

ADDENDUM TO AGMM2019 AGENDA ITEM 5.1 2018 AUDITED REPORT

Information related to Agenda items 5.1 for the AGMM

5.1 2018 Audited Report

5.1.1 Presentation of Audited Financial Statement

5.1.2 Adoption of Financial Statement and Audit Report

The External Auditors PriceWaterhouseCoopers (PwC) has concluded their audits for the financial year ending 2018. The Annual Financial Statement and Report are available for consultation at the following url <https://afrinic.net/ast/pdf/financial-reports/afrinic-signed-financial-statement-2018.pdf>. The Audit Committee [AuditCo] will also present a summary of key highlights from the report during the AGMM. However, a general note is hereby presented below:

AFRINIC total income for financial year 2018 (fy18) stood at \$5,378,700. This indicates a slight increase in revenue by 5.6% for the 2018 financial year compared to 2017. A net surplus of \$1,340,142 was also realised. As the Board earlier declared in previous AGMM, the surplus will be used to replenish our reserve towards achieving the 2 years operational cost target that has been set by the Board. There is a 10.1% increase in administrative expenses compared to 2017 while the distribution expenses were reduced by 13%. The travel cost decreased by 14.2%.

A Representative from PriceWaterhouseCoopers (PWC) - our external auditor - will be available (physical or through remote) at our upcoming AGMM and members are welcomed to ask them any question as they find applicable.