonds with original maturity of March 2023 (refer to Note 4(i)) recognised in finance costs.

(4) Represents provision for expected settlement of a contractual dispute in which one of the Group's subsidiaries is a party recognised in other operating expenses.

(5) Represents recognition of revenue pertaining to earlier years on a cumulative catch-up basis, arising out of a settlement agreement entered with a customer in one of the Group's subsidiaries in Niger.

(6) Comprises the cost of employee restructuring completed during the year ended 31 March 2021 in one of the Group's subsidiaries, including settlement of severance pay defined benefit plans recognised in employee benefit expenses.

Underlying profit after tax excludes the following exceptional items:

	For the year ended	
	31 March 2022	31 March 2021
Profit after tax	**755**	**415**
-Exceptional items (as above)	(60)	(14)
- Tax on above exceptional items	(2)	-
- Deferred tax asset recognition (1)	-	(36)
	(62)	**(50)**
Underlying profit after tax	**693**	**365**

(1) During the year ended 31 March 2021, the Group recognised deferred tax assets in Airtel Tanzania. Airtel Tanzania had carried forward losses and temporary differences on which deferred tax was not recognised in the past. Considering that Airtel Tanzania has been in continuous and cumulative profits and on the basis of likely timing and the level of future taxable profits, the Group has determined that it is now probable that taxable profits will be available against which the tax losses and temporary differences can be utilised in the foreseeable future. Consequently, the deferred tax asset recognition criteria are met, leading to recognition of USD 36m during the year ended 31 March 2021.

Profit attributable to non-controlling interests include benefit of USD 33m and USD 19m during the year ended 31 March 2022 and 2021 respectively, relating to the above exceptional items.

7. Income tax

The tax expense is as follows:

	For the year ended	
	31 March 2022	31 March 2021
Current tax	347	242
Deferred tax	122	40
Income Tax expense	**469**	**282**

8. Earnings per share ('EPS')

	For the year ended	
	31 March 2022	31 March 2021
Profit for the year attributable to owners of the Company	631	339
Weighted average ordinary shares outstanding for basic EPS	3,754,179,962	3,757,550,081
Basic EPS	**16.8c**	**9.0c**

The details used in the computation of diluted EPS:

	For the year ended	
	31 March 2022	31 March 2021
Profit for the year attributable to owners of the Company	631	339
Weighted average ordinary shares outstanding for diluted EPS(1)(2)	3,760,109,303	3,759,122,452
Diluted EPS	**16.8c**	**9.0c**

(1) The difference between the basic and diluted number of shares at the end of March 2022 being 5,929,341 (March 2021: 1,572,371) relates to awards committed but not yet issued under the Group's share-based payment schemes.

(2) Deferred shares have not been considered for EPS computation as they do not have right to participate in profits.

9. Property, plant and equipment ('PPE')

The following table presents the reconciliation of changes in the carrying value of PPE for the year ended 31 March 2022 and 31 March 2021:

	Leasehold Improvements	Building	Land	Plant and Equipment (2)	Furniture & Fixture	Vehicles	Office Equipment	Computer	Total	Capital work in progress (3)
Gross carrying value										
Balance as of 1 April 2020	**50**	**47**	**26**	**2,408**	**25**	**24**	**37**	**661**	**3,278**	**259**
Additions / capitalization	1	1	0	648	14	0	9	26	699	611
Disposals / adjustments (1)	(1)	(0)	(0)	(32)	(1)	(0)	(0)	(0)	(34)	(696)
Transferred to assets held for sale	-	-	-	(77)	-	0	-	(0)	(77)	(0)
Foreign currency translation impact	0	(2)	1	(89)	(1)	0	(1)	(11)	(103)	(8)
Balance as of 31 March 2021	**50**	**46**	**27**	**2,858**	**37**	**24**	**45**	**676**	**3,763**	**166**
Additions / capitalization	1	0	2	543	28	0	14	38	626	653
Disposals / adjustments (1)	(0)	(0)	(2)	(285)	(2)	(2)	(4)	(1)	(296)	(627)
Foreign currency translation impact	(2)	1	(1)	(71)	(1)	(0)	0	(10)	(84)	(3)
Balance as of 31 March 2022	**49**	**47**	**26**	**3,045**	**62**	**22**	**55**	**703**	**4,009**	**189**
Accumulated Depreciation										
Balance as of 1 April 2020	**42**	**15**	**1**	**722**	**9**	**22**	**19**	**616**	**1,446**	**-**
Charge	2	3	0	341	6	1	9	27	389	-
Disposals / adjustments (1)	(0)	(0)	0	(28)	(0)	(1)	(0)	1	(28)	-
Transferred to assets held for sale	-	-	-	(58)	-	(0)	-	(0)	(58)	
Foreign currency translation impact	0	(1)	(0)	(41)	(0)	0	(1)	(9)	(52)	-
Balance as of 31 March 2021	**44**	**17**	**1**	**936**	**15**	**22**	**27**	**635**	**1,697**	**-**
Charge	1	3	0	364	10	0	9	31	418	-
Disposals / adjustments (1)	0	(0)	(1)	(241)	(2)	(2)	(3)	(3)	(252)	-
Foreign currency translation impact	(1)	0	(0)	(56)	(0)	(0)	(1)	(10)	(68)	-
Balance as of 31 March 2022	**44**	**20**	**0**	**1,003**	**23**	**20**	**32**	**653**	**1,795**	**-**
Net carrying value										
As of 1 April 2020	8	32	25	1,686	16	2	18	45	1,832	259
As at 31 March 2021	6	29	26	1,922	22	2	18	41	2,066	166
As at 31 March 2022	5	27	26	2,042	39	2	23	50	2,214	189

(1) Related to the reversal of gross carrying value and accumulated depreciation on retirement of PPE and reclassification from one category of asset to another.

(2) Includes PPE pledged against the Group's Borrowings outstanding of USD 50m as at 31 March 2022 and 31 March 2021.

(3) The carrying value of capital work-in-progress as at 31 March 2022 and 2021 mainly pertains to plant and equipment.

10. Goodwill

The following table presents the reconciliation of changes in the carrying value of Goodwill for the year ended 31 March 2022 and 31 March 2021:

	Goodwill
Balance as of 1 April 2020	**3,943**
Foreign currency translation impact	**(108)**
Balance as of 31 March 2021	**3,835**
Balance as of 1 April 2021	**3,835**
Foreign currency translation impact	**(8)**
Balance as of 31 March 2022	**3,827**

11. Impairment review

The carrying amount of goodwill is attributed to the following groups of CGUs:

	As of	
	31 March 2022	**31 March 2021**
Nigeria	1,275	1,298
East Africa	1,835	1,821
Francophone Africa	717	716
	3,827	**3,835**

The Group tests goodwill for impairment annually on 31 December. The carrying amount of goodwill as of 31 December 2021 was USD 1,277m, USD 1,861m and USD 719m for Nigeria, East Africa and Francophone Africa respectively. The recoverable amounts of the above group of CGUs are based on value-in-use, which are determined based on ten-year business plans that have been approved by the Board.

Whilst the Board performed a long-term viability assessment over a three-year period, for the purpose of assessing liquidity, the Group has adopted a ten-year plan for the purpose of impairment testing due to the following reasons;

- The Group operates in emerging markets where the telecommunications market is underpenetrated compared to developed markets. In these emerging markets, short-term plans (for example, five years) are not indicative of the long-term future prospects and performance of the Group.
- The life of the Group's regulatory licences and network assets are at an average of ten years, and
- The potential opportunities of the emerging African telecom sector, which is mostly a two-three player market with lower smartphone penetration.

Accordingly, the Board approved that this planning horizon reflects the assumptions for medium to long-term market developments, appropriately covers market dynamics of emerging markets and better reflects the expected performance in the markets in which the Group operates.

While using the ten-year plan, the Group also considers external market data to support the assumptions used in such plans, which is generally available only for the first five years. Considering the degree of availability of external market data beyond year five, the Group has performed sensitivity analysis to assess the impact on impairment of using a five-year plan. The results of this sensitivity analysis demonstrate that the initial five-year plan with appropriate changes including long-term growth rates applied at the end of this period does not result in any impairment and does not impact the headroom by more than 5% in any of the group of CGUs as compared to the headroom using the ten-year plan. Further, the Group is confident that projections for years six to ten are reliable and can demonstrate its ability, based on past experience, to forecast cash flows accurately over a longer period. Accordingly, the Board has approved and the Group continues to follow a consistent policy of using an initial forecast period of ten years for the purpose of impairment testing.

In assessing the Group's prospects, the Directors considered 5G cellular network potential in the markets which the Group operates. The Group's first endeavour is to secure spectrum for 5G launch and roll out 5G network in key markets. Given the relatively low 4G customer penetration in the countries where it operates, the Group will continue to focus on its strategy to expand its data services and increase data customer penetration by leveraging and expanding its leading 4G network.

During the year, the Central Bank of Nigeria gave Airtel Africa's subsidiary Smartcash Payment Service Bank Limited (Smartcash) approval in principle to operate a payment service bank (PSB) business in Nigeria. The PSB licence allows Smartcash to accept deposits from individuals and small businesses, carry out payment and remittance services within Nigeria, and issue debit and prepaid cards among other activities set out by the Central Bank of Nigeria (CBN). As of the date of impairment testing, the Group had in-principle approval of such licence in hand. Subsequent to the year end, in April 2022, the Group has received the final approval from the Central Bank of Nigeria for a full PSB licence affording the Group the opportunity to deliver a full suite of mobile money services in Nigeria.

Management is in early stages of considering the impact of climate change. Based on the analysis conducted so far, the Group is satisfied that the impact of climate change does not lead to an impairment as at 31 December 2021 and is adequately covered as part of the sensitivities disclosed below.

The cash flows beyond the planning period are extrapolated using appropriate long-term terminal growth rates. The long-term terminal growth rates used do not exceed the long-term average growth rates of the respective industry and country in which the entity operates and are consistent with internal/external sources of information.

The inputs used in performing the impairment assessment at 31 December 2021 were as follows:

Assumptions	Nigeria	East Africa	Francophone Africa
Pre tax Discount Rate	24.35%	16.17%	15.43%
Capital expenditure (as % of Revenue)	8% - 15%	7% - 15%	7% - 12%
Long term growth rate	2.65%	5.31%	5.46%

At 31 December 2021, the impairment testing did not result in any impairment in the carrying amount of goodwill in any group of CGUs.

The key assumptions in performing the impairment assessment were as follows:

Assumptions	Basis of assumptions
Discount rate	Discount rate reflects the market assessment of the risks specific to the group of CGUs and estimated based on the weighted average cost of capital for each respective group of CGUs.
Capital expenditures	The cash flow forecasts of capital expenditure are based on experience after considering the capital expenditure required to meet coverage and capacity requirements relating to voice, data and mobile money services.
Growth rates	The growth rates used are in line with the long-term average growth rates of the respective industry and country in which the entity operates and are consistent with the internal / external sources of information.

At 31 December 2021, the impairment testing did not result in any impairment in the carrying amount of goodwill in any group of CGUs. The results of the impairment tests using these rates show that the recoverable amount exceeds the carrying amount by USD 5,579m for East Africa (173%) and USD 2,559m for Francophone Africa (160%). For Nigeria, the recoverable amount exceeds the carrying amount by USD 2,842m (104%) including the cash flows of PSB licence which was received subsequent to the impairment testing date. Excluding such cash-flows did not result in any impairment in Nigeria. The Group therefore concluded that no impairment was required to the Goodwill held against each group of CGUs.

- **Sensitivity in discount rate and capital expenditure**

  Management believes that no reasonably possible change in any of the key assumptions would cause the difference between the carrying value and recoverable amount for any cash-generating unit to be materially different from the recoverable value in the base case. The table below sets out the breakeven pre-tax discount rate for each group of CGUs, which will result in the recoverable amount being equal with the carrying amount for each group of CGU's:

	Nigeria	East Africa	Francophone Africa
Pre tax Discount Rate	43.70%	34.34%	32.63%

The table below presents the increase in isolation in capital expenditure as a percentage of revenue (across all years of the impairment review) which will result in equating the recoverable amount with the carrying amount for each group of CGUs:

Assumptions	Nigeria	East Africa	Francophone Africa
Capital expenditure	9.64%	13.99%	11.06%

No reasonably possible change in the terminal growth rate would cause the carrying amount to exceed the recoverable amount.

12. Cash and bank balances

Cash and cash equivalents

	As of	
	31 March 2022	**31 March 2021**
Balances with banks		
- On current accounts	267	486
- Bank deposits with original maturity of three months or less	281	290
Cheques on hand	-	0
Balance held in wallets	89	36
Cash on hand	1	1
	638	**813**

Other bank balances

	As of	
	31 March 2022	**31 March 2021**
-Term deposits with banks with original maturity of More than three months but less than 12 months	220	257
-Margin money deposits (1)	158	25
-Unpaid dividend	0	0
	378	**282**

(1) Margin money deposits represent amount given as collateral for legal cases and/or bank guarantees for disputed matters, deposit against derivative contracts and deposits given against borrowings in one of the Group's subsidiaries.

For the purpose of the statement of cash flows, cash and cash equivalents are as follows:

	As of	
	31 March 2022	**31 March 2021**
Cash and cash equivalents as per balance sheet	638	813
Balance held under mobile money trust	513	440
Bank overdraft	(304)	(251)
Cash and cash equivalents classified as held for sale	-	1
	847	**1,003**

13. Borrowings

Non-current

	As of	
	31 March 2022	31 March 2021
Secured		
Term loans	50	50
Less: Current portion (A)	(50)	(50)
	-	-
Unsecured		
Term loans	655	544
Non- convertible bonds	1,015	2,403
	1,670	**2,947**
Less: Current portion (B)	(184)	(1,076)
	1,486	**1,871**
	1,486	**1,871**

Current

	As of	
	31 March 2022	31 March 2021
Unsecured		
Term loans[1]	248	92
Bank overdraft	304	250
	552	**342**
Current maturities of long-term borrowings (A+B)	**234**	**1,126**
	786	**1,468**

[1] Term loans as at 31 March 2022, include borrowings against which certain deposits (included in other bank balances in statement of financial position) have been placed.

14. Share capital

	As of	
	31 March 2022	31 March 2021
Authorised shares		
3,758,151,504 Ordinary shares of USD 0.5 each (March 2021: 3,758,151,504)	1,879	1,879
3,081,744,577 Deferred shares of USD 0.5 each (March 2021:3,081,744,577)	1,541	1,541
	3,420	**3,420**
Issued, Subscribed and fully paid-up shares		
3,758,151,504 Ordinary shares of USD 0.5 each (March 2021: 3,758,151,504)	1,879	1,879
3,081,744,577 Deferred shares of USD 0.5 each (March 2021: 3,081,744,577)	1,541	1,541
	3,420	**3,420**

Terms/rights attached to equity shares

The company has the following two classes of ordinary shares:

- Ordinary shares having par value of USD 0.5 per share. Each holder of equity shares is entitled to cast one vote per share and carries a right to dividends.

- Deferred shares of USD 0.5 each. These deferred shares are not listed and are intended to be cancelled in due course. No share certificates are to be issued in respect of the deferred shares. These are not freely transferable and would not affect the net assets of the Company. The deferred shareholders shall have no right to receive any dividend or other distribution or return whether of capital or income. On a return of capital in a liquidation, the deferred shareholders shall have the right to receive the nominal amount of each deferred share held, but only after the holder of each 'Other' share (i.e. shares other than the deferred shares) in the capital of the Company shall have received the amount paid up on each such Other share held and the payment in cash or in specie of £100,000 (or its equivalent in any other currency) on each such Other shares held. The Company shall have an irrevocable authority from each holder of the deferred shares at any time to purchase all or any of the deferred shares without obtaining the consent of the deferred shareholders in consideration of the payment of an amount not exceeding one US cent in respect of all the deferred shares then being purchased.

15. Contingent liabilities and commitments

Contingent liabilities	**As of**	
	31 March 2022	**31 March 2021**
(a) Taxes, Duties and Other demands (under adjudication / appeal / dispute)		
-Income tax	18	23
- Value added tax	30	30
-Customs duty & Excise duty	9	8
-Other miscellaneous demands	6	9
(b) Claims under legal and regulatory cases including arbitration matters (1) (2)	82	87
	145	**157**

There are uncertainties in the legal, regulatory and tax environments in the countries in which the Group operates and there is a risk of demands, which may be raised based on current or past business operations. Such demands have in the past been challenged and contested on merits with the relevant authorities and appropriate settlements agreed. Other than amounts provided where the Group believes there is a probable settlement and contingent liabilities where the Group has assessed the additional possible amounts, there are no other legal, tax or regulatory obligations which may be expected to be material to the financial statements.

The movement in contingent liabilities during the year ended 31 March 2022 of USD 12m primarily comprise a reduction on account of settlement of an Income tax assessment amounting to approximately USD3m, closure of other miscellaneous demand amounting to approximately USD3m and rest of the cases are individually immaterial.

(1) One of the subsidiaries of the group is involved in a dispute with one of its vendors, with respect to invoices for services provided to a subsidiary under a service contract. The original order under the contract was issued by the subsidiary for a total amount of Central African franc (CFA) 473,800,000 (approximately UDS 0.8m). In 2014, the vendor-initiated arbitration proceedings claiming a sum of approximately CFA 1.9 billion (approximately UDS 3.2m). In mid-May 2019, lower courts imposed a penalty of CFA 35 billion (approximately UDS 60m), based on which certain banks of the subsidiary were summoned to release the funds. The subsidiary immediately lodged an appeal in the Supreme Court for a stay of execution which was granted. Subsequently, the vendor filed an appeal before the Common Court of Justice and Arbitration (CCJA). Quite unexpectedly, in April 2020, the CCJA lifted the Supreme Court stay of execution. In May 2021, the Commercial Division of the High Court maintained new seizures carried out by the Vendor. The subsidiary appealed and the Court of Appeal determination on the seizures is pending as of April 2022. In March 2022 the CCJA interpreted its judgment of March 2019 to indicate that the daily penalty could not be maintained after its ruling dated 18 November 2018.

Separately, in December 2020 the subsidiary initiated criminal proceedings against the vendor for fraud and deceitful conduct. In February 2021, the investigating judge issued an order to cease the investigation which was appealed by the Subsidiary. In March 2022 the Court Appeal quashed the investigative judge order and allowed the investigation into the Vendor to resume. Testimony in the criminal investigation case happened on 26 April 2022 in front of the criminal court of appeal where the honourable judge has further re-examined the facts from the representatives of subsidiary against this case. The court will provide further update on the upcoming proceedings in due course.

(2) One of the subsidiaries of the Group is involved in a dispute with one of its distributors, with respect to alleged unpaid commissions, bonuses and benefits, totalling approximately USD 12m, over a period of around 11 years of its business relationship with the subsidiary. In March 2012, the distributor filed a claim against the subsidiary in the High Court. On 4

October 2016, the High Court ruled against the subsidiary and ordered to pay the claimed amount of approximately USD 12m to the distributor. On 5 October 2016, the subsidiary filed an appeal in the Court of Appeal against the order of the High Court, which on 24 July 2020 was ruled against the subsidiary. On 7 August 2020, the subsidiary filed an appeal against the decision of the Court of Appeal, in the Supreme Court. Record of appeal has been transmitted to the Supreme Court and briefs of argument are currently being prepared.

Despite the strength of the subsidiary's line of defence, as both the High Court and Court of Appeal have ruled against the subsidiary, it is appropriate to disclose this matter as contingent liability for USD 12m, pending the decision of the Supreme Court. No provision has been made against the said claim.

In addition to the individual matters disclosed above, in the ordinary course of business, the Group is a defendant or co-defendant in various litigations and claims which are immaterial individually.

Guarantees:

Guarantees outstanding as of 31 March 2022 and 31 March 2021 amounting to USD 8m and USD 12m respectively have been issued by banks and financial institutions on behalf of the Group. These guarantees include certain financial bank guarantees which have been given for sub judice matters, the amounts with respect to these have been disclosed under capital commitments, contingencies and liabilities, as applicable.

(ii) Commitments

Capital Commitments

The Group has contractual commitments towards capital expenditure (net of related advances paid) of USD 295m and USD 232m as of 31 March 2022 and 31 March 2021 respectively.

16. Related Party disclosure

List of related parties

i) Parent company

Airtel Africa Mauritius Limited

ii) Intermediate parent entity

Network i2i Limited
Bharti Airtel Limited
Bharti Telecom Limited

iii) Ultimate controlling entity

Bharti Enterprises (Holding) Private Limited. It is held by private trusts of Bharti family, with Mr. Sunil Bharti Mittal's family trust effectively controlling the company.

iv) Associate:

Seychelles Cable Systems Company Limited

v) Other entities with whom transactions have taken place during the reporting period

a. Fellow subsidiaries

Nxtra Data Limited
Bharti Airtel (Services) Limited
Bharti International (Singapore) Pte Ltd
Bharti Airtel (UK) Limited
Bharti Airtel (France) SAS
Bharti Airtel Lanka (Private) Limited
Bharti Hexacom Limited

b. Other related parties

Airtel Ghana Limited (till 12 October 2021)
Singapore Telecommunication Limited

vi) Key Management Personnel ('KMP')

a. Executive director

Olusegun Ogunsanya (since October 2021)
Raghunath Venkateswarlu Mandava (till September 2021)

Jaideep Paul (since June 2021)

b. Non-Executive directors

Sunil Bharti Mittal
Awuneba Ajumogobia
Douglas Baillie
John Danilovich
Andrew Green
Akhil Gupta
Shravin Bharti Mittal
Annika Poutiainen
Ravi Rajagopal
Arthur Lang (till October 2020)
Kelly Bayer Rosmarin (since October 2020)
Tsega Gebreyes (since October 2021)

c. Others

Olusegun Ogunsanya (till September 2021)
Jaideep Paul (till May 2021)
Ian Ferrao
Michael Foley
Razvan Ungureanu
Luc Serviant
Daddy Mukadi
Neelesh Singh
Ramakrishna Lella
Olivier Pognon (till 15 October 2021)
Edgard Maidou (since 16 October 2021)
Rogany Ramiah
Stephen Nthenge
Vimal Kumar Ambat (since February 2021)
Ashish Malhotra (since October 2020)
Vinny Puri (since March 2021)
C Surendran (since August 2021)
Olubayo Adekanmbi (since December 2021)

In the ordinary course of business, there are certain transactions among the group entities and all these transactions are on arm's length basis. However, the intra-group transactions and balances, and the income and expenses arising from such transactions, are eliminated on consolidation. The transactions with remaining related parties for the years ended 31 March 2022 and 2021 respectively, are described below:

The summary of transactions with the above-mentioned parties is as follows:

	For the year ended									
	31 March 2022					31 March 2021				
Relationship	Parent company	Intermediate parent entity	Fellow subsidiaries	Associates	Other related parties	Parent company	Intermediate parent entity	Fellow subsidiaries	Associates	Other related parties
Sale / rendering of services	-	13	59	-	0	-	6	66	-	1
Purchase / receiving of services	-	19	54	0	0	-	17	52	1	0
Rent and other charges	-	1	-	-	-	-	1	-	-	-
Guarantee and collateral fee paid	-	6	-	-	-	-	10	-	-	-
Purchase of assets	-	-	2	-	-	-	0	0	-	-
Dividend Paid	95	-	-	-	-	95	-	-	-	-

The outstanding balance of the above mentioned related parties are as follows:

Relationship	Parent company	Intermediate parent entity	Fellow subsidiaries	Joint venture	Associate	Other related parties
As of 31 March 2022						
Trade payables	-	10	33	-	0	-
Trade receivables	-	5	36	-	-	-
Corporate guarantee fee payable	-	3	-	-	-	-
Guarantees and collaterals taken (including performance guarantees)	-	2,000	-	-	-	-
Reimbursement asset	-	25	-	-	-	-
As of 31 March 2021						
Trade payables	-	9	29	-	1	2
Trade receivables	-	3	37	-	-	3
Corporate guarantee fee payable	-	2	-	-	-	-
Guarantees and collaterals taken (including performance guarantees)	-	7,056	-	-	-	-

Key management compensation

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the group, directly or indirectly, including any director, whether executive or otherwise. For the group, these include executive committee members. Remuneration to key management personnel were as follows:

	For the year ended	
	31 March 2022	**31 March 2021**
Short-term employee benefits	10	8
Performance linked incentive	3	3
Share-based payment	2	1
Other long term benefits	2	4
Other benefits	1	1
	18	**17**

17. Fair Value of financial assets and liabilities

The category wise details as to the carrying value, fair value and the level of fair value measurement hierarchy of the group's financial instruments are as follows:

		Carrying value as of		Fair value as of	
		31 March 2022	**31 March 2021**	**31 March 2022**	**31 March 2021**
Financial assets					
FVTPL					
Derivatives					
- Forward and option contracts	Level 2	2	12	2	12
- Currency swaps and interest rate swaps	Level 2	3	0	3	0
- Cross currency swaps	Level 3	1	1	1	1
Other bank balances	Level 2	16	-	16	-
Investments	Level 2	0	0	0	0
Amortised cost					
Trade receivables		123	113	123	113
Cash and cash equivalents		638	813	638	813
Other bank balances		362	282	362	282
Balance held under mobile money trust		513	440	513	440
Other financial assets		131	83	131	83
		1,789	**1,744**	**1789**	**1,744**
Financial liabilities					
FVTPL					
Derivatives					
- Forward and option contracts	Level 2	4	6	4	6
- Currency swaps and interest rate swaps	Level 2	0	2	0	2
- Cross currency swaps	Level 3	4	3	4	3
- Embedded derivatives	Level 2	1	1	1	1
Amortised cost					
Borrowings - fixed rate	Level 1	1,015	2,403	1,016	2,479
Borrowings - fixed rate	Level 2	267	100	264	98
Put option liability	Level 3	579	-	579	-
Borrowings		990	836	990	836
Trade payables		404	366	404	366
Mobile money wallet balance		496	432	496	432
Other financial liabilities		516	539	516	539
		4,276	**4,688**	**4,274**	**4,762**

The following methods/assumptions were used to estimate the fair values:

- The carrying value of bank deposits, trade receivables, trade payables, short-term borrowings, other current financial assets and liabilities approximate their fair value mainly due to the short-term maturities of these instruments.
- Fair value of quoted financial instruments is based on quoted market price at the reporting date.
- The fair value of non-current financial assets, long-term borrowings and other financial liabilities is estimated by discounting future cash flows using current rates applicable to instruments with similar terms, currency, credit risk and remaining maturities.
- The fair values of derivatives are estimated by using pricing models, wherein the inputs to those models are based on readily observable market parameters. The valuation models used by the group reflect the contractual terms of the derivatives (including the period to maturity), and market-based parameters such as interest rates, foreign exchange rates, volatility etc.

These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement and inputs thereto are readily observable.

- The fair value of the put option liability to buy back the stake held by non-controlling interest in AMC BV (refer to Note 4(g)) is measured at the present value of the redemption amount (i.e. expected cash outflows). Since, the liability will be based on fair value of the equity shares of AMC BV (subject to a cap) at the end of 48 months, the expected cash flows are estimated by determining the projected equity valuation of the AMC BV at the end of 48 months and applying a cap thereon.

During the year ended 31 March 2022 and year ended 31 March 2021 there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

The following table describes the key inputs used in the valuation (basis discounted cash flow technique) of the Level 2 financial assets/liabilities as of 31 March 2022 and 31 March 2021:

	Financial assets / liabilities	Inputs used
-	Currency swaps, forward and option contracts and other bank balances	Forward foreign currency exchange rates, Interest rate
-	Interest rate swaps	Prevailing / forward interest rates in market, Interest rate
-	Embedded derivatives	Prevailing interest rates in market, inflation rates
-	Other financial assets / fixed rate borrowing / other financial liabilities	Prevailing interest rates in market, Future payouts, Interest rates

Reconciliation of fair value measurements categorised within level 3 of the fair value hierarchy – Financial Assets/(Liabilities) (net)

- **Cross Currency Swaps (CCS)**

	For the year ended	
	31 March 2022	**31 March 2021**
Opening Balance	(3)	-
Issuance(1)	-	-
Recognised in finance costs in profit and loss(unrealized)(2)	0	(3)
Closing Balance	(3)	(3)

(1) The Group during the year ended 31 March 2021 had entered into a Cross Currency Swap (CCS) in one of its subsidiaries, which was accounted for as FVTPL. The fair value of CCS was estimated based on the contractual terms of the CCS and parameters such as interest rates, foreign exchange rates etc. Since, the data from any observable markets in respect of interest rates was not available, the interest rates were considered to be significant unobservable inputs to the valuation of this CCS.

(2) These amounts represent the amounts recognised in the financial statements during the year excluding the initial recognition deferment impact.

- **Put option liability (refer to note 4(g))**

	For the year ended	
	31 March 2022	**31 March 2022**
Opening Balance	**-**	**-**
Liability recognized by debiting transaction with NCI reserve	575	-
Recognized in finance costs in profit and loss (unrealized)	4	-
Closing Balance	**579**	**-**

18. Assets and Liabilities held for sale

Assets and liabilities of disposal groups held for sale at 31 March 2021 related to our telecommunication tower subsidiary in Madagascar (part of Francophone Africa segment) and 162 towers and related liabilities in Rwanda (part of East Africa segment).

During the year ended 31 March 2022, the sale of 162 towers in Rwanda and tower company in Madagascar has been completed and thus the related assets and liabilities held for sale have been de-recognised.

The disposal groups were stated at their carrying values and comprised the following assets and liabilities:

	As of	
	31 March 2022	**31 March 2021**
Assets of disposal group classified as held for sale		
Property, plant and equipment	-	19
Capital work-in-progress	-	0
Right of use assets	-	5
Income tax assets	-	0
Deferred tax assets	-	2
Trade receivables	-	0
Cash and cash equivalents	-	1
Loans and security deposits	-	0
Other current assets	-	4
	-	31
Liabilities of disposal group classified as held for sale		
Lease liabilities	-	7
Provisions	-	1
Deferred tax liabilities	-	1
Trade payables	-	2
Other current liabilities	-	8
	-	19

As of 31 March 2022, the cumulative other comprehensive income relating to the disposal group classified as held for sale is Nil (as of 31 March 2021: other comprehensive loss of USD 4m).

19. Events after the balance sheet date

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

- The Board recommended a final dividend of 3 cents per share on 10 May 2022.
- In April 2022, one of the Group's subsidiaries, SMARTCASH Payment Service Bank limited, has received the final approval from the Central Bank of Nigeria for a full Payment Service Bank (PSB) licence affording the Group the opportunity to deliver a full suite of mobile money services in Nigeria
- In April 2022, one of the Group's subsidiaries, Airtel Mobile Commerce Nigeria Ltd, has been awarded with full super agent licence by the Central Bank of Nigeria. The licence allows the Group to create an agency network that can service the customers of licenced Nigerian banks, payment service banks and licenced mobile money operators in Nigeria.

Appendix

Additional information pertaining to three months ended March 31, 2022

Consolidated Statement of Comprehensive Income (unaudited)

(All amounts are in US Dollar Millions; unless stated otherwise)

	For three months ended	
	31 March 2022	**31 March 2021**
Income		
Revenue	1,222	1,038
Other income	2	1
	1,224	**1,039**
Expenses		
Network operating expenses	213	183
Access charges	104	97
License fee and spectrum usage charges	78	53
Employee benefits expense	77	67
Sales and marketing expenses	60	50
Impairment loss on financial assets	(1)	(1)
Other expenses	115	97
Depreciation and amortisation	188	174
	834	**720**
Operating profit	**390**	**319**
Finance costs	136	106
Finance income	(5)	(2)
Other non-operating income	(101)	-
Share of profit for associate	0	(0)
Profit before tax	**360**	**215**
Tax expense / (credit)	120	61
Profit for the period	**240**	**154**
Profit before tax (as presented above)	**360**	**215**
Add: Exceptional items (net)	(51)	(1)
Underlying profit before tax	**309**	**214**
Profit after tax (as presented above)	**240**	**154**
Add: Exceptional items (net)	(52)	(22)
Underlying profit after tax	**188**	**132**
Other comprehensive income ('OCI')		
Items to be reclassified subsequently to profit or loss:		
Net losses due to foreign currency translation differences	(39)	(94)
Share of OCI of associate	1	-
Net loss on net investments hedge	-	9
	(38)	(85)
Items not to be reclassified subsequently to profit or loss:		
Re-measurement gain on defined benefit plans	0	(0)
Tax expense on above	(0)	0
	0	(0)
Other comprehensive loss for the period	(38)	(85)

	For three months ended	
	31 March 2022	31 March 2021
Total comprehensive income for the period	**202**	**69**
Profit for the period attributable to:	**240**	**154**
Owners of the Company	190	132
Non-controlling interests	50	22
Other comprehensive loss for the period attributable to:	**(38)**	**(85)**
Owners of the Company	(38)	(80)
Non-controlling interests	(0)	(5)
Total comprehensive income for the period attributable to:	**202**	**69**
Owners of the Company	152	52
Non-controlling interests	50	17

Alternative performance measures (APMs)

Introduction

In the reporting of financial information, the directors have adopted various APMs. These measures are not defined by International Financial Reporting Standards (IFRS) and therefore may not be directly comparable with other companies APMs, including those in the Group's industry.

APMs should be considered in addition to, and are not intended to be a substitute for, or superior to, IFRS measurements.

Purpose

The directors believe that these APMs assist in providing additional useful information on the underlying trends, performance and position of the Group.

APMs are also used to enhance the comparability of information between reporting periods and geographical units (such as like-for-like sales), by adjusting for non-recurring or uncontrollable factors which affect IFRS measures, to aid users in understanding the Group's performance. Consequently, APMs are used by the directors and management for performance analysis, planning, reporting and incentive-setting purposes.

The directors believe the following metrics to be the APMs used by the Group to help evaluate growth trends, establish budgets and assess operational performance and efficiencies. These measures provide an enhanced understanding of the Group's results and related trends, therefore increasing transparency and clarity into the core results of the business.

The following metrics are useful in evaluating the Group's operating performance:

APM	Closest equivalent IFRS measure	Adjustments to reconcile to IFRS measure	Table reference[1]	Definition and purpose
Underlying revenue	Revenue	• Exceptional items	Table A	The Group defines underlying revenue as revenue for the period adjusted for exceptional items. The directors view underlying revenue to be a meaningful measure to analyse the Group's revenue, excluding exception items. Exceptional items are additional specific items that because of their size, nature or incidence in the results, are considered to hinder comparison of the Group's performance on a period to period basis and could distort the understanding of our performance for the period and the comparability between periods and hence are adjusted to arrive at underlying revenue.
Underlying EBITDA and margin	Operating profit	• Depreciation and amortisation • Exceptional items	Table B	The Group defines underlying EBITDA as operating profit/(loss) for the period before depreciation and amortisation and adjusted for exceptional items. The Group defines underlying EBITDA margin as underlying EBITDA divided by underlying revenue. Underlying EBITDA and margin are measures used by the directors to assess the trading performance of the business and are therefore the measure of segment profit that the Group presents under IFRS. Underlying EBITDA and margin are also presented on a consolidated basis because the directors believe it is important to consider profitability on a basis consistent with that of the Group's operating segments. When presented on a consolidated basis, underlying EBITDA and margin are APMs. Depreciation and amortisation is a non-cash item which fluctuates depending on the timing of capital investment and useful economic life. Directors believe that a measure which removes this volatility improves comparability of the Group's results period on period and hence is adjusted to arrive at underlying EBITDA and margin. Exceptional items are additional specific items that because of their size, nature or incidence in the results, are considered to hinder comparison of the Group's performance on a period-to-period basis and could distort the understanding of our performance for the period and the comparability between periods and hence are adjusted to arrive at underlying EBITDA and margin.

APM	Closest equivalent IFRS measure	Adjustments to reconcile to IFRS measure	Table reference[1]	Definition and purpose
Underlying profit / (loss) before tax	Profit / (loss) before tax	• Exceptional items	Table C	The Group defines underlying profit/(loss) before tax as profit/(loss) before tax adjusted for exceptional items. The directors view underlying profit/(loss) before tax to be a meaningful measure to analyse the Group's profitability. Exceptional items are additional specific items that because of their size, nature or incidence in the results, are considered to hinder comparison of the Group's performance on a period-to-period basis and could distort the understanding of our performance for the period and the comparability between periods and hence are adjusted to arrive at underlying profit/(loss) before tax.
Effective tax rate	Reported tax rate	• Exceptional items • Foreign exchange rate movements • One-off tax impact of prior period, tax litigation settlement and impact of tax on permanent differences	Table D	The Group defines effective tax rate as reported tax rate (reported tax charge divided by reported profit before tax) adjusted for exceptional items, foreign exchange rate movements and one-off tax items of prior period adjustment, tax settlements and impact of permanent differences on tax. This provides an indication of the current on-going tax rate across the Group. Exceptional tax items or any tax arising on exceptional items are additional specific items that because of their size, nature or incidence in the results, are considered to hinder comparison of the Group's performance on a period-to-period basis and could distort the understanding of our performance for the period and the comparability between periods and hence are adjusted to arrive at effective tax rate. Foreign exchange rate movements are specific items that are non-tax deductible in a few of the entities which are loss making and where DTA is not yet triggered and hence are considered to hinder comparison of the Group's effective tax rate on a period-to-period basis and therefore excluded to arrive at effective tax rate. One-off tax impact on account of prior period adjustment, any tax litigation settlement and tax impact on permanent differences are additional specific items that because of their size and frequency in the results, are considered to hinder comparison of the Group's effective tax rate on a period-to-period basis.
Underlying profit/(loss) after tax	Profit/(loss) for the period	• Exceptional items	Table E	The Group defines underlying profit/(loss) after tax as profit/(loss) for the period adjusted for exceptional items. The directors view underlying profit/(loss) after tax to be a meaningful measure to analyse the Group's profitability. Exceptional items are additional specific items that because of their size, nature or incidence in the results, are considered to hinder comparison of the Group's performance on a period-to-period basis and could distort the understanding of our performance for the period and the comparability between periods and hence are adjusted to arrive at underlying profit/(loss) after tax.
Earnings per share before exceptional items	EPS	• Exceptional items	Table F	The Group defines earnings per share before exceptional items as profit/(loss) for the period before exceptional items attributable to owners of the company divided by the weighted average number of ordinary shares in issue during the financial period. This measure reflects the earnings per share before exceptional items for each share unit of the company. Exceptional items are additional specific items that because of their size, nature or incidence in the results, are considered to hinder comparison of the Group's performance on a period-to-period basis and could distort the understanding of our performance for the period and the comparability between periods and hence are adjusted to arrive at earnings for the purpose of earnings per share before exceptional items.
Operating free cash flow	Cash generated from operating activities	• Income tax paid • Changes in working capital • Other non-cash items • Non-operating income • Exceptional items • Capital expenditures	Table G	The Group defines operating free cash flow as net cash generated from operating activities before income tax paid, changes in working capital, other non-cash items, non-operating income and exceptional items, less capital expenditures. The Group views operating free cash flow as a key liquidity measure, as it indicates the cash available to pay dividends, repay debt or make further investments in the Group.

APM	Closest equivalent IFRS measure	Adjustments to reconcile to IFRS measure	Table reference[1]	Definition and purpose
Net debt and leverage ratio	Borrowings	• Lease liabilities • Cash and cash equivalent • Term deposits with banks • Deposits given against borrowings/ non-derivative financial instruments • Fair value hedges	Table H	The Group defines net debt as borrowings including lease liabilities less cash and cash equivalents, term deposits with banks, deposits given against borrowings/non-derivative financial instruments, processing costs related to borrowings and fair value hedge adjustments. The Group defines leverage ratio as net debt divided by underlying EBITDA. The directors view net debt and the leverage ratio to be meaningful measures to monitor the Group's ability to cover its debt through its earnings.
Return on capital employed	No direct equivalent	• Exceptional items to arrive at underlying EBIT	Table I	The Group defines return on capital employed ('ROCE') as underlying EBIT divided by average capital employed. The directors view ROCE as a financial ratio that measures the Group's profitability and the efficiency with which its capital is being utilised. The Group defines underlying EBIT as operating profit/(loss) for the period adjusted for exceptional items. Exceptional items are additional specific items that because of their size, nature or incidence in the results, are considered to hinder comparison of the Group's performance on a period-to-period basis and could distort the understanding of our performance for the period and the comparability between periods and hence are adjusted to arrive at Underlying EBIT. Capital employed is defined as sum of equity attributable to owners of the company, non-controlling interests and net debt. Average capital employed is average of capital employed at the closing and beginning of the relevant period. For quarterly computations, ROCE is calculated by dividing underlying EBIT for the preceding 12 months by the average capital employed (being the average of the capital employed averages for the preceding four quarters).

1 Refer "Reconciliation between GAAP and Alternative Performance Measures" for respective table.

Some of the Group's IFRS measures and APMs are translated at constant currency exchange rates to measure the organic performance of the Group. In determining the percentage change in constant currency terms, both current and previous financial reporting period's results have been converted using exchange rates prevailing as on 31 March 2021. Reported currency percentage change is derived on the basis of the average actual periodic exchange rates for that financial period. Variances between constant currency and reported currency percentages are due to exchange rate movements between the previous financial reporting period and the current period.

Changes to APMs

Charity and donations are not related to the trading performance of the Group and hence were adjusted to arrive at underlying EBITDA and margin till previous periods. However, with launch of our sustainability strategy in current year, wherein "Access to educational goal" is one of the key goals, hence, the Group has revisited the definition to include the CSR expense as part of the underlying EBITDA, margin and operating free cash flow. Given the size in prior years, no changes have been made to the prior year figures.

During the year following APMs have been removed:

- Free cash flows - since the Group's dividends are no longer linked to such metric.
- Restated EPS - as this is no longer valid, as there has been no significant change in the number of shares issued between the current and previous financial reporting periods.
- Adjusted effective tax rate - since adjustments related to any tax arising on exceptional items or any exceptional tax items are now adjusted in arriving at the effective tax rate, the separate APM for adjusted effective tax rate has been removed.

Reconciliation between GAAP and Alternative Performance Measures

Table A: Underlying revenue

Description	Unit of measure	Year ended	
		March 2022	March 2021
Revenue	**$m**	**4,714**	**3,908**
Less:			
Exceptional items	$m	-	(20)
Underlying revenue	**$m**	**4,714**	**3,888**

Table B: Underlying EBITDA and margin

Description	Unit of measure	Year ended	
		March 2022	March 2021
Operating profit	**$m**	**1,535**	**1,119**
Add:			
Depreciation and amortisation	$m	744	681
Charity and donation [1]	$m	-	6
Exceptional items	$m	32	(14)
Underlying EBITDA	**$m**	**2,311**	**1,792**
Underlying revenue	**$m**	**4,714**	**3,888**
Underlying EBITDA margin (%)	**%**	**49.0%**	**46.1%**

(1) Refer changes to APMs in Alternative performance measure (APMs) section.

Table C: Underlying profit / (loss) before tax

Description	Unit of measure	Year ended	
		March 2022	March 2021
Profit / (loss) before tax	**$m**	**1,224**	697
Exceptional items (net)	$m	(60)	(14)
Underlying profit / (loss) before tax	**$m**	**1,164**	683

Table D: Effective tax rate

Description	Unit of measure	Year ended					
		March 2022			March 2021		
		Profit before taxation	Income tax expense	Tax rate %	Profit before taxation	Income tax expense	Tax rate %
Reported effective tax rate	**$m**	**1,224**	**469**	**38.3%**	**697**	**282**	**40.5%**
Adjusted for:							
Exceptional items (provided below)	$m	(60)	2		(14)	36	
Foreign exchange rate movements for non-DTA operating companies & holding companies	$m	50	-		42	-	
One-off adjustment and tax on permanent differences	$m	(12)	(2)		-	(5)	
Effective tax rate	**$m**	**1,202**	**469**	**39.0%**	**725**	**313**	**43.2%**
<u>Exceptional items</u>							
1. Deferred tax asset recognition	$m	-	-		-	36	
2. Service Revenues	$m	-	-		(20)	-	
3. Gain on sale of tower assets	$m	(111)	0		-	-	
4. Employee restructuring cost	$m	-	-		6	-	
5. Bonds prepayment cost	$m	19	-		-	-	
6. Provision for settlement of contractual dispute	$m	12	2		-	-	
7. Spectrum fee agreement cost	$m	20	-		-	-	
Total	**$m**	**(60)**	**2**		**(14)**	**36**	

Table E: Underlying profit / (loss) after tax

Description	Unit of measure	Year ended	
		March 2022	March 2021
Profit / (loss) after tax	**$m**	**755**	**415**
Exceptional items	$m	(62)	(50)
Underlying profit / (loss) after tax	**$m**	**693**	**365**

Table F: Earnings per share before exceptional items

Description	Unit of measure	Year ended	
		March 2022	March 2021
Profit for the period attributable to owners of the company	**$m**	**631**	**339**
Operating and Non-operating exceptional items	$m	(60)	(14)
Tax exceptional items	$m	(2)	(36)
Non-controlling interest exceptional items	$m	33	19
Profit for the period attributable to owners of the company-before exceptional items	**$m**	**602**	**308**
Weighted average number of ordinary shares in issue during the financial period.	Million	3,754	3,758
Earnings per share before exceptional items	**Cents**	**16.0**	**8.2**

Table G: Operating free cash flow

Description	Unit of measure	Year ended	
		March 2022	March 2021
Net cash generated from operating activities	**$m**	**2,011**	**1,666**
Add: Income tax paid	$m	293	195
Net cash generation from operation before tax	**$m**	**2,304**	**1,861**
Less: Changes in working capital			
Increase in trade receivables	$m	18	8
(Decrease)/Increase in inventories	$m	(4)	4
(Increase)/Decrease in trade payables	$m	(34)	38
Increase in mobile money wallet balance	$m	(64)	(139)
Increase in provisions	$m	(14)	(1)
Increase in deferred revenue	$m	(27)	(17)
Decrease in income received in advance	$m	-	1
Increase in other financial and non-financial liabilities	$m	(50)	(18)
Increase in other financial and non-financial assets	$m	144	48
Operating cash flow before changes in working capital	**$m**	**2,273**	**1,785**
Other non-cash adjustments	$m	6	15
Charity and donation [1]	$m	-	6
Operating exceptional items	$m	32	(14)
Underlying EBITDA	**$m**	**2,311**	**1,792**
Less: Capital expenditure	$m	(656)	(614)
Operating free cash flow	**$m**	**1,655**	**1,178**

(1) Refer changes to APMs in Alternative performance measure (APMs) section.

Table H: Net debt and leverage

Description	Unit of measure	As at March 2022	As at March 2021
Long term borrowing, net of current portion	$m	1,486	1,871
Short-term borrowings and current portion of long-term borrowing	$m	786	1,468
Add: Processing costs related to borrowings	$m	5	5
Add/(less): Fair value hedge adjustment	$m	(16)	(21)
Less: Cash and cash equivalents	$m	(638)	(813)
Less: Term deposits with banks	$m	(220)	(257)
Less: Deposits given against borrowings/ non-derivative financial instruments	$m	(122)	-
Add: Lease liabilities	$m	1,660	1,277
Net debt	**$m**	**2,941**	**3,530**
Underlying EBITDA (LTM)	**$m**	**2,311**	**1,792**
Leverage (LTM)	**times**	**1.3x**	**2.0x**

Table I: Return on capital employed

Description	Unit of measure	Year ended	
		March 2022	March 2021
Operating profit	**$m**	**1,535**	**1,119**
Less:			
Operating exceptional items	$m	32	(14)
Underlying EBIT	**$m**	**1,567**	**1,105**
Equity attributable to owners of the Company	$m	3,502	3,405
Non-controlling interests (NCI)	$m	147	(52)
Net debt (refer Table H)	$m	2,941	3,530
Capital employed	**$m**	**6,590**	**6,883**
Average capital employed (1)	**$m**	**6,736**	**6,705**
Return on capital employed	**%**	**23.3%**	**16.5%**

(1) Average capital employed is calculated as average of capital employed at closing and opening of relevant period. Capital employed at the beginning of year ended 31 March 2022 and 2021 is $ 6,883m and $ 6,528m respectively.

Glossary

Technical and Industry Terms

4G data customer	A customer having a 4G handset and who has used at least 1 MB on any of the Group's GPRS, 3G & 4G network in the last 30 days.
Airtel Money (mobile money)	Airtel Money is the brand name for Airtel Africa's mobile money products and services. The term is used interchangeably with 'mobile money' when referring to our mobile money business, finance, operations and activities.
Airtel Money ARPU	Mobile money average revenue per user per month. This is derived by dividing total mobile money revenue during the relevant period by the average number of active mobile money customers and dividing the result by the number of months in the relevant period.
Airtel Money customer base	Total number of active subscribers who have enacted any mobile money usage event in last 30 days.
Airtel Money customer penetration	The proportion of total Airtel Africa active mobile customers who use mobile money services. Calculated by dividing the mobile money customer base by the Group's total customer base.
Airtel Money transaction value	Any financial transaction performed on Airtel Africa's mobile money platform.
Airtel Money transaction value per customer per month	Calculated by dividing the total mobile money transaction value on the Group's mobile money platform during the relevant period by the average number of active mobile money customers and dividing the result by the number of months in the relevant period.
Airtime credit service	A value-added service where the customer can take an airtime credit and continue to use our voice and data services, with the credit recovered through subsequent customer recharge. This is classified as a Mobile Services product (not a Mobile Money product).
ARPU	Average revenue per user per month. This is derived by dividing total revenue during the relevant period by the average number of customers during the period and dividing the result by the number of months in the relevant period.
Average customers	The average number of active customers for a period. Derived from the monthly averages during the relevant period. Monthly averages are calculated using the number of active customers at the beginning and the end of each month.
Capital expenditure	An alternative performance measure (non-GAAP). Defined as investment in gross fixed assets (both tangible and intangible but excluding spectrum and licences) plus capital work in progress (CWIP), excluding provisions on CWIP for the period.
Constant currency	The Group has presented certain financial information that is calculated by translating the results for the current financial year and previous financial years at a fixed 'constant currency' exchange rate, which is done to measure the organic performance of the Group. Growth rates for reporting regions and service segments are in constant currency as it better represents the underlying performance of the business. Constant currency growth rates for prior periods are calculated using closing exchange rates as at the end of prior period.
Customer	Defined as a unique active subscriber with a unique mobile telephone number who has used any of Airtel's services in the last 30 days.
Customer base	The total number of active subscribers that have used any of our services (voice calls, SMS, data usage or mobile money transaction) in the last 30 days.
Data ARPU	Data average revenue per user per month. Data ARPU is derived by dividing total data revenue during the relevant period by the average number of data customers and dividing the result by the number of months in the relevant period.
Data customer base	The total number of subscribers who have consumed at least 1 MB on the Group's GPRS, 3G or 4G network in the last 30 days.
Data customer penetration	The proportion of customers using data services. Calculated by dividing the data customer base by the total customer base.
Data usage per customer per month	Calculated by dividing the total MBs consumed on the Group's network during the relevant period by the average data customer base over the same period and dividing the result by the number of months in the relevant period.
Digitalisation	We use the term digitalisation in its broadest sense to encompass both digitisation actions and processes that convert analogue information into a digital form and thereby bring customers into the digital environment, and the broader digitalisation processes of controlling, connecting and planning processes digitally; the processes that effect digital transformation of our business, and of industry, economics and society as a whole through bringing about new business models, socio-economic structures and organisational patterns.
Diluted earnings per share	Diluted EPS is calculated by adjusting the profit for the year attributable to the shareholders and the weighted average number of shares considered for deriving basic EPS, for the effects of all the shares that could have been issued upon conversion of all dilutive potential shares. The dilutive potential shares are adjusted for the proceeds receivable had the shares actually been issued at fair value. Further, the dilutive potential shares are deemed converted as at beginning of the period, unless issued at a later date during the period.
Earnings per share (EPS)	EPS is calculated by dividing the profit for the period attributable to the owners of the company by the weighted average number of ordinary shares outstanding during the period.

Foreign exchange rate movements for non-DTA operating companies and holding companies	Foreign exchange rate movements are specific items that are non-tax deductible in a few of our operating entities, hence these hinder a like-for-like comparison of the Group's effective tax rate on a period-to-period basis and are therefore excluded when calculating the effective tax rate.
Indefeasible Rights of Use (IRU)	A standard long-term leasehold contractual agreement that confers upon the holder the exclusive right to use a portion of the capacity of a fibre route for a stated period.
Information and communication technologies (ICT)	ICT refers to all communication technologies, including the internet, wireless networks, cell phones, computers, software, middleware, videoconferencing, social networking, and other media applications and services.
Interconnect user charges (IUC)	Interconnect user charges are the charges paid to the telecom operator on whose network a call is terminated.
Lease liability	Lease liability represents the present value of future lease payment obligations.
Leverage	An alternative performance measure (non-GAAP). Leverage (or leverage ratio) is calculated by dividing net debt at the end of the relevant period by the underlying EBITDA for the preceding 12 months.
Minutes of usage	Minutes of usage refer to the duration in minutes for which customers use the Group's network for making and receiving voice calls. It includes all incoming and outgoing call minutes, including roaming calls.
Mobile services	Mobile services are our core telecom services, mainly voice and data services, but also including revenue from tower operation services provided by the Group and excluding mobile money services.
Net debt	An alternative performance measure (non-GAAP). The Group defines net debt as borrowings including lease liabilities less cash and cash equivalents, term deposits with banks, processing costs related to borrowings and fair value hedge adjustments.
Net debt to underlying EBITDA (LTM)	An alternative performance measure (non-GAAP) Calculated by dividing net debt as at the end of the relevant period by underlying EBITDA for the preceding 12 months (from the end of the relevant period). This is also referred to as the leverage ratio.
Network towers or 'sites'	Physical network infrastructure comprising a base transmission system (BTS) which holds the radio transceivers (TRXs) that define a cell and coordinates the radio link protocols with the mobile device. It includes all ground-based, roof top and in-building solutions.
Operating company (OpCo)	Operating company (or OpCo) is a defined corporate business unit, providing telecoms services and mobile money services in the Group's footprint.
Operating free cash flow	An alternative performance measure (non-GAAP). Calculated by subtracting capital expenditure from underlying EBITDA.
Operating leverage	An alternative performance measure (non-GAAP). Operating leverage is a measure of the operating efficiency of the business. It is calculated by dividing operating expenditure (excluding regulatory charges) by total revenue.
Operating profit	Operating profit is a GAAP measure of profitability. Calculated as revenue less operating expenditure (including depreciation and amortisation and operating exceptional items).
Other revenue	Other revenue includes revenues from messaging, value added services (VAS), enterprise, site sharing and handset sale revenue.
Reported currency	Our reported currency is US dollars. Accordingly, actual periodic exchange rates are used to translate the local currency financial statements of OpCos into US dollars. Under reported currency the assets and liabilities are translated into US dollars at the exchange rates prevailing at the reporting date whereas the statements of profit and loss are translated into US dollars at monthly average exchange rates.
Smartphone	A smartphone is defined as a mobile phone with an interactive touch screen that allows the user to access the internet and additional data applications, providing additional functionality to that of a basic feature phone which is used only for making voice calls and sending and receiving text messages.
Smartphone penetration	Calculated by dividing the number of smartphone devices in use by the total number of customers.
Total MBs on network	Total MBs consumed (uploaded & downloaded) by customers on the Group's GPRS, 3G and 4G network during the relevant period.
Underlying EBIT	Defined as operating profit/(loss) for the period adjusted for exceptional items.
Underlying EBITDA	An alternative performance measure (non-GAAP). Defined as operating profit before depreciation, amortisation and exceptional items.
Underlying EBITDA margin	An alternative performance measure (non-GAAP). Calculated by dividing underlying EBITDA for the relevant period by revenue for the relevant period.
Underlying Revenue	An alternative performance measure (non-GAAP). Defined as revenue before exceptional items.
Unstructured Supplementary Service Data	Unstructured Supplementary Service Data (USSD), also known as "quick codes" or "feature codes", is a communications protocol for GSM mobile operators, similar to SMS messaging. It has a variety of uses such as WAP browsing, prepaid callback services, mobile-money services, location-based content services, menu-based information services, and for configuring phones on the network.
Voice minutes of usage per customer per month	Calculated by dividing the total number of voice minutes of usage on the Group's network during the relevant period by the average number of customers and dividing the result by the number of months in the relevant period.
Weighted average number of shares	The weighted average number of shares is calculated by multiplying the number of outstanding shares by the portion of the reporting period those shares covered, doing this for each portion and then summing the total.

Abbreviations

2G	Second-generation mobile technology
3G	Third-generation mobile technology
4G	Fourth-generation mobile technology
ARPU	Average revenue per user
bn	Billion
bps	Basis points
CAGR	Compound annual growth rate
Capex	Capital expenditure
CSR	Corporate social responsibility
DTA	Deferred Tax Asset
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
EPS	Earnings per share
FPPP	Financial position and prospects procedures
GAAP	Generally accepted accounting principles
GB	Gigabyte
HoldCo	Holding company
IAS	International accounting standards
ICT	Information and communication technologies
ICT (Hub)	Information communication technology (Hub) IFRS
IFRS	International financial reporting standards
IMF	International monetary fund
IPO	Initial public offering
KPIs	Key performance indicators
KYC	Know your customer
LTE	Long-term evolution (4G technology)
LTM	Last 12 months
m	Million
MB	Megabyte
MI	Minority interest (non-controlling interest)
NGO	Non-governmental organisation
OpCo	Operating company
P2P	Person to person
PAYG	Pay-as-you-go
QoS	Quality of service
RAN	Radio access network
SIM	Subscriber identification module
Single RAN	Single radio access network
SMS	Short messaging service
TB	Terabyte
Telecoms	Telecommunications
UoM	Unit of measure
USSD	Unstructured supplementary service data

Risk Factors

The Group's business and the industry in which it operates, together with all other information contained in this document, including, in particular, the risk factors summarised below. Additional risks and uncertainties relating to the Group that are not currently known to the Group, or that the Group currently deem immaterial, may individually or cumulatively also have a material adverse effect on the Group's business, results of operations and financial condition.

Principal risks summarised

1. We operate in a competitive environment with the potential for aggressive competition by existing players, or the entry of new players, which could both put a downward pressure on prices, adversely affecting our revenue and profitability.
2. Failure to innovate through simplifying the customer experience, developing adequate digital touchpoints in line with changing customer needs and competitive landscape could lead to loss of customers and market share.
3. An inability to invest and upgrade our network and IT infrastructure could affect our ability to compete effectively in the market.
4. Cybersecurity threats through internal or external sabotage or system vulnerabilities could potentially result in customer data breaches and/or service downtimes.
5. Adverse changes in our external business environment, macro-economic conditions and/or supply chain processes could lead to a significant increase in our operating cost structure and negatively impact profitability.
6. Shortages of skilled telecommunications professionals in some markets and the inability to identify and develop successors for key leadership positions could both lead to disruptions in the execution of our corporate strategy.
7. Our internal control environment is subject to the risk that controls may become inadequate due to changes in internal or external conditions, new accounting requirements, delays, or inaccuracies in reporting.
8. Our telecommunications networks are subject to the risks of technical failures, aging infrastructure, human error, wilful acts of destruction or natural disasters.
9. Our multinational footprint means we are exposed to the risks of currency fluctuations including the availability of funds for repatriation to the Group company triggered by adverse macroeconomic conditions in the markets where we operate.
10. We operate in a diverse and dynamic legal, tax and regulatory environment. A failure to comply with relevant laws and regulations could lead to penalties, sanctions, and reputational damage.
11. Continued disruptions and uncertainties caused by the Covid-19 pandemic may impact the Group's ability to operate its business effectively and to achieve its objectives.