



CONSOLIDATED ANNUAL REPORT 2022 -2024

CONTENTS

CHAIRMAN'S MESSAGE	3
ABOUT AFRINIC	4
CORPORATE GOVERNANCE	5
MEMBER SERVICES	26
FINANCIAL REPORT	27
COMMUNITY AND POLICY DEVELOPMENT	36
STAKEHOLDERS ENGAGEMENT	39
CAPACITY BUILDING	40
INFRASTRUCTURE AND SECURITY	42
PEOPLE AND PRODUCTIVITY	44
COMUNICATIONS AND PUBLIC RELATIONS	46
AUDITED FINANCIAL STATEMENTS 2020 - 2024	50



Prof Emmanuel Adewale Adedokun

Chairman of the Board
African Network Information Centre
(AFRINIC)

CHAIRMAN'S MESSAGE

The years 2022, 2023, and 2024 were among the most testing in AFRINIC's history. The organisation faced a spate of litigation, prolonged governance uncertainty, interruptions in decision-making authority, and recurring operational constraints linked to the absence of a stable governing environment. For a Regional Internet Registry entrusted with stewarding essential numbering resources and technical coordination functions for a continent, these were not ordinary pressures. They struck at the very conditions required for calm and predictable institutional work.

And yet, the record before us is also a record of persistence. AFRINIC remained present. It continued to serve members. It kept its registry operations running. It protected critical systems. It maintained its training, stakeholder outreach, and technical support functions. It honoured payroll and key obligations. It preserved a healthy financial position. Most of all, it continued to embody the idea that Africa must have a credible, stable, and trusted Regional Internet Registry.

This report, consolidated for practical purposes, makes that point with clarity. Financially, AFRINIC remained strong throughout the period, ending 2024 with improved reserves, stronger liquidity, and higher cash holdings than in 2022. Operationally, Member Services continued to manage large ticket volumes, support membership growth, and increase the adoption of RPKI and IRR services. Technically, the organisation sustained high service availability and continued to improve redundancy, monitoring, audit readiness, and security. Across the continent, AFRINIC still engaged governments, regulators, academic institutions, network operators, and members, while its Capacity Building work continued to equip engineers and operators with practical IPv6 and routing expertise.

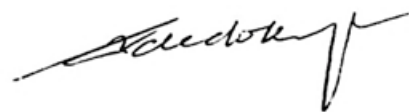
These results did not happen in ideal conditions. They happened because teams chose duty over discouragement. They happened because staff members kept the organisation moving even when approvals were slow, priorities shifted, and the future sometimes appeared uncertain. They happened because members, partners, and well-wishers still believed that AFRINIC matters - not only to the African Internet ecosystem, but to the integrity of the global Internet number resource system.

As Chairman, I believe the lessons of this period are both sobering and hopeful. They are sobering because they show the cost of institutional instability. They are hopeful because they show that AFRINIC still possesses the human commitment, operational capability, and continental legitimacy needed for recovery and renewal. The task before us now is not merely to survive difficulty. It is to convert the resilience shown during these years into a stronger, more stable, and more accountable future.

I therefore commend this report to members, not simply as a retrospective document, but as evidence of why governance restoration and institutional normalisation matter so deeply. The work carried out during these years deserves recognition. The sacrifices made by staff deserve appreciation. And the future of AFRINIC deserves the full seriousness, wisdom, and engagement of its membership.

With reassurance and resolve,

Prof Emmanuel Adewale Adedokun



Chairman of the Board

African Network Information Centre (AFRINIC)

Date: 2 June 2026

ABOUT AFRINIC

The African Network Information Centre (AfrinIC) Ltd, also known as AFRINIC, is the Regional Internet Registry (RIR) for Africa and the Indian Ocean region. It is responsible for the distribution and management of Internet number resources (IPv4 and IPv6 addresses and Autonomous System Numbers – ASNs). It was founded in 2004 and is a non-governmental, not-for-profit, membership-based organisation headquartered in Mauritius.

In April 2005, ICANN accredited AFRINIC as the fifth Regional Internet Registry according to criteria defined in its ICP-2 document (criteria for the establishment of regional Internet registries).

VISION: A secure and accessible Internet for sustainable digital growth in Africa

MISSION: To serve the African Internet community by delivering efficient services in a global multi-stakeholder environment

CORE FUNCTIONS

AFRINIC's core function is to assign and allocate Internet number resources (IPv4, IPv6 and ASNs) to its members and to provide related services, including RPKI and the management of the Reverse DNS (rDNS) zones for the Internet number resources it allocates and assigns.

MEMBERS

AFRINIC is a membership-based organisation and provides services to its members, mostly Internet Service Providers (ISPs), governments, educational institutions and end-users, within its geographical service region. At year-end 2025, AFRINIC had 2,506 active members. More details about membership can be found in the Member Services Section.

CORE VALUES

Community Driven
Excellence
Integrity
Passion

Corporate Governance Report

Statement of Compliance with the National Code of Corporate Governance (Section 75(3) of the Financial Reporting Act)

Name of Public Interest Entity: African Network Information Centre (AfriNIC) Ltd

Reporting Period: 1 January 2022 to 31 December 2024

The Board of Directors of the African Network Information Centre (AfriNIC) Ltd is committed to maintaining high standards of corporate governance and to conducting the affairs of the organisation with integrity, transparency, and accountability.

The Board, although it assumed office on 15 September 2025, has taken full cognizance of the governance vacuum existed immediately prior to its reconstitution including the appointment of the successive receivers by the Supreme Court of Mauritius and confirms, to the best of its knowledge and based on information obtained from the Interim Management Committee (established to oversee management operations in the absence of a substantive Chief Executive Officer) that the organisation has applied the principles of the National Code of Corporate Governance for Mauritius (2016) throughout the financial year 2022-2024, to the extent reasonably practicable in light of the prevailing circumstances at the time.

Where the organisation has not applied certain principles of the Code, the reasons for such departures and the alternative governance practices adopted have been explained in this Corporate Governance Report, in accordance with the “apply and explain” approach prescribed by the Code.

The Board considers that the governance framework currently in place is appropriate for the nature, size, and activities of the organisation and supports the effective oversight and management of its operations.

Declaration

We confirm that this Corporate Governance Report has been approved by the Board of Directors and fairly reflects the governance practices of the organisation.



Chairman
Date: 2 June 2026



Interim Management Committee
Date: 2 June 2026

ADHERENCE TO CORPORATE GOVERNANCE PRINCIPLES

AFRINIC is committed to upholding the highest standards of corporate governance in support of its mandate as the Regional Internet Registry serving Africa and the Indian Ocean region. Sound governance practices remain fundamental to ensuring accountability, transparency, operational resilience, and the responsible stewardship of Internet number resources entrusted to the organisation by the global Internet community.

Under its governance framework, AFRINIC's affairs are ordinarily directed by a Board of Directors, while the day-to-day management and operations of the organisation are entrusted to the Chief Executive Officer and the executive management team. The Board is supported by the Council of Elders in an advisory capacity. AFRINIC operates under a Constitution (Bylaws) developed and approved through its multistakeholder community processes, reflecting the organisation's commitment to participatory and community-driven governance.

During the period from June 2022 to September 2025, AFRINIC operated in the absence of a Board of Directors and Chief Executive Officer. Throughout this period, the organisation's operations and continuity were maintained by the leadership team,

comprising the Heads of Department, under the oversight of successive court-appointed receivers. Despite the exceptional governance circumstances, AFRINIC continued to fulfil its operational responsibilities and maintain critical services to the Internet community.

AFRINIC's governance framework is guided by:

- The Companies Act 2001 of Mauritius
- The Constitution (Bylaws) of AFRINIC
- The National Code of Corporate Governance for Mauritius (2016)

In line with the National Code of Corporate Governance, AFRINIC adopts the "apply and explain" approach, applying governance principles in a manner proportionate to the organisation's structure, mandate, and international operational environment.

This report presents the governance structures, oversight mechanisms, policies, and operational practices through which AFRINIC promotes ethical leadership, institutional accountability, transparency in decision-making, and the sustainable management of resources in the public interest.

PRINCIPLE 1

GOVERNANCE STRUCTURE

AFRINIC is governed by a Board of Directors comprising eight elected directors and the Chief Executive Officer (CEO). Collectively, the Board is responsible for providing strategic leadership, ensuring effective governance oversight, and safeguarding the long-term sustainability of the organisation.

The Board oversees the conduct of AFRINIC's business and affairs and ensures that the organisation fulfils its mandate as the Regional Internet Registry for Africa and the Indian Ocean region in accordance with applicable legal, regulatory, and governance frameworks. In carrying out its responsibilities, the Board provides guidance on strategic priorities, organisational performance, risk management, financial stewardship, and policy oversight.

During the reporting period from 1 January 2022 to 31 December 2024, AFRINIC's Board of Directors was composed of the following members:

Seat Number	Name	Country	Region	From	To
Seat 1	Prof Habib Youssef	Tunisia	Northern Africa	20 July 2019	30 June 2022
Seat 2	Emmanuel Adewale Adedokun	Nigeria	Western Africa	20 June 2019	30 June 2022
Seat 3	Subramanian Moonesamy	Mauritius	Indian Ocean	18 September 2020	18 September 2023
Seat 4	Vacant		Central Africa		
Seat 5	Silvio Almada	Angola	Southern Africa	27 December 2021	June 2022
Seat 6	Dr Abdalla Omari	Kenya	Eastern Africa	18 September 2020	18 September 2023
Seat 7	Oluwaseun Ojedeji	Nigeria	Non-Regional Africa	20 June 2019	June 2022
Seat 8	Benjamin Eshun	Ghana	Non-Regional Africa	18 September 2020	18 September 2023
Seat 9	Eddy Mabano Kayihura – Appointed CEO of AFRINIC. AFRINIC CEO's contract expired on 03 November 2022.				

The management and administration of AFRINIC are conducted under the direction and supervision of the Board. Directors serve in a non-executive capacity and do not receive remuneration for their services. However, they may be reimbursed for reasonable expenses incurred in the performance of their duties on behalf of AFRINIC, including travel, accommodation, and subsistence expenses associated with Board and organisational activities.

The Chief Executive Officer is responsible for the day-to-day management and operational administration of AFRINIC and serves as an executive member of the organisation. The CEO is remunerated in accordance with the organisation's employment and compensation policies.

AFRINIC GOVERNANCE FROM 2022 TO 2024

Prior to the Annual General Members' Meeting (AGMM) held in 2022, AFRINIC's Board of Directors comprised eight members, including the Chief Executive Officer (CEO) serving as an ex-officio director, and seven elected directors.

The Board was due to be reconstituted through elections scheduled during the 2022 AGMM. However, the election process could not proceed following the issuance of an Interim Order in the matter of *Larus Cloud Service v AFRINIC & Anor* (SC/COM/MOT/000334/2022). Despite the postponement of the elections, five directors remained in office, thereby maintaining the quorum required for the Board to continue functioning.

Subsequently, on 14 June 2022, a further Interim Order in the matter of *Africa on Cloud (Pty) Ltd v AFRINIC* (SC/COM/WRT/000418/2022) restrained AFRINIC from holding Board meetings with the participation of Dr A. Omari. As a result, the Board no longer met the quorum requirements necessary to convene formally, although the remaining directors continued to act in their individual capacities.

On 30 June 2022, another Interim Order issued in *Crystal Web (Pty) Ltd v AFRINIC* (SC/COM/WRT/000454/2022), among other restrictions, prevented AFRINIC's CEO from acting as an ex-officio director of the Board.

The contract of AFRINIC's CEO expired on 3 November 2022. In the absence of a quorate Board empowered to appoint a successor, AFRINIC remained without a Chief Executive Officer from 4 November 2022 onward. Consequently, the number of remaining directors was reduced to four, namely Mr S. Moonesamy, Mr Silvio Almada, Dr Abdalla Omari, and Mr Benjamin Eshun.

On 12 September 2023, following an application made under Section 178 of the Companies Act 2001 by Cloud Innovation Ltd (CIL) in the matter SC/COM/MOT/000156/2023, the Supreme Court of Mauritius (Commercial Division) appointed the Official Receiver with the following mandate:

- To restrain and prohibit AFRINIC from subjecting itself to any takeover, merger, restructuring, or transfer of management control in any form whatsoever;
- To preserve the status quo of AFRINIC's assets and maintain the value of the organisation's business; and
- To oversee the conduct of elections in accordance with AFRINIC's Constitution to facilitate the reconstitution of a properly constituted Board and the appointment of a Chief Executive Officer.

On 28 September 2023, former director Mr Benjamin Eshun, purportedly acting on behalf of AFRINIC, lodged an appeal against the judgment of 12 September 2023. The filing of the appeal automatically stayed the judgment and temporarily suspended the authority of the Official Receiver over AFRINIC.

On 2 October 2023, CIL argued before the Acting Deputy Master and Registrar that Mr Eshun lacked authority to act on behalf of AFRINIC, as he was no longer a director of the organisation. As a result, AFRINIC's appeal was stayed. CIL subsequently appealed that ruling.

LEADERSHIP TEAM

Arthur N'Guessan - Head of Stakeholder Development

Mukom Tamon - Head of Capacity Building

Nirmal Manic - Head of Finance & Accounting

Yavisht Toolseeya - Head of People & Productivity

Michel Odou - Head of IT & Security

James Chirwa - Head of Member Services

Keessun Fokeerah - Head of Registry Products

Yogesh Chadee - Head of Value Added Services

Ashil Oogarah - Communication Team Lead

Madhvi Gokool - Senior IP Resources Specialist

Cedrick Mbeyet - Stakeholder Development Manager

Thereafter, on 4 October 2023, CIL obtained an Interim Order in the matter SC/COM/WRT/000762/2023 restraining Mr Eshun from representing AFRINIC. The effect of the Order was to restore the authority of the Official Receiver.

However, on 13 October 2023, Mr Eshun applied before the Court of Civil Appeal to set aside the Orders of 2 and 4 October 2023 in order to allow the appeal of 28 September 2023 to proceed. On 16 October 2023, the Court granted the application, thereby suspending the Official Receiver's authority once more pending the determination of the original appeal.

During this period, Messrs Benjamin Eshun, Abdalla Omari, Silvio Almada, and S. Moonesamy continued to act as individual directors.

On 15 October 2024, the Court of Appeal dismissed the appeal lodged on 28 September 2023 (2024 SCJ 473), holding that Mr Eshun did not possess the authority to file the appeal on behalf of AFRINIC. As a consequence, the authority of the Official Receiver was reinstated, and the Court directed that the Board be reconstituted by 15 December 2024.

Subsequently, pursuant to a Court Order dated 25 November 2024 (SC/COM/MOT/000859/2024), the deadline granted to the Official Receiver was extended to 30 June 2025.

PRINCIPLE 2

STRUCTURE OF THE BOARD AND ITS COMMITTEES

The Board of Directors of AFRINIC is structured to reflect the regional diversity of AFRINIC's service area and to promote inclusive community participation in the organisation's governance processes. Directors are elected by members from the various sub-regions within the AFRINIC service region, thereby ensuring balanced representation and broad stakeholder involvement in strategic decision-making.

Through its composition, the Board seeks to maintain an appropriate balance of skills, experience, and professional expertise necessary to support AFRINIC's mandate and operational responsibilities as the Regional Internet Registry for Africa and the Indian Ocean region.

Collectively, members of the Board bring expertise across a range of disciplines, including:

- Internet governance and policy development;
- Telecommunications, networking, and technical infrastructure;
- Finance, accounting, and financial oversight;
- Legal, regulatory, and compliance matters; and
- Corporate and organisational governance.

This diversity of competencies enables the Board to exercise effective oversight, contribute informed perspectives on strategic matters, and support sound governance and risk management practices across the organisation.

Where appropriate, the Board may establish committees or rely on advisory structures provided for under AFRINIC's governance framework to assist in the discharge of its responsibilities and to strengthen oversight in specific functional areas.

BOARD ATTENDANCE

Name	18 January 2022	26 January 2022	21 February 2022	2 March 2022	9 March 2022	19 March 2022	6 April 2022	13 April 2022	20 April 2022	11 May 2022	4 June 2022	5 June 2022	10 June 2022
Prof Habib Youssef	√	√	√	√	√	√	√	√	√	√			
Prof Adewale Adedokun	√	√	√	√	√	√	√	√	√	√			
Subramanien Moonesamy	√	√	√	√	√	√	√	√	√	√	x	x	√
Silvio Almada	√	√	√	√	√	√	√	√	√	√	√	√	√
Dr Abdalla Omari	√	√	√	√	√	√	√	√	x	√	√	√	√
Benjamin Eshun	√	√	√	√	√	√	√	√	√	√	√	√	√
Seun Ojedeji	√	√	√	√	√	√	√	√	√	√			
Eddy Kayihura (CEO)	√	√	√	√	√	√	√	√	√	√			

*Key: Black represents Not a Board Director

2022 BOARD RESOLUTIONS

During 2022, 34 resolutions were discussed and resolved. A detailed overview of these resolutions can be found <https://afrinic.net/board/meeting/2022>

2022 BOARD COMMITTEES

Committees are established by the Board of Directors of AFRINIC in accordance with Article 15.3 of the AFRINIC Bylaws to support the effective discharge of its governance and oversight responsibilities.

Board Committees serve to enhance the efficiency and effectiveness of the Board's work by providing focused attention on specific areas of governance, oversight, and organisational performance. They enable more detailed review and analysis of key matters, thereby supporting informed decision-making at Board level.

Each Committee operates under a defined mandate approved by the Board and reports to the Board through its respective Chairperson. This reporting structure ensures clear accountability and facilitates the timely escalation of matters requiring Board consideration or approval.

In addition to standing committees, the Board may establish ad hoc committees from time to time to address specific issues, projects, or time-bound activities. These temporary structures are designed to provide targeted oversight and expertise where required, and are dissolved upon completion of their assigned mandate.

Through this committee framework, AFRINIC's governance structure promotes transparency, accountability, and effective oversight across its activities and strategic priorities.

The Audit Committee

The Audit Committee of AFRINIC assists the Board of Directors in fulfilling its oversight responsibilities in relation to financial reporting, internal controls, and risk management.

The Committee provides independent review and oversight of the organisation's financial reporting processes, with the objective of ensuring that published financial information is balanced, transparent, and reliable. It also plays a key role in reviewing the integrity of AFRINIC's financial disclosures and supporting the maintenance of high standards of financial governance.

In addition, the Audit Committee evaluates the effectiveness of AFRINIC's internal control environment, including internal financial controls, risk management systems, and internal audit functions. Its scope further extends to oversight of information systems and information technology governance, ensuring that these systems adequately support operational integrity, security, and organisational resilience.

Through its work, the Audit Committee strengthens accountability mechanisms and supports the Board in maintaining sound governance practices across AFRINIC's financial and operational activities

Committee Members:

- Benjamin Eshun
- Silvio Almada
- Prof Habib Youssef
- Seun Ojedeji

Finance Committee

The Finance Committee of AFRINIC supports the Board of Directors in overseeing the organisation's financial strategy, planning, and performance.

The Committee is responsible for monitoring significant matters relating to financial planning, management, budgeting, and reporting. It reviews key financial information and provides guidance to ensure the integrity and consistency of financial practices and disclosures.

In carrying out its mandate, the Finance Committee contributes to safeguarding the organisation's fiscal stability and supporting its long-term financial sustainability. It also reviews financial performance against approved budgets and strategic objectives, and makes appropriate recommendations to the Board for consideration and approval.

Committee members:

- Dr Abdalla Omari
- Prof Adewale Adedokun
- Eddy Kayihura [CEO]

Remuneration Committee

The Remuneration Committee of AFRINIC operates on behalf of the Board of Directors and supports the development and oversight of the organisation's remuneration framework.

The Committee is responsible for reviewing and making recommendations to the Board regarding AFRINIC's overall remuneration policy, with particular reference to executive and senior management compensation. This includes the determination and alignment of remuneration principles with the organisation's strategic objectives, governance framework, and long-term sustainability.

Its remit also covers performance-related remuneration elements, including short-term incentive schemes such as bonuses, as well as long-term incentive arrangements where applicable. In doing so, the Committee ensures that remuneration practices are fair, competitive, transparent, and appropriately linked to individual and organisational performance.

Committee members:

- Benjamin Eshun
- Seun Ojedeji
- Prof Habib Youssef
- Eddy Kayihura [CEO]

The Council of Elders

Article 16 of the bylaws enables the Board of Directors (BoD) to appoint up to six former AFRINIC BoD chairpersons to the AFRINIC Council of Elders. Those who are eligible for membership to the Council of Elders should have served for at least one full term as the Chair of the AFRINIC BoD. The Council of Elders performs an advisory role. The Council of Elders is currently composed of:

- Dr. Viv Padayatchy
- Mr Pierre Dandjinou
- Mrs Maimouna Diop
- Dr Nii Quaynor
- Dr Christian Bope

PRINCIPLE 3

DIRECTOR APPOINTMENT PROCEDURES

Directors of AFRINIC are elected by its members in accordance with the provisions of the AFRINIC Constitution (Bylaws). This member-driven election process is designed to uphold the core governance principles of transparency, fairness, and balanced regional representation across AFRINIC's service region.

The organisation maintains established procedures governing the eligibility, nomination, and election of directors. These procedures are intended to ensure that candidates meet defined governance and suitability requirements, and that the election process is conducted in a consistent and transparent manner in accordance with applicable governance standards.

Following election, newly appointed directors undergo an induction and orientation process. This ensures that they are appropriately familiarised with AFRINIC's governance framework, operational environment, strategic objectives, and their fiduciary duties and responsibilities as members of the Board.

However, the normal election cycle was disrupted following an Interim Order dated 17 May 2022 issued by the Supreme Court of Mauritius in the matter SC/COM/MOT/000334/2022 (Larus Cloud Service Ltd v AFRINIC & Anor), which prevented AFRINIC from holding Board elections at its 2022 Annual General Members' Meeting. This resulted in the postponement of the reconstitution of the Board following the expiry of the terms of certain directors.

Subsequently, an Interim Order dated 14 June 2022 in the matter SC/COM/WRT/000418/2022 (Africa on Cloud (Pty) Ltd v AFRINIC) further affected Board governance, contributing to a situation in which the Board was unable to function with a full quorum.

NOMINATION COMMITTEE (NOMCOM)

According to Article 9 of the AFRINIC Bylaws, a Nomination Committee is appointed by the Board and works to ensure that appropriate candidates are nominated for open Board seats and that all elections are conducted according to current procedures. The four members of this committee are appointed by the Board.

NomCom 2022

Committee members:

- Bill Sangiwa
- Noah Maina
- Ali Hadji Mmadi
- Dr Abdalla Omari (Board representative)

PRINCIPLE 4

DIRECTOR DUTIES, REMUNERATION AND PERFORMANCE

Directors of AFRINIC are bound by the fiduciary duties and responsibilities prescribed under the Companies Act 2001 and are expected to uphold the highest standards of integrity, accountability, and governance in the discharge of their responsibilities.

- In fulfilling their mandate, Directors are required to:
- act in good faith and in the best interests of AFRINIC;
- exercise due care, diligence, and professional judgement;
- avoid actual or potential conflicts of interest; and
- preserve the confidentiality of sensitive organisational and stakeholder information.

Consistent with practices across the Regional Internet Registry ecosystem, AFRINIC Directors serve on a non-remunerated basis. Directors may, however, be reimbursed for reasonable expenses incurred in the course of carrying out their official duties and responsibilities.

To promote continuous improvement and effective governance, the Board may periodically undertake self-assessments to evaluate its performance, effectiveness, and overall contribution to the organisation's strategic objectives.

PRINCIPLE 5

RISK GOVERNANCE AND INTERNAL CONTROL

The Board of AFRINIC is responsible for ensuring that appropriate risk governance frameworks and internal control systems are established and maintained to support the organisation's stability, accountability, and long-term sustainability.

These frameworks are designed to identify, assess, and mitigate risks relating to:

- financial management and stewardship;
- operational continuity and service resilience;
- legal and regulatory compliance; and
- the protection of AFRINIC's reputation and institutional credibility.

The Board is supported in this responsibility by the Audit Committee, which assists in overseeing financial reporting processes, internal controls, audit functions, and enterprise risk management practices.

In addition, AFRINIC maintains a standing Governance Committee mandated to advise the Board, the membership, and the wider community on governance-related matters. The Committee contributes to the strengthening of governance practices, transparency, and accountability across the organisation. Its Terms of Reference and operational guidelines are publicly available on the AFRINIC Governance Committee page.

Given AFRINIC's role as the Regional Internet Registry responsible for the management of critical Internet number resources across Africa and the Indian Ocean region, maintaining robust governance, risk management, and internal control mechanisms remains essential to safeguarding organisational credibility, operational resilience, and stakeholder trust.

During the period in which the Board was not quorate, oversight of operational management, risk governance, and internal controls was maintained by AFRINIC's Management Team, comprising the organisation's Heads of Department, together with the then serving Directors acting in their individual capacities. Guidance and advice were also sought periodically from the Council of Elders to support continuity and institutional stability during the governance transition period.

LEGAL CHALLENGES DURING THE PERIOD 2022 TO 2024

During the period 2022 to 2024, AFRINIC has been involved in a series of significant legal proceedings before the Supreme Court of Mauritius. These included disputes with certain resource members, notably Cloud Innovation Ltd and its associated entity Larus Cloud Service Ltd, as well as court applications giving rise to interim orders, including injunctions affecting aspects of AFRINIC's operations and governance, as described above.

In addition, the organisation was subject to court-supervised processes, including the appointment of a receiver in respect of certain matters, which had consequential implications on its corporate governance framework. These developments contributed to a prolonged period during which the Board was not duly constituted or quorate, thereby constraining AFRINIC's ability to take certain strategic and policy decisions in accordance with its bylaws.

Notwithstanding these challenges, AFRINIC continued to comply with applicable court orders and regulatory requirements, while actively engaging with its legal advisers to safeguard its position in ongoing proceedings. The organisation remained focused on ensuring the continuity, stability, and security of its core registry functions for the benefit of its members and the wider Internet community.

Several of these matters were ongoing as at the end of the reporting period and remain subject to judicial determination. Accordingly, this report provides a high-level overview only, in order to avoid prejudice to AFRINIC's position in any current or prospective legal proceedings.

A list of all AFRINIC-related cases is available at <https://afrinic.net/court-cases>, for ease of reference.

PRINCIPLE 6

REPORTING WITH INTEGRITY

AFRINIC remains committed to maintaining high standards of transparency, accountability, and responsible disclosure in its engagement with members, stakeholders, and the broader Internet community.

As part of this commitment, AFRINIC ensures:

- the preparation and publication of annual financial statements;
- the publication of annual reports detailing organisational activities and performance;
- compliance with applicable statutory and regulatory filing requirements in Mauritius; and
- the timely disclosure of significant governance and organisational developments affecting the institution.

Transparent reporting practices play an essential role in reinforcing accountability, promoting informed stakeholder participation, and sustaining confidence in AFRINIC's governance and operational processes.

To support openness and accessibility of information, AFRINIC makes key governance and financial documents publicly available through its official website, including:

[Annual Financial Statements](#)

[Annual Reports](#)

[Board Meetings and Resolutions](#)

PRINCIPLE 7

AUDIT

AFRINIC's financial statements are subject to independent external audit as part of the organisation's commitment to sound financial governance, accountability, and transparency.

The Audit Committee supports the Board in overseeing the integrity of the financial reporting process, the effectiveness of internal financial controls, and the organisation's relationship with external auditors. Through this oversight role, the Committee contributes to ensuring that AFRINIC's financial management practices remain aligned with recognised governance and accountability standards.

It is important to note that, during the 2022 Annual General Members' Meeting (AGMM), members voted against the appointment of an external auditor. As a result, AFRINIC operated without an appointed external auditor for the 2022, 2023, and 2024 financial periods, a situation further compounded by the absence of a quorate Board during those accounting periods. The Registrar of Companies in Mauritius was duly informed of the circumstances.

The matter was subsequently resolved following the appointment of a court-appointed Receiver, who facilitated the appointment of Mazars Fortis as AFRINIC's external auditor for the relevant financial periods.

Notwithstanding these governance challenges, AFRINIC continued to maintain the operational integrity of its registry functions. In May 2024, AFRINIC underwent an operational audit of its registry services conducted by ICANN. As at the date of this report, no breaches of AFRINIC's obligations, whether material or otherwise, had been communicated to the organisation following that audit.

In the interest of transparency and stakeholder accountability, AFRINIC also continues to publish its financial reports and related financial information on the [AFRINIC Finance Reports page](#)

PRINCIPLE 8

RELATIONS WITH MEMBERS AND STAKEHOLDERS

As a membership-based organisation, AFRINIC places its members at the centre of its governance framework and decision-making processes. Active member participation is fundamental to maintaining the organisation's legitimacy, accountability, and community-driven model of Internet resource governance.

Members contribute to AFRINIC's governance and policy development processes through:

- participation in Annual and Special General Members' Meetings (AGMMs and SGMMs);
- participation in Board election processes; and
- engagement in policy development activities, including Public Policy Meetings and related discussions.

Beyond its membership base, AFRINIC maintains ongoing engagement with a broad range of stakeholders across the Internet ecosystem, including:

- Internet service providers and network operators;
- governments and regulatory authorities;
- regional and continental organisations; and
- the global Internet technical and governance community.

Sustaining transparent communication, inclusive dialogue, and collaborative engagement with these stakeholders remains essential to AFRINIC's role and credibility as the Regional Internet Registry serving Africa and the Indian Ocean region.

To support participation and information sharing across the community, AFRINIC continued to facilitate engagement through community meetings, webinars, public consultations, and open mailing lists, ensuring continuity of dialogue and stakeholder involvement throughout the reporting period.

[Community Meetings](#) | [Webinars](#) | [Mailing lists](#)

ETHICAL CONDUCT AND TRANSPARENCY

AFRINIC is committed to fostering a culture of integrity, accountability, transparency, and ethical conduct across all levels of the organisation.

To support and reinforce this governance culture, AFRINIC maintains a number of policies and mechanisms designed to promote responsible conduct and organisational accountability, including:

- a Code of Conduct governing professional and ethical behaviour;
- Conflict of Interest provisions aimed at safeguarding impartiality and good governance; and
- mechanisms for the confidential reporting of concerns, unethical behaviour, or misconduct through the NAVEX Ethics reporting platform.

These governance instruments contribute to strengthening trust, promoting responsible decision-making, and ensuring that AFRINIC continues to operate in a manner consistent with its mission, values, and responsibilities to the African and Indian Ocean Internet community.

CONCLUSION

AFRINIC's corporate governance framework is aligned with both the statutory requirements under Mauritian law and the principles set out in the National Code of Corporate Governance for Mauritius.

Through transparent governance processes, accountable leadership, and sustained engagement with its members and broader stakeholder community, AFRINIC seeks to fulfil its mandate as the Regional Internet Registry for Africa in a responsible, effective, and sustainable manner.

OPERATIONAL UPDATES

MEMBER SERVICES

Member Services is the customer-facing department and first point of contact for registry-related services.

In 2022, the team handled 30,707 support tickets and maintained an average Service Level Commitment (SLC) of 80%. Membership still grew by 195 (6.4%) to 2,116 members. The department issued 249,596 IPv4 addresses, and service adoption advanced: 20.69% of resource members were using RPKI by year-end, and 72.3% were using AFRINIC's IRR service. Moreover, we issued 136 IPv6 prefixes and made 221 ASN assignments during the year. At the end of 2022, 0.083 of a /8 was left in our IPv4 address pool.

In 2023, overall ticket volume was 26,766, while average SLC improved to 86.8%. Membership reached 2,290 members, and 187 new members were enrolled. Resource issuance decreased from 2022 to 199,190 IPv4 addresses. 117 IPv6 prefixes, and 186 ASNs were delegated in 2023. At the end of 2023, 0.07 of a /8 was left in our IPv4 address pool.

In 2024, ticket volume rose to 45,246 for the full year. The team still improved the average SLC to 88.6% from 2023. Membership reached 2,348 members, representing absolute growth of 58 new members and 132 new member activations during the year. Resource issuance for the year reached 216,064 IPv4 addresses, 119 IPv6 prefixes, and 142 ASNs, while the available IPv4 pool fell to 0.059 of a /8.

One of the most positive trends for the 2022-2024 period was the growth in service uptake. RPKI adoption increased from 20.69% in 2022 to 25% in 2023 and 30.74% in 2024, allowing AFRINIC to meet the 30% strategic target by 2024. The number of resource members using the IRR service also increased, from 1,527 in 2022 to 1,691 in 2023 and 1,767 in 2024. The total share of resource members using the IRR rose from 72.3% to 75.44% across the same period. These gains matter because they reflect not only service delivery, but also member confidence in AFRINIC.

FINANCIAL REPORT

2022 FINANCIAL RESULTS OVERVIEW (ANNEX)

2022 financial results in a nutshell; net surplus; record cash holdings; increased total reserves and improved liquidity ratio. A very healthy Balance Sheet.

AFRINIC faced some major challenges in 2022. The ongoing litigation against AFRINIC, no quorate Board as from June 2022, and the expiration of the previous CEO's contract in November 2022 made things complicated.

Nevertheless, 2022 recorded yet another good operational financial performance closing on a net surplus of **USD 1,152K (2021: USD 1,917K)**. Total

Revenue recorded a positive growth; equivalent to an increase of 14% over the previous year. To note that the total revenue amount includes a grant of **USD 504K** from different stakeholders in 2021 which has been accounted as a grant this year and also an amount of **USD 250K** from the NRO EC to support AFRINIC's legal expenses. Closing total cash position reflected an improvement, with an increase of **12%** higher than the total holding as at the last audited balance sheet.

With the ongoing legal cases against Afrinic , an amount of **USD 1,250,527** were recognised as legal expenses to external lawyers.

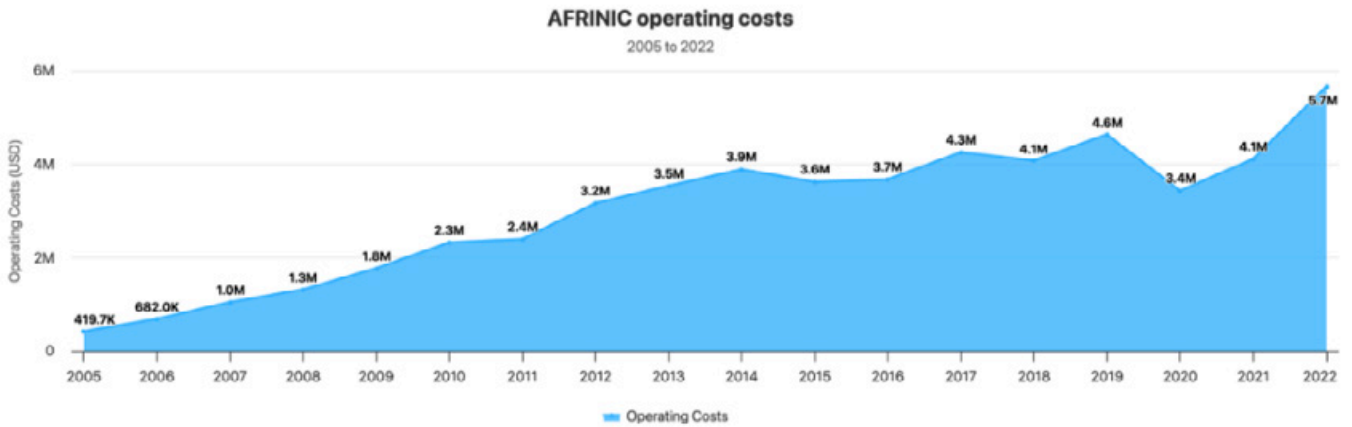
REVENUE - Membership fee income

Membership Fees and service-related fees from members remain the primary source of revenue.

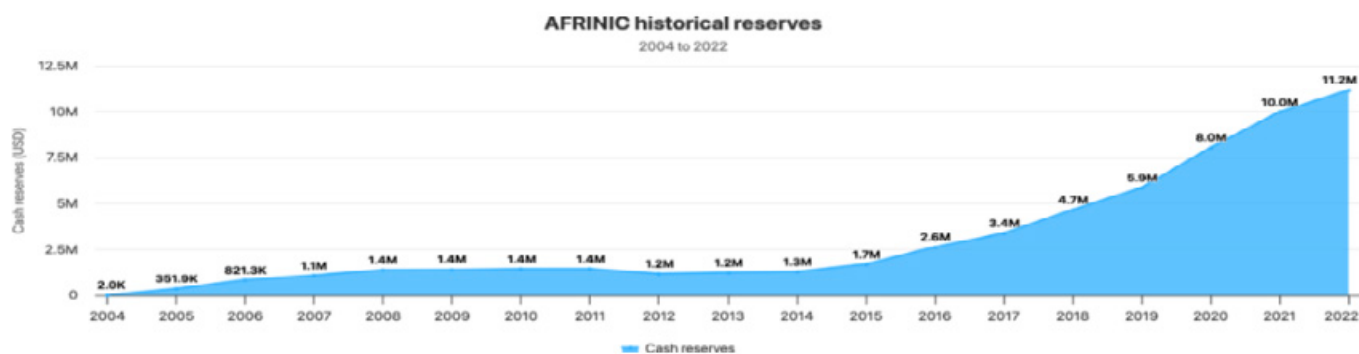


Total revenue from members grew by **2%** from **USD 5,978K** in 2021 to **USD 6,084K** in 2022. A fall of **12%** in Revenue from Allocation and Assignment was observed compared to 2021. Late Payment Penalties amounted to **USD 175K (2021:USD 148 K)** whilst AFRINIC support to Research & Educational Institutions and Critical Infrastructures in the region, via discounted fees and early settlement discount, amounted to **USD172K (2021:USD196K)**. During the NRO EC (Number Resource Organization Executive Council) face-to-face meeting in February 2022, the NRO EC resolved to contribute **USD 250,000** to AFRINIC's legal representation expenses.

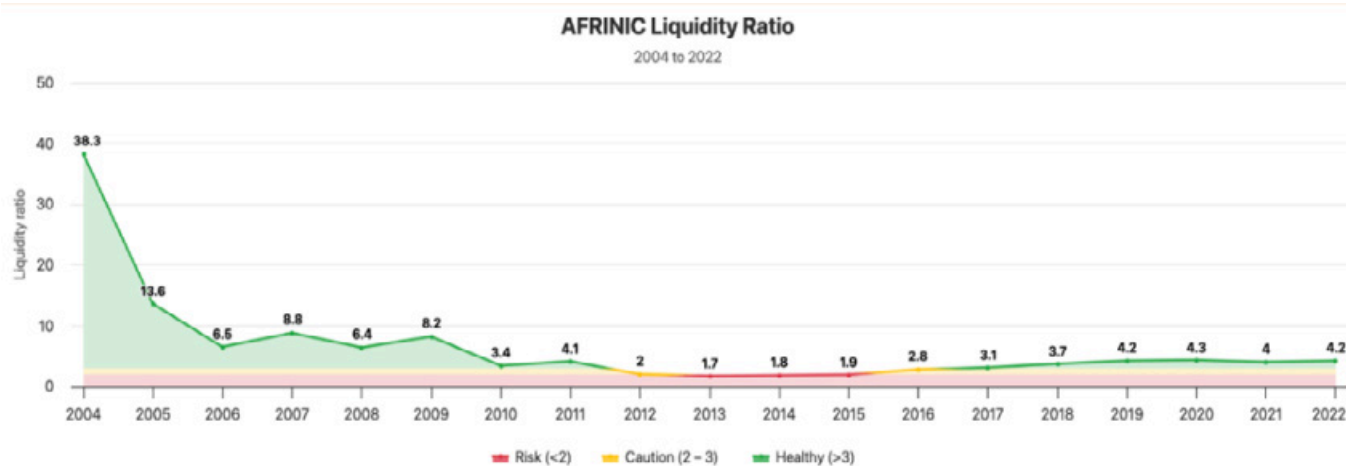
Operating Costs



Total operating costs for the financial year to December 2022 amounted to **USD 5,657K**. HR costs continue to dominate total operating costs, accounting for **43%** (**2021: 58%**) of Total Operating Costs. Bank charges saw a higher than anticipated increase due to an increasing number of fee settlements via Credit Card; and increased overall Fee Revenue.



The Bottom Line



A net Surplus of **USD 1,152K (2021: USD 1,917K)** was recorded for the financial year to 31 December 2022. Consequently, Revenue Reserves reflected a growth of **11.6% (2021: 24.3%)**, increasing to **USD 11,085K from USD 9,933K in 2021**. The Liquidity Ratio continues to improve in the light of the increased closing total cash holdings of **USD 13,297K from USD 11,910K in 2021**. The Liquidity Ratio stood at **4.2:1 (2021: 4:1)**.

FINANCIAL REPORT

2023 FINANCIAL RESULTS OVERVIEW (ANNEX)

The financial year ended 31 December 2023 reflects a strong and resilient performance, with the organisation maintaining a solid financial position despite significant governance and operational constraints. In the absence of a quorate Board, a Chief Executive Officer, and an approved annual budget, the organisation successfully met all contractual and operational obligations while maintaining prudent financial discipline.

The year closed with a net surplus of **USD 2,289K**,

representing an increase from **USD 1,152K** in 2022. Cash holdings improved significantly, increasing by **20%** compared to the previous year, while total reserves and liquidity ratios also strengthened.

With the ongoing legal cases against AFRINIC, an amount of **USD 1,133,630** were recognised as legal expenses to external lawyers (**2022 : USD 1,250,527**) recognised as legal expenses to external lawyers.

REVENUE - Membership fee income

Membership fees and related service charges continue to represent the primary source of revenue for the organisation.

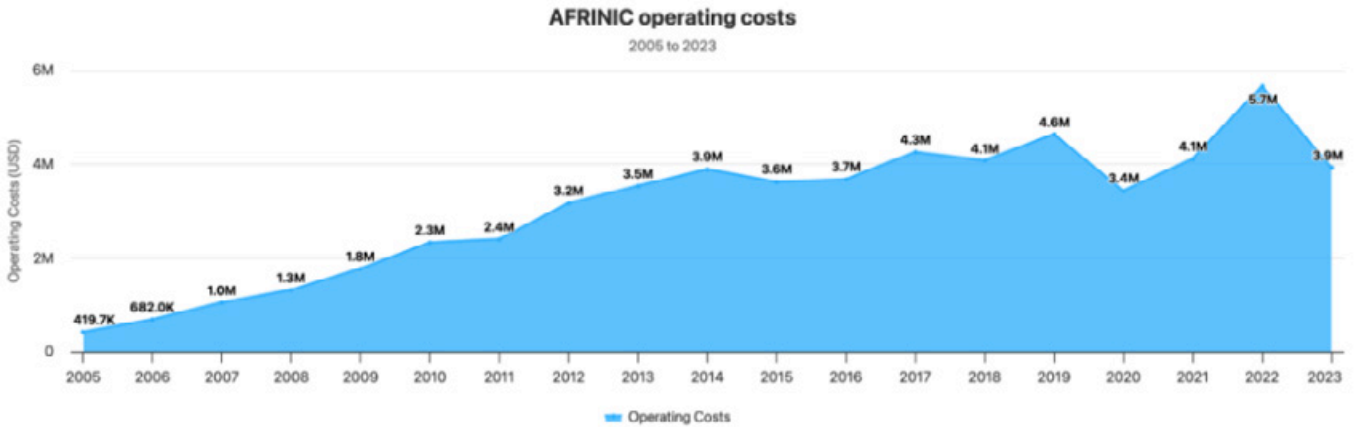
Total revenue from members amounted to **USD 6,002K**, reflecting a slight decrease from **USD 6,084K** in 2022. Due to the governance vacuum, there were some challenges for the release of resources to new members.

Revenue from Allocation and Assignment recorded a 10% decrease compared to the previous year. Late payment penalties contributed **USD 157K**, slightly lower than **USD 175K** in 2022. whilst AFRINIC support to Research & Educational Institutions and Critical Infrastructures in the region via discounted fees and early settlement discount, amounted to **USD 213K** compared to **USD 172K** in 2022.

Despite the marginal decline in 2023, fee revenue has demonstrated consistent long-term growth and has **more than doubled since 2012**, reflecting sustained expansion in the membership base and service demand.



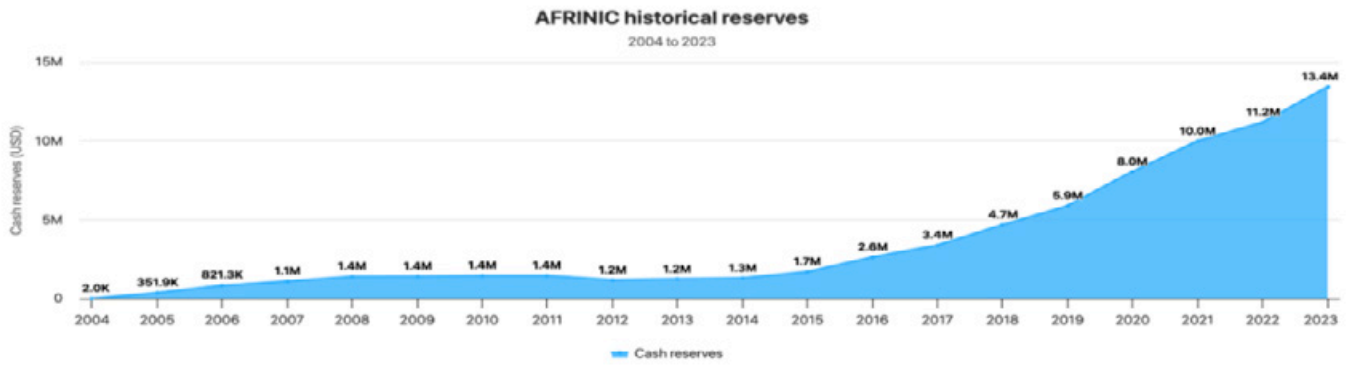
Operating Costs



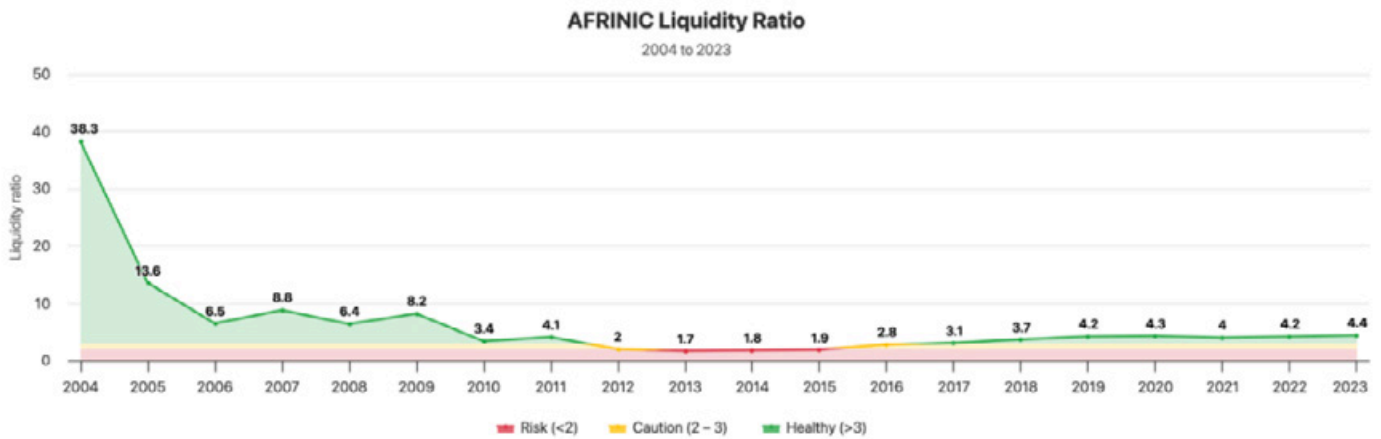
Total operating costs for the year were **USD 3,926K**, representing a significant reduction from **USD 5,657K** in 2022.

Total Human resource costs remain the largest component of expenditure, accounting for **46%** of total operating costs, compared to **43%** in the previous year.

Bank charges saw a higher than anticipated increase due to an increasing number of fee settlements via Credit Card; and increased overall Fee Revenue.



The Bottom Line



Revenue reserves increased by **20.1%**, rising to **USD 13,375K** from **USD 11,085K** in 2022. Closing cash holdings reached **USD 15,980K**, up from **USD 13,297K** in the prior year.

The liquidity ratio improved to **4.4:1**, compared to **4.2:1** in 2022, indicating a strong ability to meet short-term obligations and reinforcing the organisation’s financial stability.

FINANCIAL REPORT

2024 FINANCIAL RESULTS OVERVIEW (ANNEX)

The financial year ended 31 December 2024 reflects another year of strong financial performance and resilience. The organisation maintained a robust financial position, characterised by a net surplus, strong cash holdings, increased reserves, and an improved liquidity ratio, resulting in a very healthy balance sheet.

Despite continued governance challenges, including the absence of a quorate Board, a Chief Executive Officer, and an approved 2024 budget, the organisation successfully fulfilled all contractual and operational obligations while maintaining disciplined cost control.

The year closed with a net surplus of **USD 3,527K**, an increase from **USD 2,289K** in 2023. A slight increase in total revenue to **USD 6,116K** as compared to **USD 6,016K** in 2023. Closing cash holdings improved substantially, rising by approximately **22.8%** compared to the last audited balance sheet.

With the ongoing legal cases against AFRINIC, an amount of **USD 27,322** were recognised as legal expenses to external lawyers (2023 : **USD 1,133,630**).

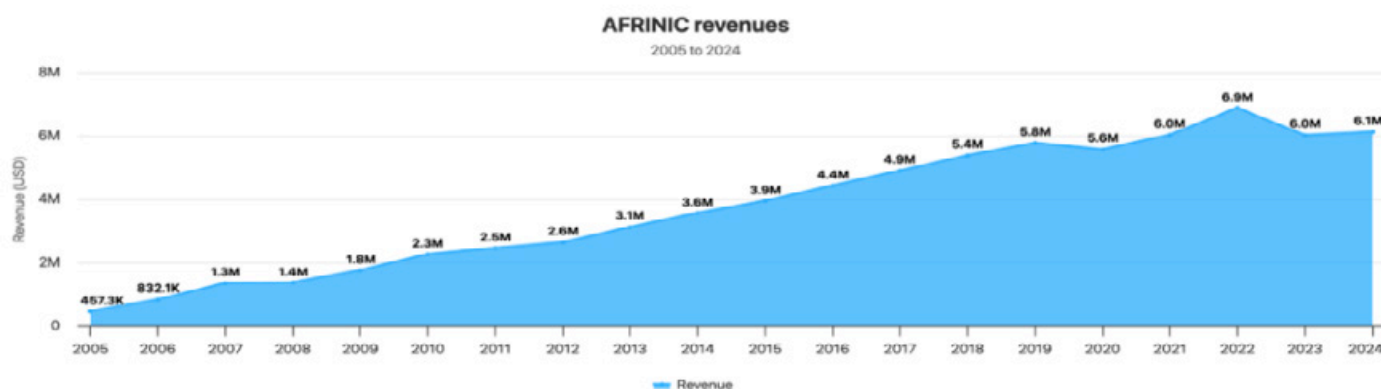
Revenue Performance

Membership fees and related service charges continue to be the organisation's primary source of revenue.

Total revenue from members increased slightly to **USD 6,076K**, compared to **USD 6,002K** in 2023. This reflects stability in the core revenue base despite ongoing operational constraints.

Revenue from Allocation and Assignment decreased by **12%** compared to 2023. Late payment penalties increased to **USD 211K**, as compared to **USD 157K** in 2023.

In line with its commitment to regional development, the organisation continued to support Research and Educational Institutions and Critical Infrastructure operators through discounted fees and early settlement discounts, amounting to **USD 224K**, compared to **USD 213K** in 2023.



Operating Costs



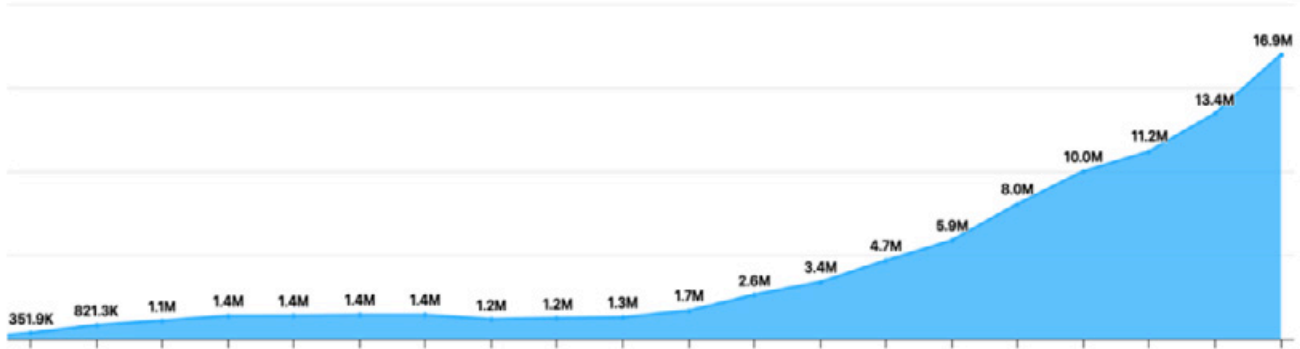
Total operating costs for the year amounted to **USD 2,746K**, as compared to **USD 3,926K** in 2023.

Total Human resource costs remain the largest component of expenditure, accounting for **66%** of total operating costs.

Bank charges increased more than anticipated, driven by a growing number of fee settlements via credit cards and higher overall revenue volumes.

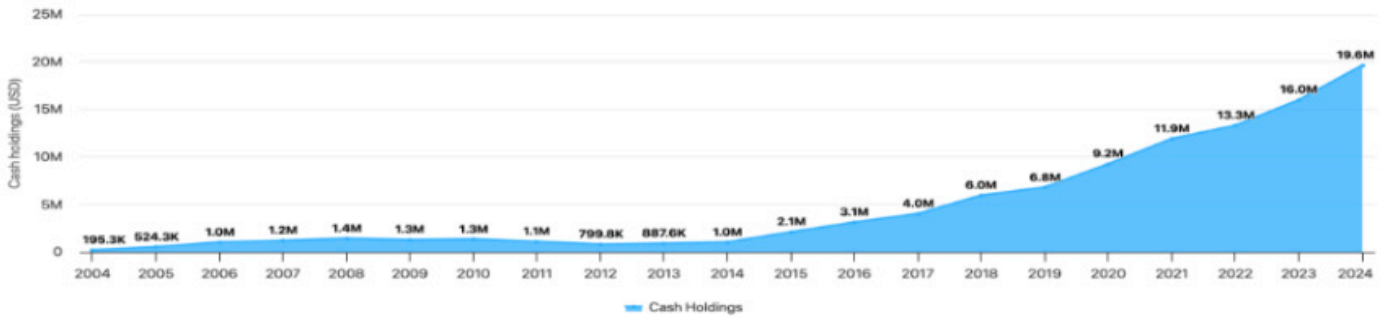
AFRINIC historical reserves

2004 to 2024



AFRINIC historical cash holdings

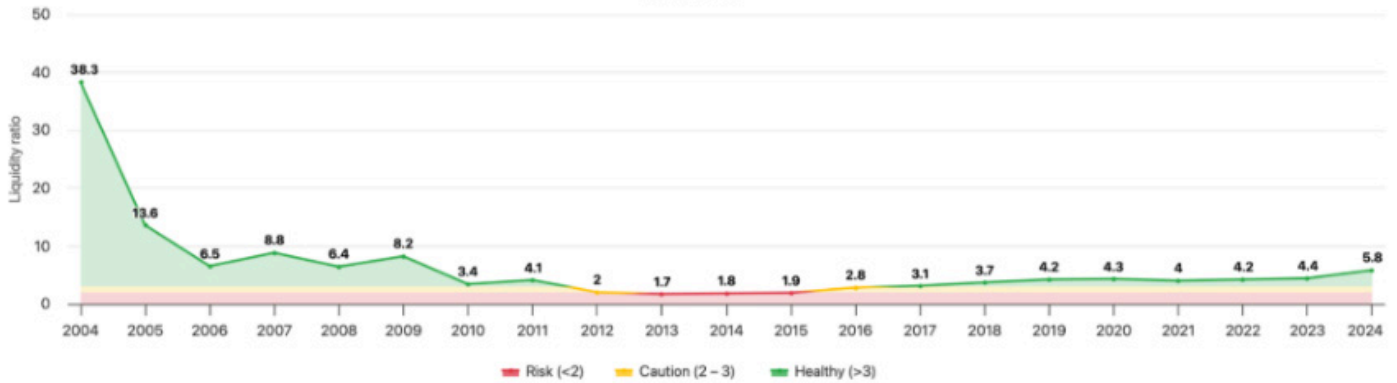
2004 to 2024



The Bottom Line

AFRINIC Liquidity Ratio

2004 to 2024



The organisation’s financial position strengthened further during 2024, supported by the higher surplus and improved cash generation.

Revenue reserves grew by **26.4%**, reaching **USD 16,902K**, up from **USD 13,375K** in 2023. Closing cash holdings increased significantly to **USD 19,620K**, compared to **USD 15,980K** in the previous year.

The liquidity ratio improved markedly to **5.8:1**, compared to **4.4:1** in 2023, indicating a very strong capacity to meet short-term obligations and reinforcing overall financial stability.

COMMUNITY AND POLICY DEVELOPMENT

AFRINIC provides several platforms for the discussion of Internet number resource management policies and relevant Internet-related topics. Such activities are conducted through workshops, conferences and business events that include the AFRINIC public policy meetings. As part of its secretariat role, AFRINIC facilitates the Policy Development Process by organising Public Policy Meetings and maintaining a mailing list dedicated to policy discussions (rpd) for the AFRINIC community to ensure that the unique needs of the region are catered for.

In the absence of a quorate board during the period June 2022 to September 2025, AFRINIC was unable to convene a Public Policy Meeting in accordance with its bylaws.



afrinic.net/ppm

AFRINIC-35 Public Policy Meeting

AFRINIC held its **35th Public Policy Meeting** on 1-2 June 2022 at Le Meridien Hotel in Mauritius and in hybrid mode.

The minutes of this meeting can be found at: <https://www.afrinic.net/policy/development-working-group/ppm-afrinic-35>

No Public Policy Meetings were held in 2023 and 2024 as a result of AFRINIC's governance vacuum

Policy Development 2022-2024

The AFRINIC Policy Development Process (PDP) operates under a fundamental bottom-up, fair and transparent approach. This ensures that policies governing Internet number resources (IPv4, IPv6, ASNs) within its service region are developed, reviewed, and approved based on rough consensus among the stakeholders they affect. In 2022, appeals against PDWG Chairs determining that consensus was reached within the Community on some policy proposals, were also lodged.

	2022	2023	2024
Draft Resource Policies under Discussion	2	0	0
Draft Resource Policies that reached consensus at PPM held in year	2	0	0
Draft Resource Policies Expired	2	1	0
Draft Resource Policies Withdrawn by authors	2	0	0
Draft Resource Policies under appeal	3	0	0
Draft Resource Policies ratified by the Board	1	0	0
Draft Resource Policies Awaiting ratification by the Board	3	3	3
Draft Resource Policies under implementation	1	1	1

A summary of the policy proposals that remain active (either under implementation or awaiting Board ratification) is as follows :-

RPKI ROAs for Unallocated and Unassigned AFRINIC Address space - AFPUB-2019-GEN-006-DRAFT03 Under implementation

AFRINIC will create AS0 ROAs for all unallocated/unassigned IPv4 and IPv6 space it manages. Before allocating space, AFRINIC must revoke any existing AS0 ROAs, and the allocation is only possible once the AS0 ROAs are completely removed from repositories. AFRINIC should only add reclaimed resources to the AS0 ROA after the reclamation process is complete.

Abuse Contact Policy Update - AFPUB-2018-GEN-001-DRAFT07

Pending ratification by AFRINIC Board

All resources (inetnum, inet6num, aut-num) in the AFRINIC region must include the abuse-c attribute, which points to a specific contact (person or role). This contact must maintain a publicly available, actively monitored abuse-mailbox. This mailbox must be set up to receive abuse reports and related data, guaranteeing receipt and requiring direct action/intervention from the recipient without forcing the reporter to fill out a form. Resource holders must also comply with AFRINIC's validation of the abuse contact, which occurs upon creation/update and periodically (at least every 6 months), to ensure the mailbox is active and that the contact is responding to abuse reports.

Policy Compliance Dashboard - AFPUB-2021-GEN-003-DRAFT02

Proposed: 9 November 2021

The policy requires AFRINIC to set up a dashboard for its resource members that will show the member's compliance with resource policies in the Consolidated Policy Manual and Registration Services Agreement. The member shall also receive automated notifications and reminders of non-compliance. In case of persistent non-compliance after 3 months, AFRINIC staff shall then be sent notifications so that they then communicate with members to resolve the non-compliance. In addition, resource members must comply with the policies documented in the CPM and resolve non-compliance against the RSA/policy when notified. Pending ratification by AFRINIC Board

AFRINIC Number Resources Transfer Policy - AFPUB-2020-GEN-006-DRAFT03

Pending ratification by AFRINIC Board

defines the rules and conditions under which IPv4 address blocks and Autonomous System Numbers (ASNs) may be transferred between organisations within the AFRINIC service region, including both Resource Members and Legacy Resource Holders (intra-RIR transfers), as well as between AFRINIC and other Regional Internet Registry (RIR) regions (inter-RIR transfers), provided that reciprocal transfer policies are in place.

Implemented Policies

All implemented policies appear in the Consolidated Policy Manual: <https://www.afrinic.net/policy/manual>

No policies were implemented from 2022 to 2024

Global Policy Development / NRO-NC Update

The 2022-2023 representatives from the AFRINIC region to the NRO-NC are:

- Mike Silber (South Africa)– January 2020 to December 2022
- Saul Stein (South Africa) - January 2021 to December 2023
- Wafa Dahmani (Tunisia) - January 2022 to December 2022.

No global policy proposals were received or approved during 2022-2024.

There were no representatives from the AFRINIC region at the NRO-NC in 2024.

STAKEHOLDERS ENGAGEMENT

In 2022, Stakeholder Development reported engagement with more than 50 government officials and representatives and more than 70 engagements with decision-makers overall, including more than 15 direct government meetings. The department supported government capacity-building in areas such as IPv6 deployment, Internet governance, and cybersecurity; contributed to regional and international ICT resolution processes including ITU Resolution 180; and signed three MoUs with MACRA, CARIA, and Packet Clearing House. Beyond government engagement, the department reported more than 57 IDP initiatives benefiting at least 2,500 people in 18 African countries, active participation in 38 IGF and ICT events, and a member engagement programme that brought together more than 200 resource members from 16 African economies.

In 2023, the team deepened its role as a strategic bridge between AFRINIC and key public institutions. The department recorded 20 significant collaborations with African governments, participation in high-level

forums such as the WSIS Forum, the Cybersecurity Forum of Libya, Transform Africa Summit, and the AIS 2023 Government Working Group, as well as government workshops with delegates from more than 30 African economies. It also notes AFRINIC's selection as a permanent member of Tunisia's National IPv6 Steering Committee. A notable feature of 2023 was the way stakeholder engagement was used to sustain AFRINIC's legitimacy during governance uncertainty: the organisation carried out governance-focused outreach across 17 countries and all five service regions, with support from partners such as ICANN, ATU, and NRO.

In 2024, Stakeholder Development moved from resilience to measurable expansion. The team reported 134 stakeholder engagements, a 33% increase over the 102 recorded for 2023. The programme mix included 18 member engagement and induction webinars, 21 IGF and ICT development initiatives, 18 high-level government engagements, 29 Af* and I* cooperation initiatives, 15 critical infrastructure development activities, 11 technical community development initiatives, 8 diversity in ICT initiatives, and 4 research collaborations with universities. The average NPS for engagement activity was 50, suggesting a solid level of satisfaction among stakeholders.

A particularly important 2024 project was the member contact update initiative, through which 876 organisation-members - 37% of the portfolio - updated their contact details by the end of the year. This project had practical governance value because accurate contact data directly influences voting, communication, compliance, and member participation. The department also worked on an IXP toolkit designed to support the inception or revival of Internet Exchange Points.

CAPACITY BUILDING

AFRINIC continues to play a leading role in strengthening technical expertise across Africa and the Indian Ocean region through its Capacity Building initiatives. The department's strategy remains focused on advancing IPv6 deployment and enhancing digital learning capabilities to respond to the evolving needs of the Internet community.

Through a combination of webinars, self-paced e-learning courses, certification programmes, and hands-on deployathons, AFRINIC provides comprehensive support to network engineers and organisations. These initiatives are delivered in both English and French to ensure broad accessibility. The IPv6 deployment helpdesk further complements these efforts by offering direct, operational support to members, enabling them to translate knowledge into practical implementation.

In 2022, AFRINIC significantly expanded its training reach and operational support activities. Training programmes recorded a median Net Promoter Score (NPS) of 50.25, reflecting strong participant satisfaction and engagement. At the same time, the e-learning platform experienced substantial growth, registering over 3,000 enrollments from 130 countries, which represented an increase of nearly 200% compared to the previous year.

Through the Deployment Operationalisation (DO) programme, AFRINIC provided targeted assistance to members undertaking IPv6 and RPKI deployment. Over the course of the year, the helpdesk handled 66 requests originating from 28 countries and conducted 93 support calls benefiting 59 organisations across 21 countries. In addition, three deployathons were organised, bringing together 43 engineers from seven organisations. These combined efforts enabled 55 organisations from 17 countries to achieve 95 deployment key performance indicators (KPIs).

The programme also delivered tangible technical outcomes. A total of 26 operators successfully obtained correct IPv6 prefixes, while five operators proceeded to announce their IPv6 prefixes. Furthermore, 11 operators implemented valid route6 objects, and eight operators established correct RPKI Route Origin Authorisations (ROAs), reflecting meaningful progress in routing security and infrastructure readiness.

In 2023, AFRINIC further strengthened its capacity-building ecosystem by expanding its digital learning offer and reinforcing deployment support programmes. The e-learning platform continued to grow, attracting 4,892 enrollments from 87 countries across 15 courses. These courses, designed for flexible and self-paced learning, achieved a median Net Promoter Score of 43.7, indicating sustained learner satisfaction.

During the year, AFRINIC also organised two cohorts of its “Zero to Certified IPv6 in 21 Days” training programme. This intensive initiative brought together 119 participants from 40 countries and played a key role in accelerating the development of IPv6 expertise across the community.

The Deployment Operationalisation programme remained central to AFRINIC’s impact. In 2023, it supported 42 member organisations in advancing their IPv6, IRR, and RPKI deployments, resulting in the achievement of 69 deployment KPIs. The programme recorded an impressive median Net Promoter Score of 89, underscoring the high value and effectiveness of the support provided.

AFRINIC’s IPv6 certification programme, certi:6, also experienced significant growth. Participation increased by 84% compared to the previous year, with 85 candidates sitting for certification exams, reflecting the rising demand for recognised technical credentials within the community.

In 2024, AFRINIC consolidated its progress while continuing to expand its reach and impact. The e-learning platform recorded 7,234 course completions from 85 countries across its 15-course catalogue. This growth was accompanied by an improved median Net Promoter Score of 50, highlighting ongoing enhancements in learner experience and content quality.

The Deployment Operationalisation programme maintained its strong performance, supporting 40 network operators across 38 countries. Through this support, 61 deployment KPIs were successfully achieved, demonstrating continued advancement in IPv6 adoption and routing security practices across the region.

The certi:6 IPv6 certification programme also remained a key pillar of AFRINIC’s capacity-building efforts. In 2024, 71 candidates from 41 countries participated in certification exams. The programme achieved a strong Net Promoter Score of 75.3, reflecting high levels of participant satisfaction and the continued relevance of the certification in building technical capacity.

BUILD SKILLS

Grow with us and earn credentials



afrinic.academy



certi6.io



afrinic.academy/deploy-form

INFRASTRUCTURE AND SECURITY

The Infrastructure & Security department is responsible for keeping the availability, reliability and security of the services provided by AFRINIC to the highest level. It also provides assistance and expertise on the technical infrastructure, the assets inventory which includes equipment given to the staff and the office security. In 2022, the department laid important foundations through four units: Business IT, Infrastructure Operations, Security, and Database.

Security teams completed an external audit with BDO in 2022, deployed tools such as ESET dashboards and security scanners, and advanced security awareness work. Database teams strengthened backup retention, automated deletion request handling, and expanded reporting and data warehouse sources.

In 2023, the department had to narrow expenditure to critical items such as datacentre costs, key licences, and urgent equipment repairs.

More importantly, critical service availability reached 99.9%. Redundancy for critical services was improved. Some services were moved onto a CDN following RRDP overload, protecting AFRINIC's RPKI relevance during a period of technical pressure. Monitoring dashboards were strengthened, the internal monitoring dashboard was completed, and the team improved visibility and incident turnaround. The department also fixed critical and major vulnerabilities from the external IT audit, improved corporate Wi-Fi control, upgraded databases, migrated the Active Directory, deployed finance reports to Azure, and continued to develop a data-driven culture through analysis and reporting.

In 2024, the department deepened this work while also formalising internal controls. Critical service availability was increased from 99.90% to 99.95%. A master RPKI course was delivered internally in four sessions. The department completed an infrastructure analysis that informed datacentre strategy, advanced a clustered HAProxy load

balancer with automatic DNS failover, and improved redundancy across WHOIS, RDAP, the website, mailing lists, and NMRP.

The team performed the 2024 KSK rollover for IANA-related zones, deployed RPKItouch in production in line with RFC 9589, improved RRDP origin synchronisation, updated the RPKI operational practice statement for the NRO, created a rate-limiting solution for RDAP hammering, and developed a continental connectivity enhancement initiative to host critical services at major African IXPs. It also prepared for and supported the ICANN audit, completed an internal IT audit framework, finalised a risk register, documented a data strategy policy, and continued automating user access reviews and SSL certificate renewals.

Business IT in 2024 focused on customer satisfaction, internal audit readiness, risk management, and automation. It procured a new 3CX phone system, integrated customer satisfaction surveys into the RT system, met its helpdesk service targets, and achieved 90% completion on both Atlassian cloud migration and Ansible-based automation work. Database teams advanced encryption, member contact update dashboards, WHOIS and MyAFRINIC reporting, audit documentation, cluster readiness, and binary log backups for point-in-time recovery.

MYAFRINIC V.2 PROJECT

MyAFRINIC v2.0 has been a strategic, multi-year overhaul of AFRINIC's member portal that has progressed much slower than initially anticipated. Despite this, staff have focused on doing the foundational work thoroughly rather than rushing visible features, including revisiting and clarifying business requirements, strengthening system architecture, and aligning processes. This deliberate approach has ensured that a robust and extensible base is now in place, on top of which the final version of the portal can be developed more efficiently and sustainably to better serve AFRINIC's members.

This deliberate approach focused on getting the core architecture, data model and business processes right before expanding into full-scale implementation

- Stronger architectural foundation: The team focused on a more modular, maintainable and secure system architecture to ensure scalability and easier future enhancements.
- Process and workflow alignment: Membership, resource management and billing workflows were analysed and redesigned to support clearer, more consistent processes in the new portal.
- Risk reduction and technical debt control: By addressing structural issues and integration challenges early, the project has reduced the likelihood of costly rework later in the life of the platform.
- Improved collaboration and knowledge capture: Cross-functional collaboration between technical, business and member-facing teams has improved shared understanding, while documentation has been strengthened to support continuity and future development.

The initiatives we have begun continue to grow and will eventually conclude with a more complete product, even though tangible results have been slower.



PEOPLE AND PRODUCTIVITY

Despite the governance challenges faced by AFRINIC, the People & Productivity team remained committed to supporting staff well-being, ensuring operational continuity, and upholding employees' rights. Throughout this period, the team focused on maintaining a stable work environment, strengthening internal engagement, and delivering key people-related initiatives under constrained conditions. As part of these efforts, the People Focus Initiative was introduced, alongside a range of staff engagement activities delivered within a limited budget to help uplift morale, including the AFRINIC Fun Day. To further promote well-being and strengthen connections among colleagues, outdoor team hikes were organised, encouraging engagement beyond the office environment. Internal capacity-building remained a priority, with training initiatives such as the SLII course by Ken Blanchard and "Demystifying Technical Jargon" sessions for non-technical staff, alongside other training opportunities, being delivered. A motivational session titled "Thriving in Uncertain Times" by Ashley Epstein was also hosted to support staff resilience.

The People and Productivity team also supported teams to draft their OKRs. In parallel, employee policies were reviewed and updated in preparation for Board approval, while the voice of staff was taken on board with regards to their medical insurance scheme. Core P&P operations were maintained, including the management of payroll, statements of emoluments (SOEs), statutory employee returns, pensions, permits, medical support and staff contribution calculations.

The team also led workplace improvements by negotiating a complimentary upgrade of the office air conditioning system and overseeing key refurbishment works and health and safety recommendations.

Efforts were made to ensure transparent and consistent communication with staff through regular meetings, despite the absence of both a CEO and a Board. In addition, progress in automation was achieved through the integration of HRIS data into Power BI, the incorporation of attendance data from Morpho biometric systems into the data warehouse, and the automation of daily staff attendance and leave reporting.

The past period has been particularly challenging for AFRINIC and its staff. Despite the uncertainty and difficulties faced, employees demonstrated remarkable resilience, dedication, and solidarity, ensuring that the organisation continued to function and serve its members. Through adaptability, collaboration, and care, the P&P team upheld its mission to empower and support AFRINIC's people during a very challenging period.

In the context of the governance vacuum, including the absence of a substantive Chief Executive Officer, AFRINIC staff have shown strong resilience in ensuring the continuity of registry operations and day-to-day activities. This has been achieved despite no staff salary review having been conducted since 2022, highlighting the need to address this matter in a timely manner.

We extend our sincere appreciation to all staff members for their unwavering commitment, adaptability, and perseverance during this time. It is through their collective strength and sense of responsibility that AFRINIC has been able to endure and move forward.

Workforce Chart

AFRINIC's workforce decreased from 48 employees as of 31 December 2022 to 43 employees as of 31 December 2024, representing an average turnover rate of approximately 8%. This reduction is primarily attributed to positions that remained unfilled during the period, in the absence of both a Board and a CEO.

	2022	2023	2024
Number of employees	48	44	43
Other Nationalities	25	23	23
Locals	23	21	20

Staff Turnover Rate

For the years 2022 - 2024, we recorded an average approximate employee turnover rate of 8%. Considering the challenging context in which AFRINIC has been operating, including the absence of a CEO and a Board, maintaining such a low staff turnover rate is a notable achievement, with only five employees departing over the period. As a result, the majority of staff have been retained, indicating that AFRINIC remains, overall, a supportive and attractive workplace.

COMMUNICATIONS AND PUBLIC RELATIONS

In 2025, the Communications and Public Relations team aligned its activities with AFRINIC's overarching communication strategy and organisational objectives, with a focus on strengthening the organisation's brand visibility, credibility, and stakeholder engagement. The team's OKRs were designed to support two key priorities: elevating AFRINIC's services to greater levels of visibility and impact, and expanding AFRINIC's reach and engagement across its community for sustained long-term impact.

Throughout the year, the team delivered a range of outputs aimed at reinforcing AFRINIC's brand presence and supporting effective communication across all channels, including the website, news and blog platforms, social media, mailing lists, and events. Key areas of focus included strengthening brand visibility and credibility through events, publications, and media engagement; supporting community engagement through event management and communication activities and providing design, branding, and multimedia support for communication campaigns and organisational initiatives.

Africa Internet Summit 2022 (AIS'22)

- Format: Hybrid
- Date: 30 May - 3 June 2022
- Location: Mauritius
- Attendance: 217 delegates from 47 countries



Members Connect Online Meeting

- Date: 22-24 November 2022
- Attendance: 215 participants



AFRINIC Community Week

ONLINE | 22 - 24 NOVEMBER 2022
0900 - 1300 UTC

2023

Africa Internet Summit 2023 (AIS'23)

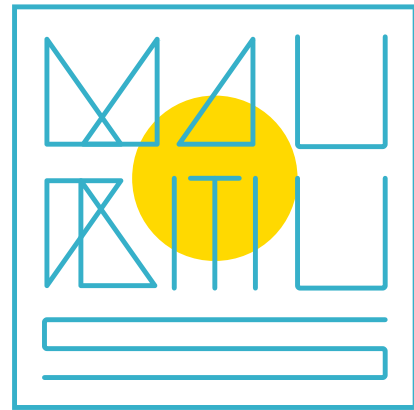
- Location: South Africa
- Date: 26 - 30 September 2023
- Organiser: African Network Operators Group (AfNOG)
- AFRINIC Role: Supported with logistics



2024

Africa Internet Summit 2024 (AIS 24)

- Location: Mauritius
- Date: 10 to 13 September 2024
- Organiser: African Network Operators Group (AFNOG)
- AFRINIC Role: Supported with logistics



ANNEX

AFRICAN NETWORK INFORMATION CENTRE (AfrinIC) LTD

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

TABLE OF CONTENTS - 31 DECEMBER 2022

	PAGES
CORPORATE DATA	2
DIRECTORS' REPORT	3
CERTIFICATE FROM THE SECRETARY	4
INDEPENDENT AUDITORS' REPORT	5 - 7
STATEMENT OF FINANCIAL POSITION	8
STATEMENT OF COMPREHENSIVE INCOME	9
STATEMENT OF CHANGES IN EQUITY	10
STATEMENT OF CASH FLOWS	11
NOTES TO THE FINANCIAL STATEMENTS	12 - 36

CORPORATE DATA

		Date of appointment	Date of removal
DIRECTORS	: Mr. Subramanian Moonesamy	01 June 2017	18 September 2023
	Mr. Oluwaseun Samson Ojedeji	01 July 2016	03 June 2022
	Mr. Habib Youssef	23 August 2018	03 June 2022
	Mr. Adewale Emmanuel Adedokun	26 June 2019	03 June 2022
	Mr. Eddy Mabano Kayihura	04 November 2019	03 November 2022
	Mr Benjamin Adezenyambeye Eshun	18 September 2020	18 September 2023
	Mr. Abdalla Omari	18 September 2020	18 September 2023
	Mr. Silvio Cabral Almada	27 December 2021	18 September 2023
	Mr. Adewale Emmanuel Adedokun	15 September 2025	-
	Mr. Adewole David Ajao	15 September 2025	-
	Mrs. Fiona Makokha Asonga	15 September 2025	-
	Mr. Abdelaziz Hilali	15 September 2025	-
	Mr. Laurent Kayemba Ntumba	15 September 2025	-
	Mr. Benjamin Mark Roberts	15 September 2025	-
	Mrs. Carla Sofia Fernandes Sanderson	15 September 2025	-
Mr. Kaleem Ahmed Usmani	15 September 2025	-	
REGISTERED OFFICE	: 19 Cybercity 11 th Floor Standard Chartered Tower Ebène Mauritius		
AUDITOR	Forvis Mazars LLP 4 th Floor, Unicorn Centre 18N, Frère Félix de Valois Street Port Louis Mauritius		
BANKERS	: The Mauritius Commercial Bank Limited Sir William Newton Street Port Louis Mauritius		
	SBM BANK (MAURITIUS) LTD Corporate Office, SBM Tower 1 Queen Elizabeth II Avenue Port Louis Mauritius		

DIRECTORS' REPORT

The directors present their report and the audited financial statements of AFRICAN NETWORK INFORMATION CENTRE (AfrINIC) LTD (the "Company") for the year ended 31 December 2022.

PRINCIPAL ACTIVITY

The Company is the Regional Registry for Internet Number Resources for Africa and the Indian Ocean. The Company is a not for profit organisation.

Results

The results for the year are shown on page 9.

Statement of Directors' Responsibilities in respect of the financial statements

Company law requires the directors to prepare financial statements for each financial year which present fairly the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether IFRS[®] Accounting Standards have been followed and, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors have confirmed that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with Mauritius Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors have made an assessment of the Company's ability to continue as going concern and have no reason to believe the business will not be a going concern in the year ahead.

Remuneration and benefits

Total emoluments and other benefits given directors by the Company during the year were as follows:

	2022 USD	2021 USD
Mr. Eddy Mabano Kayihura	289,023	190,943
Remuneration to directors (Board Members)	<u>35,775</u>	<u>20,575</u>
Total (Note 19(b))	<u><u>324,798</u></u>	<u><u>211,518</u></u>

Community Support

During 2022, AFRINIC provided support to related regional and global organisation and community members amounting to USD 133,123 (2021: USD 16,050).

Auditor

The auditor, **Forvis Mazars LLP**, has expressed their willingness to act as auditor of the Company. A resolution for their appointment in accordance with Section 200(i) of the Mauritius Companies Act 2001, will be proposed at the next Annual Meeting.

The fees paid to the auditors were as follows:

	2022 USD	2021 USD
Audit fees to Forvis Mazars LLP (Current auditor)	14,000	-
Audit fees to BDO & Co (Previous auditor)	<u>-</u>	<u>15,450</u>

The auditors did not receive any fees for other services.

By order of the Board


Director
Adewale Emmanuel Adedokun

Date: 22 MAY 2026




Director
Fiona Makokha Asonga

Date: 22 MAY 2026

**CERTIFICATE FROM THE SECRETARY - 31 DECEMBER 2022
UNDER SECTION 166 (d) OF THE MAURITIUS COMPANIES ACT 2001**

We certify that, to the best of our knowledge and belief that African Network Information Centre (AfrinIC) Ltd (the "Company") has filed with the Registrar of Companies, for the year ended 31 December 2022, all such returns as are required of the Company under the Mauritius Companies Act 2001, except for the filing of the financial statements within the prescribed period.



EXECUTIVE SERVICES LIMITED
Per Christian ANGSEESING
Company Secretary

Date : 22 MAY 2026

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AFRICAN NETWORK INFORMATION CENTRE LTD**Report on the Audit of the Financial Statements*****Opinion***

We have audited the financial statements of **African Network Information Centre (AfriNIC) Ltd** (the "Company") on pages 8 to 36 which comprise the statement of financial position as at 31 December 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements on pages 8 to 36 give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with IFRS[®] Accounting Standard and comply with the Mauritius Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our audit report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Emphasis of matter

We draw attention to Note 22 of the financial statements, which describes the uncertainty related to the outcome of certain legal proceedings initiated against the Company. As disclosed, the Company is currently involved in litigation that may have a material impact on its financial position depending on the outcome. While the directors have assessed the potential financial implications and made appropriate disclosures, the ultimate resolution of these matters remains uncertain at the date of our report. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the Commentary of The Directors and the Secretary's Certificate as required by the Companies Act 2001 which we obtained prior to the date of the audit report. Other information does not include the financial statements and our audit report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report on in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AFRICAN NETWORK INFORMATION CENTRE LTD**Report on the Audit of the Financial Statements (Continued)*****Responsibilities of Directors for the Financial Statements***

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as the requirement of the Mauritius Companies Act 2001 and Financial Services Act 2007, and for such internal control as directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AFRICAN NETWORK INFORMATION CENTRE LTD**Report on the Audit of the Financial Statements (Continued)*****Auditor's Responsibilities for the Audit of the Financial Statements (Continued)***

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Report on Other Legal and Regulatory Requirements

The Mauritius Companies Act 2001 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

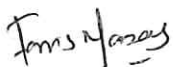
- We have no relationship with, or interests in, the Company other than in our capacity as auditors.
- We have obtained all the information and explanations we have required; and
- In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Other Matter

The financial statements of the Company for the year ended 31 December 2021 were audited by another auditor, whose audit report dated 11 May 2022, expresses an unqualified opinion on these financial statements.

Use of this report

This report, including the opinion has been prepared for and only for the Company's members, as a body, in accordance with Section 205 of the Mauritius Companies Act 2001 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**Forvis Mazars LLP****Sandireh Ramsawmy, FCCA**
Licensed by FRCDate: **22 MAY 2026**

STATEMENT OF FINANCIAL POSITION - 31 DECEMBER 2022

	Notes	<u>2022</u> USD	<u>2021</u> USD
ASSETS			
Non-current assets			
Plant and equipment	4	441,117	469,251
Right-of-use assets	5	428,705	558,056
Intangible assets	6	172,986	36,008
		<u>1,042,808</u>	<u>1,063,315</u>
Current assets			
Trade receivables	7	67,656	56,586
Prepayments and other receivables	8	217,866	443,357
Financial assets at amortised cost	9	6,453,349	6,384,266
Cash and cash equivalents	16(b)	6,843,935	5,525,814
		<u>13,582,806</u>	<u>12,410,023</u>
Total assets		<u><u>14,625,614</u></u>	<u><u>13,473,338</u></u>
RESERVES AND LIABILITIES			
Reserves			
Revenue reserve	10	11,085,173	9,933,158
Actuarial reserve	17	89,167	63,574
Net assets attributable to members		<u>11,174,340</u>	<u>9,996,732</u>
Non-current liabilities			
Lease liabilities	5	140,578	316,500
Retirement benefit obligations	13	65,688	50,080
		<u>206,266</u>	<u>366,580</u>
Current liabilities			
Lease liabilities	5	178,161	124,042
Trade and other payables	12	1,397,820	1,440,718
Contract liabilities	11(b)	1,669,027	1,545,266
		<u>3,245,008</u>	<u>3,110,026</u>
Total liabilities		<u><u>3,451,274</u></u>	<u><u>3,476,606</u></u>
Total equity and liabilities		<u><u>14,625,614</u></u>	<u><u>13,473,338</u></u>

22 MAY 2026

The financial statements have been approved for issue by the Board of Directors on



Adewale Emmanuel Adedokun
Director



Fiona Makokha Asonga
Director

STATEMENT OF COMPREHENSIVE INCOME - YEAR ENDED 31 DECEMBER 2022

	Notes	<u>2022</u> USD	<u>2021</u> USD
Income	11	6,873,470	6,024,377
Distribution expenses	15	(1,056,858)	(355,788)
Administrative expenses	15	(4,537,836)	(3,712,572)
Net impairment losses on financial assets	15	<u>(62,889)</u>	<u>(50,957)</u>
Surplus of income over expenditure		1,215,887	1,905,060
Net finance (cost)/income	14	<u>(63,872)</u>	11,917
Surplus before taxation		1,152,015	1,916,977
Taxation	18	<u>-</u>	<u>-</u>
Surplus for the year		<u>1,152,015</u>	<u>1,916,977</u>
Other comprehensive income:			
<i>Items that will not be reclassified to profit or loss:</i>			
Remeasurements of post employment benefit obligations	13(v)	<u>25,593</u>	<u>38,295</u>
Other comprehensive income for the year		<u>25,593</u>	<u>38,295</u>
Total comprehensive income for the year		<u><u>1,177,608</u></u>	<u><u>1,955,272</u></u>

AFRICAN NETWORK INFORMATION CENTRE (Afrinic) LTD

STATEMENT OF CHANGES IN EQUITY - YEAR ENDED 31 DECEMBER 2022

	Notes	Revenue reserve USD	Actuarial reserve USD	Total USD
At 01 January 2021		8,016,181	25,279	8,041,460
Surplus for the year		1,916,977	-	1,916,977
Other comprehensive income for the year	17	-	38,295	38,295
Total comprehensive income for the year		1,916,977	38,295	1,955,272
At 31 December 2021		9,933,158	63,574	9,996,732
At 01 January 2022		9,933,158	63,574	9,996,732
Surplus for the year		1,152,015	-	1,152,015
Other comprehensive income for the year	17	-	25,593	25,593
Total comprehensive income for the year		1,152,015	25,593	1,177,608
At 31 December 2022		11,085,173	89,167	11,174,340

The notes on pages 12 to 36 form an integral part of the financial statements.
Auditor's report on pages 5 to 7.

STATEMENT OF CASH FLOWS - YEAR ENDED 31 DECEMBER 2022

	Notes	<u>2022</u> USD	<u>2021</u> USD
Cash flows from operating activities			
Cash generated from operations	16(a)	1,614,918	2,902,911
Interest received		41,909	45,303
Net cash generated from operating activities		<u>1,656,827</u>	<u>2,948,214</u>
Cash flows from investing activities			
Purchase of plant and equipment	4	(111,558)	(107,284)
New deposits		(41,909)	(2,041,906)
Net cash used in investing activities		<u>(153,467)</u>	<u>(2,149,190)</u>
Cash flows from financing activities			
Interest paid on lease liabilities	5	(26,449)	(36,229)
Principal paid on lease liabilities	5	(118,303)	(114,867)
Net cash used in financing activities		<u>(144,752)</u>	<u>(151,096)</u>
Increase in cash and cash equivalents		<u>1,358,608</u>	<u>647,928</u>
Movement in cash and cash equivalents			
At 01 January,		5,525,814	4,907,528
Effects of exchange rate changes		(40,487)	(29,642)
Increase in cash and cash equivalents		1,358,608	647,928
At 31 December,	16(b)	<u>6,843,935</u>	<u>5,525,814</u>

The notes on pages 12 to 36 form an integral part of the financial statements.
Auditor's report on pages 5 to 7.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. CORPORATE INFORMATION

African Network Information Centre (AfrINIC) Ltd, (the "Company") is a private company limited by guarantee incorporated in the Republic of Mauritius. Its registered address and place of business is situated at 11th Floor, Standard Chartered Tower, Cybercity, Ebene, Republic of Mauritius.

The principal activity has remained unchanged during the year and consists of being the Regional Registry for Internet Number Resources for Africa and the Indian Ocean. The Company is a not-for-profit organisation.

In January 2008, AfrINIC Board passed the following Resolution Reference 200801.60 " AfrINIC should endeavour to build a reserve fund sufficient to cover two years of operational expenses."

The financial statements of the Company for the year ended 31 December 2022 were authorised for issue in accordance with a resolution of the directors on 22 MAY 2026

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES**2.1 Basis of preparation***(i) Statement of Compliance*

The financial statements of the Company has been prepared in accordance with IFRS Accounting Standards. IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards
- IAS Standards
- Interpretations developed by the IFRS Interpretations Committee (IFRIC Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC® Interpretations).

The financial statements has been prepared on the historical cost basis, unless stated otherwise.

2.2 Application of new and revised international Financial Reporting Standards (IFRSs)

In the current year, the Company has applied all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board ("IASB") and the IFRSs Interpretations Committee of the IASB that are relevant to its operations and effective for accounting periods beginning on 01 January 2022.

(i) New and revised IFRSs applied with no material effect on financial statements

The following relevant new and revised IFRSs have been applied in these financial statements. The application of these new and revised IFRSs has not had any material impact on the amounts reported and/or disclosed for the current year but may affect the accounting for future transactions or arrangements.

- Proceeds before intended Use (Amendments to IAS 16)
- Reference to the Conceptual Framework (Amendments to IFRS 3)
- Onerous contracts- Cost of fulfilling a contract (Amendments to IAS 37)
- Annual Improvement to IFRS Standard 2018-2020 cycle (Amendment to IFRS 1, IFRS 9, IFRS 16 and IAS 41)

The above new and amended standards are not relevant and therefore, have no effect on the Company.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 Application of new and revised international Financial Reporting Standards (IFRSs) (continued)

(ii) New and revised IFRSs in issue but not yet effective

At the date of authorisation of these financial statements, the following relevant IFRSs were in issue but effective on annual periods beginning on or after the respective dates as indicated:

	Effective for accounting period beginning on or after
• Deferred Tax related to Assets and Liabilities arising from a single transaction (Amendments to IAS 12)	01 January 2023
• Definition of Accounting Estimates (Amendments to IAS 8)	01 January 2023
• Disclosure of Accounting Policies (Amendments to IAS 1 and Practice Statement 2)	01 January 2023
• Classification of Liabilities as Current or Non-current (Amendments to IAS 1)	01 January 2024
• Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	01 January 2024
• Non-current Liabilities with Covenants (Amendments to IAS 1)	01 January 2024
• Suppliers Finance Arrangements (Amendments to IAS 7 and IFRS 7)	01 January 2024
• Lack of Exchangeability (Amendments to IAS 21)	01 January 2025
• Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	01 January 2026
• Annual Improvements to IFRS Accounting Standards - Volume II	01 January 2026
• Presentation and Disclosures in Financial Statements (IFRS 18)	01 January 2027
• Subsidiaries without Public Accountability: Disclosures (IFRS 19)	01 January 2027

2.3 Financial instruments

Recognition and derecognition

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets are classified into the following categories:

- Amortised cost;
- Fair value through profit or loss (FVTPL); and
- Fair value through other comprehensive income (FVOCI)

The Classification is determined by both:

- The entity's business model for managing the financial asset;
- The contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within other income and administrative expenses, except for impairment of trade receivables which is presented within other expense.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)**2.3 Financial instruments (continued)***Subsequent measurement of financial assets*

Financial assets are subsequently measured at amortised cost.

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- They are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where receivables do not contain a significant financing component. The Company's cash and cash equivalents, trade and most receivables fall into this category of financial assets at amortised cost.

Impairment of financial assets

IFRS 9's impairment requirements incorporate forward-looking information to recognised expected credit losses – the "expected credit loss ("ECL") model. This replaces IAS 39's "incurred loss model". Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI and trade receivables recognised under IFRS 15.

Recognition of credit losses is no longer dependent on the Company first identifying a credit loss event. Instead the Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Measurement of the expected credit losses is determined by a probability weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables

The Company applies the simplified approach of recognising lifetime expected credit losses for the trade receivables that do not contain a significant financing component in accordance with IFRS 15.

These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In estimating Expected Credit Losses, the Company carries out individual assessment of its trade receivables per contract during the provision assessment meetings, which are held on a yearly basis. The provision assessment meetings consists of senior management, and the finance team who assess the counterparty risk and the likelihood of payment based on several factors such as financial health of the clients as well as the economic environment in which they operate. The Company then specifically provides for clients (invoices) which exhibit increase in credit risk, or for which the economic environment indicates that the receivable might default on a portion of the amount outstanding.

Because the receivables are assessed per contract, historically the Company has had minimal write-offs, and assessed them from both a historical perspective and using forward-looking information, the Company has elected not to apply any practical expedients in determining the expected credit losses. Expectation is already factored into the impairment assessments.

Classification and measurement financial liabilities

As the accounting for financial liabilities remains largely the same under IFRS 9 compared to IAS 39, the Company's financial liabilities were not impacted by the adoption of IFRS 9. However, for completeness, accounting policy is disclosed below.

The Company's financial liabilities include trade and other payables and lease liabilities

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)**2.3 Financial instruments (continued)***Classification and measurement financial liabilities (continued)*

Financial liabilities are initially measured at fair value and adjusted for transaction costs. Subsequently, financial liabilities are measured at amortised cost using the effective interest method. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate. Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date; Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease. All interest related charges and, if applicable, changes in an instruments fair value that are reported in profit or loss are included within finance costs or finance income.

2.4 Foreign Currencies**(a) Functional and presentation currency**

Items included in the financial statements are measured using United States Dollars ("USD"), the currency of the primary economic environment in which the entity operates. The financial statements are presented in United States Dollars ("USD"), which is the Company's functional and presentation currency.

The Company obtained the approval of the Registrar of Companies to present its financial statements in United States Dollars ("USD").

(b) Transactions and balances

Transactions in foreign currencies are translated to the USD at exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Non-monetary items are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

2.5 Plant and Equipment**(i) Recognition and measurement**

Items of plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Historical cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of the self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

If significant parts of an item of plant and equipment have different useful lives, then they are accounted for as separate items (major components) of plant and equipment. Any gain or loss on disposal of an item of plant and equipment are determined by comparing the net proceeds from disposal with the carrying amount of the item, and are recognised in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company. Ongoing repairs and maintenance are expensed as incurred.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.5 Plant and Equipment (continued)

(iii) Depreciation

Depreciation is calculated on a straight line basis to write off the cost of each asset to its residual value over its estimated useful life. Residual value is the estimated amount that the Company would currently obtain from disposal of the asset after deducting the estimated cost of disposal and if the asset was already of the age and in the condition expected at the end of its useful life.

The principal annual rates of depreciation are:

	Annual Rates
Computer Equipment	20%
Office Equipment	20%
Fixtures & Fittings	10%
Building Improvements	10%

Items of plant and equipment are depreciated for the full year in the year of purchase and ready for use and no depreciation is charged in the year of disposal. All plant and equipment have a Nil Residual value. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

2.6 Intangible Assets

(i) Recognition and measurement

Intangible assets acquired by the Company have finite useful lives and are measured at cost less accumulated amortisation and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

(iii) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight line method over their estimated useful lives, and is generally recognised in the profit or loss.

The estimated useful life for the current and comparative years is as follows:

	Useful life
Computer software	3-5 years

2.7 Leases

(a) *The Company as lessee*

The Company assesses whether a contract is, or contains, a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)**2.7 Leases (continued)****(a) The Company as lessee (continued)**

The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; a credit risk adjustment based on bond yields; and an entity-specific adjustment when the risk profile of the entity that enters into the lease is different to that of the Company and the lease does not benefit from a guarantee from the Company.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used)
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification

The Company did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)**2.7 Leases (continued)****(a) The Company as lessee (continued)**

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss in accordance with IAS 36.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. For contracts that contain a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

2.8 Retirement benefit obligations*Defined contribution plans*

A defined contribution plan is a pension plan under which the Company pays fixed contributions into separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The company operates a defined contribution retirement benefit plan for certain employees. Payments to the defined contribution plans are recognised as an expense when employees have rendered service that entitles them to the contributions.

Gratuity on retirement

For certain employees where the statutory gratuity is insufficiently covered by the above pension plans, the net present value of the retirement gratuity payable under the Workers' Rights Act 2019 is calculated by the qualified actuary and provided for. The obligations arising under this item are not refunded.

2.9 Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

2.10 Revenue recognition**(a) Revenue from contracts with customers**

Revenue from contracts with customers is recognised when control of the services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled for those services

Performance obligations and timing of revenue recognition

Revenue consists principally of membership fees charged for the use of Internet Number Resources. The Company recognises revenue over the time the contract through which these resources are provided to customers.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)**2.10 Revenue recognition (continued)****(a) Revenue from contracts with customers (continued)***Determining the transaction price*

Most of the revenue is derived from fixed price contracts and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices.

Allocating amounts to performance obligations

For most contracts, there is a fixed unit price for each service sold, with reductions given for early settlement. Therefore, there is no judgement involved in allocating the contract price to each service in such contracts.

(b) Contract assets

A contract asset is the right to consideration in exchange for services transferred to the customer. If the Company performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

(c) Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

2.11 Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired.

2.12 Income Tax

The Company is exempted from income tax by the Mauritius Tax Authority.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Critical accounting estimates and assumptions

The Company makes certain estimates and assumptions regarding the future. Estimates and judgements are continuously evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Retirement benefit obligations

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/(income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligation.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Company considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension obligation.

Other key assumptions for pension obligations are based on part on current market conditions. Additional information is disclosed in Note 2.8

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)**3.1 Critical accounting estimates and assumptions (continued)***(b) Useful lives and residual values of plant and equipment*

Determining the carrying amounts of property and equipment requires the estimation of the useful lives and residual values of these assets which carry a degree of uncertainty. The directors have used historical information relating to the Company and the relevant industry in which it operates in order to best determine the useful lives and residual values of property and equipment.

(c) Impairment of assets

Non-financial assets are considered for impairment if there is a reason to believe that impairment may be necessary. Factors taken into consideration in reaching such a decision include the economic viability of the asset itself and where it is a component of a larger economic unit, the viability of that unit itself.

Future cash flows expected to be generated by the assets or cash-generating units are projected, taking into account market conditions and the expected useful lives of the assets. The present value of these cash flows, determined using an appropriate discount rate, is compared to the current net asset value and, if lower, the assets are impaired to the present value.

(d) Provision for expected credit losses of financial assets at amortised cost and trade receivables

The Company uses judgemental assessment to determine the ECLs for trade receivables and financial assets at amortised cost.

(e) Leases

In determining the lease term for the property being rented, management considers the broader economics of its arrangement with the lessor, including the economic penalties for both the lessor and the Company should the Company vacate the leased premises.

(f) Limitation of sensitivity analysis

Sensitivity analysis in respect of market risk demonstrates the effect of a change in key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

(g) Litigation cases

There has been a number of legal cases that have been lodged against the Company. There is an element of uncertainty in determining the outcome of these legal cases and the potential impact on the Company in terms of litigation liability and going concern. The directors have exercised significant judgement in assessing any potential liability and have determined that there is no material uncertainty related to going concern. Refer to note 22.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

4. PLANT AND EQUIPMENT

(a)	COST	Computer	Office	Fixtures &	Building	Total
		Equipment	Equipment	Fittings	Improvement	
		USD	USD	USD	USD	USD
	At 01 January 2022	1,084,959	103,836	115,560	176,017	1,480,372
	Additions	108,959	2,029	570	-	111,558
	At 31 December 2022	1,193,918	105,865	116,130	176,017	1,591,930
	DEPRECIATION					
	At 01 January 2022	839,138	91,269	29,797	50,917	1,011,121
	Charge for the year	106,963	6,357	10,750	15,622	139,692
	At 31 December 2022	946,101	97,626	40,547	66,539	1,150,813
	NET BOOK VALUES					
	At 31 December 2022	247,817	8,239	75,583	109,478	441,117
	(b)					
	COST					
	At 01 January 2021	962,700	102,651	171,302	23,213	1,373,088
	Additions	99,046	1,185	4,715	-	107,284
	Transfer	23,213	-	-	(23,213)	-
	At 31 December 2021	1,084,959	103,836	176,017	-	1,480,372
	DEPRECIATION					
	At 01 January 2021	743,781	83,912	33,425	-	879,581
	Charge for the year	95,357	7,357	17,492	-	131,540
	At 31 December 2021	839,138	91,269	50,917	-	1,011,121
	NET BOOK VALUES					
	At 31 December 2021	245,821	12,567	125,100	-	469,251

At reporting date, the directors have reviewed the plant and equipment for impairment and have not noted any indication of impairment.

(c) Depreciation charge of **USD 139,692** (2021: **USD 131,540**) has been charged to administrative expenses.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**
5. RIGHT-OF-USE-ASSETS AND LEASE LIABILITIES
RIGHT-OF-USE ASSETS

	Building and parking	
	2022	2021
	USD	USD
At 01 January	558,056	653,309
Amortisation	(129,351)	(117,180)
Variable lease payment adjustment *	-	21,927
At 31 December	428,705	558,056

LEASE LIABILITIES

	Building and parking	
	2022	2021
	USD	USD
At 01 January	440,542	588,750
Interest expense	26,449	36,229
Variable lease payment adjustment *	-	11,950
Lease payments	(144,752)	(151,096)
Exchange differences	(3,500)	(45,291)
At 31 December	318,739	440,542
Current	178,161	124,042
Non current	140,578	316,500
	318,739	440,542

* Variable lease payment adjustment relates to increase in rental.

(a) Nature of leasing activities (in the capacity as lessee)

The Company leases property for its office and parking, with payments to increase 5% p.a and 8% p.a respectively from February 2022.

(b) Lease term

In determining the period over which the lease remains enforceable, the Company has considered the broader economics of the arrangement with the lessor including the economic penalties for both the Company and the lessor if the Company were to vacate the premises. The lease is for a period of 5 years from 01 February 2020 to 01 January 2025. Either party shall have the right to terminate the lease by giving 6 months notice after the first 3 years. Management considers that the lease is for a period of 5 years, mainly given that the Company undertook major refurbishment in 2020, hence will incur significant penalty if they terminate the lease before 5 years.

(c)	2022	2021
	USD	USD
Interest expense (included in finance cost)	26,449	36,229
Expenses relating to short-term lease (included in administrative expenses)	1,928	9,569
Amortisation charged	129,351	117,180

The total cashflow for leases in 2022 was **USD 144,752** (2021: USD 151,096).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**
6. INTANGIBLE ASSETS

COST	Work In Progress USD	Computer software USD	Total USD
At 01 January 2021	-	148,047	148,047
At 31 December 2021	-	148,047	148,047
At 01 January 2022	-	148,047	148,047
Additions	138,405	-	138,405
At 31 December 2022	138,405	148,047	286,452
AMORTISATION			
At 01 January 2021	-	110,611	110,611
Charge for the year	-	1,428	1,428
At 31 December 2021	-	112,039	112,039
At 01 January 2022	-	112,039	112,039
Charge for the year	-	1,427	1,427
At 31 December 2022	-	113,466	113,466
NET BOOK VALUES 2022	138,405	34,581	172,986
NET BOOK VALUES 2021	-	36,008	36,008

- (a) The work in progress relates to a software being developed by AFRINIC, namely My AFRINIC V2. As at the reporting date, the software remains under development.

Amortisation charge of **USD 1,427** (2021: USD 1,428) for the Company has been charged to administrative expenses.

7. TRADE RECEIVABLES

	2022 USD	2021 USD
Trade receivables	86,586	74,992
Less: provision for impairment	(18,930)	(18,406)
Trade receivables - net	67,656	56,586

- (i) Impairment of trade receivables

The Company applies IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on the shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before December 31, 2022 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. Specific circumstances for some receivables are also taken into consideration in arriving at specific impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**
7. TRADE RECEIVABLES (CONTINUED)
(i) Impairment of trade receivables (continued)

Ageing of past due receivable balance at reporting date on a average credit period of 36 days

	<u>2022</u>	<u>2021</u>
	USD	USD
1-30 days	20,584	1,907
31- 60 days	6,224	17,935
61- 90 days	-	1,700
More than 90	59,778	53,450
Total	<u>86,586</u>	<u>74,992</u>
Less: provision for impairment	<u>(18,930)</u>	<u>(18,406)</u>
Total	<u>67,656</u>	<u>56,586</u>

The closing loss allowances for trade receivables as at December 31, 2022 reconcile to the opening loss allowances as follows:

	Trade receivables	
	<u>2022</u>	<u>2021</u>
	USD	USD
At 01 January	18,406	102,844
Loss allowance recognised in profit or loss during the year	62,889	50,957
Receivables written off during the year as uncollectible	<u>(62,365)</u>	<u>(135,395)</u>
At 31 December	<u>18,930</u>	<u>18,406</u>

(ii) The carrying amounts of the Company's trade receivables are denominated in the following currencies:

	<u>2022</u>	<u>2021</u>
	USD	USD
United States dollars	66,799	55,132
Euro	857	1,454
	<u>67,656</u>	<u>56,586</u>

(iii) The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Company does not hold any collateral as security.
8. PREPAYMENTS AND OTHER RECEIVABLES

	<u>2022</u>	<u>2021</u>
	USD	USD
Prepayments	50,420	186,169
Deposits	34,374	35,798
Other receivables	133,072	221,390
	<u>217,866</u>	<u>443,357</u>

The carrying amounts of other receivables are denominated in United States dollar and approximate their fair value. Other receivables do not include any overdue balances, hence no loss allowance is recorded. Other receivables include funds amounting to **USD 99,890** (2021: USD 99,890) held by OTAM and Tespok on behalf of the Company.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

9. FINANCIAL ASSETS AT AMORTISED COST

	2022		2021	
	USD Current	USD Non-current	USD Current	USD Non-current
Fixed deposits	<u>6,453,349</u>	<u>-</u>	<u>6,384,266</u>	<u>-</u>

A Board Resolution dated 27 November 2015, authorised the creation of a strategic Cash Reserve from AFRINIC's own cash holdings with the following rules:

- that a suitable interest-bearing bank account be created for the Strategic Cash Reserve;
- that any expenditure or transfers out of the Strategic Cash Reserve bank account shall require three signatories, comprising the CEO, the Financial Director and either the Chairman or the Vice-chairman of the Board; and
- that any expenditure or transfers out of the Strategic Cash Reserves shall be authorised by the Board.

As at 31 December 2022, an additional amount of **USD 69,083** (2021: USD 2,045,461) was added and the strategic cash Reserve consisted of **USD 6,453,349** (2021: USD 6,348,266) which is held in fixed deposits accounts bearing interest rates carrying from 1.7% to 4.24% per annum (2021: 0.40% to 0.85%) per annum) with a maturity of twelve months from December 2022 (2021: 12 months from December 2021).

10. REVENUE RESERVE

The Company does not have a share capital.

Funding for the running of the Company shall be realised from the following:

- membership fees from members;
- setup fees for bulk registration services;
- assignment/allocation fees for individual address space assignments/allocation;
- maintenance fees for non-contiguous, non ISP address space;
- registration fees for individual address space transfers;
- setup fees for autonomous system number ("ASN") assignments;
- grants and/or voluntary donations; and
- such other sources as may be deemed appropriate from time to time by the Board.

The fees mentioned above shall be subject to review from time to time by the Board.

Revenue reserve

Revenue reserve refers to the undistributed and accumulated surpluses over the years the Company has been in existence.

In January 2008, AFRINIC Board passed the following Resolution Reference 200801.60 "AfrINIC should endeavour to build a reserve fund sufficient to cover two years of operational expenses."

11. INCOME

The following is an analysis of the Company's income for the year:

	2022 USD	2021 USD
Revenue from rendering of services:		
Membership renewal fees	5,458,118	5,269,054
Allocation or assignment fees	626,364	709,207
Revenue from contracts with customers (Note (a))	6,084,482	5,978,261
Sponsorship for Afrinic events	17,990	18,500
Other income (Note (d))	770,998	27,616
	<u>6,873,470</u>	<u>6,024,377</u>
<i>Note on discounts</i>		
Early settlement	4,360	67,314
Educational and critical Infrastructure	167,175	128,525
	<u>171,535</u>	<u>195,839</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

11. INCOME (CONTINUED)

<i>(a)</i>	<i>Disaggregation of revenue from contracts with customers</i>	<u>2022</u>	<u>2021</u>
		USD	USD
	<i>Product type</i>		
	Membership renewal fees	5,458,118	5,269,054
	Allocation or assignment fees	626,364	709,207
		<u>6,084,482</u>	<u>5,978,261</u>
	<i>Timing of revenue recognition</i>		
	Over time	6,084,482	5,978,261
		<u>6,084,482</u>	<u>5,978,261</u>
<i>(b)</i>	<i>Liabilities related to contracts with customers</i>	Contract Liabilities	
		<u>2022</u>	<u>2021</u>
		USD	USD
	At 01 January		
	Cash received in advance of performance and not recognised as revenue during the year	(1,545,266)	(1,561,468)
	Amounts included in contract liabilities that were recognised as revenue during the year	(1,542,627)	(1,469,779)
	At 31 December	<u>1,418,866</u>	<u>1,485,981</u>
		<u>(1,669,027)</u>	<u>(1,545,266)</u>
	<i>Analysed as follows:</i>		
	Current	(1,669,027)	(1,545,266)
	Non current	-	-
		<u>(1,669,027)</u>	<u>(1,545,266)</u>
	Contract liabilities arise from fees received in one period relating to future membership years.		
<i>(c)</i>	<i>Remaining performance obligations</i>		
	The amount of revenue that will be recognised in future periods on these contracts when those remaining performance obligations will be satisfied is analysed as follows:		
	At 31 December 2022	<u>2023</u>	
		USD	
	Membership renewal fees	1,532,892	
	Allocation or assignment fees	-	
	Others	136,135	
		<u>1,669,027</u>	
	At 31 December 2021	<u>2022</u>	
		USD	
	Membership renewal fees	1,499,609	
	Allocation or assignment fees	11,457	
	Others	34,200	
		<u>1,545,266</u>	
<i>(d)</i>	<i>Other income</i>	<u>2022</u>	<u>2021</u>
		USD	USD
	Certification income	2,380	423
	Bad debts recovered	14,380	27,193
	Miscellaneous income (i)	250,000	-
	Grants received from organisation (ii)	504,238	-
		<u>770,998</u>	<u>27,616</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**
11. INCOME (CONTINUED)
(i) Miscellaneous income

During the NRO EC(Number Resource Organization Executive Council) face to face meeting in February 2022, the NRO EC resolves to contribute USD 250,000 to AFRINIC's legal representation expenses.

(ii) Grants received from organisations

The Company has received funds of \$504,238 in 2021 for their day-to-day activities from several Organisations (Refer to Note 12(i)).

12. TRADE AND OTHER PAYABLES

	<u>2022</u>	<u>2021</u>
	USD	USD
Trade payables	51,228	451,052
Other payables	1,346,592	485,428
Funds from organisations (i)	-	504,238
	<u>1,397,820</u>	<u>1,440,718</u>

- (i) Last year, the Company had received funds of USD504,238 for their day-to-day activities from several Organisations. During the year, this has been reclassified under other income as grants received from organisations (Refer to note 11(d)).

The carrying amount of trade and other payables approximates their fair value.

Trade payables represent amount owed to trade creditors as well as suppliers of goods and services.

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 30-day terms.
- Other payables are non-interest bearing and have an average term of six months.

13. RETIREMENT BENEFIT OBLIGATIONS

The liability relates to retirement gratuities payable under the Workers' Rights Act 2019. The latter provides for a lump sum at retirement based on final salary and years of service. Half of any lumpsum and 5 years pension (relating to the employer's share of contribution only) payable from the funds have been offset from the retirement gratuities.

- (i) The amounts recognised in the statement of financial position are as follows:

	<u>2022</u>	<u>2021</u>
	USD	USD
<i>Other post employment benefits</i>		
Present value of unfunded defined benefit obligations	<u>65,688</u>	<u>50,080</u>

- (ii) Movement in liability recognised in statement of financial position:

	<u>2022</u>	<u>2021</u>
	USD	USD
At 01 January,	50,080	81,208
Charged to profit or loss	43,291	13,125
Actuarial gains recognised in other comprehensive income	(25,593)	(38,295)
Exchange gain	(2,090)	(5,958)
Benefit paid	-	-
At 31 December,	<u>65,688</u>	<u>50,080</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**
13. RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

(iii) Movement in the present value of defined benefit obligation over the year is as follows:

	<u>2022</u>	<u>2021</u>
	USD	USD
At 01 January,	50,080	81,208
Current service cost	4,055	10,577
Interest cost	2,411	2,548
Past service cost	36,825	-
Actuarial gains	(25,593)	(38,295)
Exchange gain	(2,090)	(5,958)
Benefit paid	-	-
At 31 December,	<u>65,688</u>	<u>50,080</u>

(iv) The amounts recognised in profit or loss are as follows:

	<u>2022</u>	<u>2021</u>
	USD	USD
Current service cost	4,055	10,577
Net interest cost	2,411	2,548
Past service cost	36,825	-
Total included in employee benefit expense (Note 15)	<u>43,291</u>	<u>13,125</u>

(v) The amounts recognised in other comprehensive income are as follows:

	<u>2022</u>	<u>2021</u>
	USD	USD
Experience gains on liabilities	224	886
Changes in assumptions underlying the present value of the scheme	25,369	37,409
	<u>25,593</u>	<u>38,295</u>

(vi) Sensitivity analysis on defined benefit obligations at end of the reporting date:

	<u>2022</u>	<u>2021</u>
	USD	USD
At 31 December		
Increase of 1% in Discount rate	(17,072)	(20,072)
Decrease of 1% in Discount rate	20,583	24,623
Increase of 1% in Future long-term salary assumption	21,169	24,859
Decrease of 1% in Future long-term salary assumption	<u>(17,747)</u>	<u>(20,566)</u>

An increase/decrease of 1% in other principal actuarial assumptions would not have a material impact on defined benefit obligations at the end of the reporting period.

(vii) The sensitivity above have been determined based on sensibly possible changes of the discount rate or salary increase rate occurring at the end of the reporting period if all other assumptions remained unchanged.

The sensitivity analysis may not be representative of the actual change in the unfunded obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some assumptions may be correlated.

There was no change in methods and assumptions used in preparing the sensitivity analysis from prior years.

(viii) The average remaining working life of the employees as at 31 December 2022 is 15 years (2021: 18 years)

(ix) The principal actuarial assumptions used for accounting purposes were:

	<u>2022</u>	<u>2021</u>
	%	%
Discount rate	6.70	4.90
Future long-term salary increase	<u>3.00</u>	<u>3.00</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

(x) The Company is exposed to the following risks:

- Longevity risk-employees living longer than expected exposing the employer to the risk that more employees make it to retirement
- Interest rate risk- risk that yields on bonds decrease leading to higher provisions for benefits.
- Liquidity risk-risk that employer's cash flow is not sufficient to pay the benefits
- Mortality risk-risk that higher than expected deaths leading to unexpected pay-outs
- Salary risk-risk that salary increases are higher than assumed leading to an increase in the liabilities giving rise to actuarial losses.

14. NET FINANCE (COSTS)/INCOME

	<u>2022</u>	<u>2021</u>
	USD	USD
Bank interest income	69,083	48,858
Realised gain on exchange	18,871	9,978
Unrealised loss on exchange	(125,377)	(10,690)
Interest on lease (Note 5)	(26,449)	(36,229)
	<u>(63,872)</u>	<u>11,917</u>

15. EXPENSES BY NATURE

	<u>2022</u>	<u>2021</u>
	USD	USD
Depreciation (Note 4)	139,692	131,540
Amortisation of right-of-use assets (Note 5)	129,351	117,180
Amortisation (Note 6)	1,427	1,428
Meeting expenses	66,576	89,193
Office expenses	64,749	58,416
Travelling expenses	403,129	50,617
Employee benefit expense (Note (a))	2,216,356	2,145,668
Net impairment losses on financial assets (Note 7(i))	62,889	50,957
Legal fees	1,250,527	633,807
Other expenses	1,322,887	840,511
	<u>5,657,583</u>	<u>4,119,317</u>
Analysed into:		
Distribution expenses	1,056,858	355,788
Administrative expenses	4,537,836	3,712,572
Net impairment losses on financial assets	62,889	50,957
	<u>5,657,583</u>	<u>4,119,317</u>

(a) EMPLOYEE BENEFIT EXPENSE

	<u>2022</u>	<u>2021</u>
	USD	USD
Salaries	1,629,390	1,587,547
Pension costs:		
- Other post employment benefits (Note 13(iv))	43,291	13,125
Social security costs and other benefits	543,675	544,996
	<u>2,216,356</u>	<u>2,145,668</u>
Number of employees	<u>49</u>	<u>50</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**
16. NOTES TO THE STATEMENT OF CASH FLOWS

	Notes	<u>2022</u> USD	<u>2021</u> USD
(a) <i>Cash generated from operations</i>			
Surplus before taxation		1,152,015	1,916,977
<i>Adjustments for:</i>			
Depreciation of plant and equipment	4	139,692	131,540
Amortisation of right-of-use assets	5	129,351	117,180
Amortisation of intangible assets	6	1,427	1,428
Net impairment losses on financial assets	7(i)	62,889	50,957
Loss/(Gain) on unrealised foreign exchange		34,897	(21,607)
Variable lease payment adjustment		-	(9,977)
Retirement benefit obligations	13(ii)	43,291	13,125
Interest expense	14	26,449	36,229
Interest income	14	(69,083)	(48,858)
		<u>1,520,928</u>	<u>2,186,994</u>
<i>Changes in working capital</i>			
- trade receivables		(73,959)	52,186
- prepayments and other receivables		87,086	(213,116)
- trade and other payables and contract liabilities		80,863	876,847
Cash generated from operations		<u>1,614,918</u>	<u>2,902,911</u>
(b) <i>Cash and cash equivalents</i>		<u>2022</u> USD	<u>2021</u> USD
Bank balance		6,843,427	5,525,545
Cash in hand		508	269
		<u>6,843,935</u>	<u>5,525,814</u>
<i>Bank balance is analysed as follows:</i>			
Own Cash Holdings		5,158,651	3,964,291
Fees received in advance		1,669,027	1,545,266
Cash Held - Project/Other FIRE		16,257	16,257
		<u>6,843,935</u>	<u>5,525,814</u>

- (c) While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment was immaterial.

Cash for FIRE (FUND for Internet Research and Education) represents funding received from IDRC, ISOC and Google earmarked for FIRE initiatives.

- (d) *Reconciliation of liabilities arising from financing activities*

	01 January 2022 USD	Cash flows USD	Non-cash changes USD	31 December 2022 USD
2022				
Lease liabilities	440,542	(144,752)	22,949	318,739
	01 January 2021 USD	Cash flows USD	Non-cash changes USD	31 December 2021 USD
2021				
Lease liabilities	588,750	(151,096)	2,888	440,542

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**
17. ACTUARIAL RESERVE

	2022 USD	2021 USD
At 01 January,	63,574	25,279
Actuarial gain recognised in other comprehensive income	25,593	38,295
At 31 December,	89,167	63,574

Actuarial reserve represents the cumulative remeasurement of defined benefit obligation recognised.

18. TAXATION

The Company has been granted exemption from payment of tax by the Ministry of Finance of the Republic of Mauritius on 16 November 2005.

19. RELATED PARTY DISCLOSURES

	2022 USD	2021 USD
(a) <i>Transactions with members:</i>		
Membership fees	<u>6,084,482</u>	<u>5,978,261</u>
(b) <i>Remuneration to directors :</i>		
	2022 USD	2021 USD
Short term employee benefit of CEO	289,023	190,943
Per diem of Board members	24,375	5,875
Internet allowance of Board members	11,400	14,700
	<u>324,798</u>	<u>211,518</u>

20. FINANCIAL RISK MANAGEMENT

The Company has exposure to the following financial risks arising from its operations and financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

Categories of financial instruments:

	2022 USD	2021 USD
<i>Financial assets at amortised cost</i>		
Trade receivable	67,656	56,586
Financial assets at amortised cost	6,453,349	6,384,266
Cash and cash equivalent	6,843,935	5,525,814
	<u>13,364,940</u>	<u>11,966,666</u>
<i>Financial liabilities at amortised cost</i>		
	2022 USD	2021 USD
Trade and other payables	1,397,820	1,440,718
Lease liabilities	318,739	440,542
Contract liabilities	1,669,027	1,545,266
	<u>3,385,586</u>	<u>3,426,526</u>

20.1 Risk management framework

The Company's Board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of directors are responsible for developing and monitoring the Company's risk management policies.

The Board of directors oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**
20. FINANCIAL RISK MANAGEMENT (CONTINUED)
20.2 Credit risk and expected credit losses

The Company takes on exposure to credit risk, which is the risk that a customer or counterparty will be unable to pay amounts in full when due. With respect to credit risk arising from financial assets which comprise cash and cash equivalents and trade and other receivables, the Company's exposure arises from the default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets at the reporting date. Cash transactions are limited to high credit quality financial institutions. Trade and other receivables (net of any provisions at reporting date) are limited as the Company deals with high credit quality insurance companies.

20.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Except for the non-current lease liabilities portion, which is payable after one year, all other financial liabilities are payable within one year.

The table below summarises the maturity profile of the Company's financial liabilities at reporting date based on contractual undiscounted payments.

	<u>Current</u> USD	<u>Non</u> <u>Current</u> USD
31 December 2022		
Non-derivative financial liabilities		
Trade and other payables	1,397,820	-
Contract Liabilities	1,669,027	-
Lease liabilities	178,161	140,578
	<u>3,245,008</u>	<u>140,578</u>
31 December 2021		
Non-derivative financial liabilities		
Trade and other payables	1,440,718	-
Lease liabilities	124,042	316,500
Contract Liabilities	1,545,266	-
	<u>3,110,026</u>	<u>316,500</u>

20.4 Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates, which will affect the Company's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Currency risk

Currency risk is the risk that the fair value of future cash flows of financial instrument will fluctuate because of changes in foreign exchange rate. The Company's policy is to ensure that its net exposure for assets and liabilities is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short term imbalances.

The Company has assets and liabilities denominated in various foreign currencies. Differences in exchange arise mainly on translation of assets and liabilities denominated in foreign currencies into presentation currency.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**
20. FINANCIAL RISK MANAGEMENT (CONTINUED)
20.4 Market risk (continued)
(i) Currency risk (continued)

The currency profile of the Company's financial assets and liabilities is summarised as follows:

	Financial assets 2022 USD	Financial assets 2021 USD	Financial liabilities 2022 USD	Financial liabilities 2021 USD
MUR	70,892	50,271	378,752	674,247
USD	12,662,048	11,456,733	2,981,676	2,684,136
EUR	632,000	459,662	25,158	68,143
	<u>13,364,940</u>	<u>11,966,666</u>	<u>3,385,586</u>	<u>3,426,526</u>

(ii) Sensitivity analysis

At 31 December 2022, if exchange rate had strengthened/weakened by 5% against the following currencies, the result after tax would be as follows:

	2022 USD Increase/ (decrease) in profit/equity	2021 USD Increase/ (decrease) in profit/equity
MUR	(15,393)	(31,199)
EUR	30,342	19,576
	<u>14,949</u>	<u>(11,623)</u>

(iii) Interest rate risk

The Company has interest bearing deposits with fixed rates. It could be exposed to fair value interest rate risk arising from changes in market interest rates. However, the deposits are short term.

Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust dividend payments to shareholder, return on capital to shareholder or issue new shares.

The Company monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowing (including 'current and non-current borrowings' as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

	2022 USD	2021 USD
Total debt	318,739	440,542
Less: cash and bank balances (Note 16(b))	<u>(6,843,935)</u>	<u>(5,525,814)</u>
Net assets attributable to members	<u>(6,525,196)</u>	<u>(5,085,272)</u>
Gearing ratio	<u>N/A</u>	<u>N/A</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

21. CONTINGENT LIABILITIES

- (a) As at 31 December 2022, there were contingent liabilities in respect of guarantees for which no provisions have been made in the financial statements. The guarantees are denominated in Mauritian rupees ("MUR"), and are as follows:

	2022		2021	
	USD	Rs.	USD	Rs.
Bank guarantee	<u>232</u>	<u>10,000</u>	<u>232</u>	<u>10,000</u>

- (b) In 2015, AfrinIC Board to participate in The Joint Regional Internet Registry Stability Fund. This is a fund which will be established through agreed voluntary pledges of funds, publicly documented, from individual RIRs (Regional Internet Registries). The Fund is to be used in case of need, to guarantee the continuity of registry operations and related support activities, the latter prominently including regional and global policy development processes. Any use of funds will be contingent upon having public reporting of audited financial statements. AfrinIC has initially pledged USD 50,000 towards the funds. During the year under review, AfrinIC has agreed to increase the pledge commitment to USD 100,000.

22. LITIGATION CASES

The company is involved in a number of legal proceeding which do not arise from its ordinary course of operations infringement. In consultation with the company's legal advisors, has assessed the status and merits of these cases not continue to monitor development on an ongoing basis. Based on management's assessment and legal advice received as at the reporting date, it is not probable that these proceeding will result in an outflows of economic resources and accordingly no provisioning has been recognised in the financial statement. Furthermore, management considers that there are no contingent liabilities that requires disclosures in accordance with IAS 37 Provisions, Contingent Liabilities and contingent assets. The company will continue to monitor the outcome of these matters and will update this assessments should new information became available.

23. SUBSEQUENT EVENTS AND GOVERNANCE DEVELOPMENTS

- (a) Prior to its last Annual General Members' Meeting (AGMM) in 2022, AFRINIC's Board consisted of eight directors - the Chief Executive Officer (CEO) and seven others.

The Board was due to be reconstituted through an election at the 2022 AGMM. However, this election was not held due to an Interim Order issued in the case *Larus Cloud Service v AFRINIC & ANOR (SC/COM/MOT/000334/2022)*. Despite this, five directors remained in office, which was sufficient to maintain a quorum and allow the Board to function.

On 14 June 2022, a subsequent Interim Order in the case *Africa on Cloud (Pty) Ltd v AFRINIC (SC/COM/WRT/000418/2022)* prohibited AFRINIC from holding board meetings with the participation of Dr. A. Omari. As a result, the Board no longer had the required quorum to convene, although the five remaining directors could still act in their individual capacities.

On 30 June 2022, an Interim Order issued in the case *Crystal Web (Pty) Ltd v AFRINIC (SC/COM/WRT/000454/2022)*, among other restrictions, prevented AFRINIC's CEO from serving as an ex-officio director.

AFRINIC's CEO's contract expired on 03 November 2022. With no quorate board to appoint a successor, AFRINIC has remained without a CEO since 4 November 2022. This also reduced the number of directors to four: Mr. S. Moonesamy, Mr. Silvio Almada, Mr. Abdalla Omari, and Mr. Benjamin Eshun.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

23. SUBSEQUENT EVENTS AND GOVERNANCE DEVELOPMENTS (CONTINUED)

On 12 September 2023, following an application under section 178 of the Companies Act 2001 by Cloud Innovation Ltd (CIL) (SC/COM/MOT/000156/2023), the Supreme Court of Mauritius (Commercial Division) appointed the Official Receiver with the following mandate:

- (i) Restraining and prohibiting AFRINIC from relating and/or subject itself to a takeover or merger, or restructuring or management control in any manner whatsoever;
- (ii) Holding the ring and ensuring that the status quo of the assets of AFRINIC is preserved and that the value of the business is maintained.
- (iii) See to it that the election process as per the constitution of AFRINIC be carried so that a proper board could be constituted and also for the appointment of the Chief Executive Officer.

On 28 September 2023, former director, Mr. Benjamin Eshun, purportedly on behalf of AFRINIC, filed an appeal against the 12 September 2023 judgment. The filing of the appeal automatically stayed the judgment, removing the Official Receiver's authority over AFRINIC.

On 02 October 2023, CIL argued before the Acting Deputy Master & Registrar that Mr. Eshun lacked authority to act on behalf of AFRINIC, as he was no longer a director. Accordingly, AFRINIC's appeal was stayed. CIL also lodged an appeal in relation to this ruling.

On 04 October 2023, CIL obtained an Interim Order preventing Mr. Eshun from representing AFRINIC (SC/COM/WRT/000762/2023). The effect of this Order was to restore the Official Receiver's authority.

However, on 13 October 2023, Mr. Eshun applied to the Court of Civil Appeal (SC/COM/WRT/000762/ 2023) to have the Orders of 02 and 04 October set aside, so the appeal of 28 September could proceed. On 16 October 2023, the Court granted Mr. Eshun's request, suspending the Official Receiver's authority once more, pending the determination of the original appeal.

During this time, Mr. Eshun, along with Messrs. A. Omari, A. Silvio, and S. Moonesamy, continued to act as individual directors.

On 15 October 2024, the Court of Appeal dismissed the appeal of 28 September 2023 (2024 SCJ 473), ruling that Mr. Eshun had no authority to lodge it on behalf of AFRINIC. Consequently, the Official Receiver's authority was reinstated, and he was ordered to reconstitute the Board by 15 December 2024.

Subsequently, a Court Order dated 25 November 2024 (SC/COM/MOT/000859/2024) extended the Official Receiver's deadline to 30 June 2025.

On 12 February 2025, following another application by CIL (SC/COM/MOT/000082/2025), the Court replaced the Official Receiver with Mr. Gowtamsingh Dabee as Receiver, granting him the mandate to organise elections by 25 April 2025.

In April 2025, the deadline was again extended (SC/COM/MOT/000280/2025) - this time to 30 June 2025.

On 18 June 2025, Mr. Dabee opened online voting for the Board election, with in-person voting scheduled for 23 June 2025.

However, on 23 June 2025, the election was suspended due to allegations of fraudulent powers of attorney being used in the voting process.

On 25 June 2025, in light of the serious irregularities, Mr. Dabee annulled the election and applied to the Court for authorisation to organise a fresh one (SC/COM/MOT/000467/2025).

The Court has since granted him an extension until 30 September 2025 to conduct new elections and reconstitute the Board.

On 18 July 2025, by virtue of General Notice No.1045 of 2025, the Hon. Prime Minister, Minister of Defence, Home Affairs and External Communications, Minister of Finance, Minister for Rodrigues and Outer Islands, acting under section 230 of the Companies Act 2001, designated AFRINIC as a declared company.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

23. SUBSEQUENT EVENTS AND GOVERNANCE DEVELOPMENTS (CONTINUED)

In August 2025, there were attempts to prevent both the Receiver and AFRINIC from the organising the AFRINIC's board elections as scheduled (SC/COM/WRT/000657/2025 & SC/COM/WRT/000599/2025), however, both applications were set-aside, and the court in the case bearing reference SC/COM/WRT/000599/2025 mandated the Receiver to hold the said elections under the supervision of the Electoral Commissioner of Mauritius.

The new election date was set to 12th September 2025. The election was successfully concluded, and the following candidates were elected to be part of AFRINIC Board.

- Board Seat 1 (Northern Africa), Mr. Abdelaziz Hilali: declared elected in the absence of any opposing candidate
- Board Seat 2 (Western Africa), Prof Adewale Emmanuel Adedokun
- Board Seat 3 (Indian Ocean), Mr Kaleem Ahmed Usmani
- Board Seat 4 (Central Africa), Mr Laurent Kayemba Ntumba
- Board Seat 5 (Southern Africa), Mrs Carla Sofia Fernandes Sanderson
- Board Seat 6 (Eastern Africa), Mrs Fiona Makokha Asonga
- Board Seat 7 (Non-Regional), Mr Benjamin Mark Roberts
- Board Seat 8 (Non-Regional), Mr Adewole David Ajao

On 08 October 2025, the court-appointed receiver filed an application before the supreme court of Mauritius (SC/COM/MOT/000757/2025) seeking, among other things, his discharge as receiver of AFRINIC. This application has since been heard, and judgement is currently awaited.

- (b) Subsequent to the reporting date, geopolitical tensions in the Middle East, including developments involving Iran, continued to evolve. These events have contributed to ongoing global economic and market uncertainty. Management has assessed the impact of these developments on the Company's operations, financial position and performance. As the Company does not have any operations, assets or customers located in Iran, and does not engage in transactions directly subject to International Sanctions related to the region, these events are considered non-adjusting events after the reporting period, as they relate to conditions that arose after the reporting date. Based on information available at the date of approval of these financial statements, management does not consider these developments to require adjustments to the amounts recognised in the financial statements. Management continues to monitor the situation and will reflect any material impacts in future reporting periods as appropriate.

There are no other material events after the reporting date which require amendments to or additional disclosures in the financial statements for the year ended 31 December 2022.

AFRICAN NETWORK INFORMATION CENTRE (AfrinIC) LTD

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

TABLE OF CONTENTS - 31 DECEMBER 2023

	PAGES
CORPORATE DATA	2
DIRECTORS' REPORT	3
CERTIFICATE FROM THE SECRETARY	4
INDEPENDENT AUDITORS' REPORT	5 - 7
STATEMENT OF FINANCIAL POSITION	8
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	9
STATEMENT OF CHANGES IN EQUITY	10
STATEMENT OF CASH FLOWS	11
NOTES TO THE FINANCIAL STATEMENTS	12 - 35

CORPORATE DATA

		Date of appointment	Date of removal
DIRECTORS	: Mr. Subramanian Moonesamy	01 June 2017	18 September 2023
	Mr. Oluwaseun Samson Ojedeji	01 July 2016	03 June 2022
	Mr. Habib Youssef	23 August 2018	03 June 2022
	Mr. Adewale Emmanuel Adedokun	26 June 2019	03 June 2022
	Mr. Eddy Mabano Kayihura	04 November 2019	03 November 2022
	Mr Benjamin Adezenyambeye Eshun	18 September 2020	18 September 2023
	Mr. Abdalla Omari	18 September 2020	18 September 2023
	Mr. Silvio Cabral Almada	27 December 2021	18 September 2023
	Mr. Adewale Emmanuel Adedokun	15 September 2025	-
	Mr. Adewole David Ajao	15 September 2025	-
	Mrs. Fiona Makokha Asonga	15 September 2025	-
	Mr. Abdelaziz Hilali	15 September 2025	-
	Mr. Laurent Kayemba Ntumba	15 September 2025	-
	Mr. Benjamin Mark Roberts	15 September 2025	-
	Mrs. Carla Sofia Fernandes Sanderson	15 September 2025	-
Mr. Kaleem Ahmed Usmani	15 September 2025	-	
REGISTERED OFFICE	: 19 Cybercity 11 th Floor Standard Chartered Tower Ebène Mauritius		
AUDITOR	Forvis Mazars LLP 4 th Floor, Unicorn Centre 18N, Frère Félix de Valois Street Port Louis Mauritius		
ATTORNEYS	: C&A LAW Suite 1005, Level 1 Alexander House 35 Cybercity Ebène Mauritius		
	Trinity Legal Suite 201 Court view Pope Henessy Street Port Louis Mauritius		
	Dentons Les Jamalacs Building, Port Louis Mauritius		
BANKERS	: The Mauritius Commercial Bank Limited Sir William Newton Street Port Louis Mauritius		
	SBM BANK (MAURITIUS) LTD Corporate Office, SBM Tower 1 Queen Elizabeth II Avenue Port Louis Mauritius		

DIRECTORS' REPORT

The directors present their report and the audited financial statements of AFRICAN NETWORK INFORMATION CENTRE (AfrINIC) LTD (the "Company") for the year ended 31 December 2023.

PRINCIPAL ACTIVITY

The Company is the Regional Registry for Internet Number Resources for Africa and the Indian Ocean. The Company is a not for profit organisation.

Results

The results for the year are shown on page 9.

Statement of Directors' Responsibilities in respect of the financial statements

Company law requires the directors to prepare financial statements for each financial year which present fairly the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether IFRS[®] Accounting Standards have been followed and, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors have confirmed that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with Mauritius Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors have made an assessment of the Company's ability to continue as going concern and have no reason to believe the business will not be a going concern in the year ahead.

Remuneration and benefits

Total emoluments and other benefits given directors by the Company during the year were as follows:

	2023 USD	2022 USD
Mr. Eddy Mabano Kayihura	-	289,023
Remuneration to directors (Board Members)	-	35,775
Total (Note 19(b))	<u>-</u>	<u>324,798</u>

Community Support

During 2023, AFRINIC provided support to related regional and global organisation and community members amounting to USD 11,000 (2022: USD 133,123).

Auditor

The auditor, Forvis Mazars LLP, has expressed their willingness to act as auditor of the Company. A resolution for their appointment in accordance with Section 200(i) of the Mauritius Companies Act 2001, will be proposed at the next Annual Meeting.

The fees paid to the auditors were as follows:

	2023 USD	2022 USD
Audit fees to Forvis Mazars LLP	<u>14,000</u>	<u>14,000</u>

The auditors did not receive any fees for other services.

By order of the Board


Director
Adewale Emmanuel Adedokun

Date: 22 MAY 2026



Director
Fiona Makokha Asonga

Date: 22 MAY 2026

**CERTIFICATE FROM THE SECRETARY - 31 DECEMBER 2023
UNDER SECTION 166 (d) OF THE MAURITIUS COMPANIES ACT 2001**

We certify that, to the best of our knowledge and belief that African Network Information Centre (AfrinIC) Ltd (the "Company") has filed with the Registrar of Companies, for the year ended 31 December 2023, all such returns as are required of the Company under the Mauritius Companies Act 2001, except for the filing of the financial statements within the prescribed period.



EXECUTIVE SERVICES LIMITED
Per Christian ANGSEESING
Company Secretary

Date : 22 MAY 2026

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AFRICAN NETWORK INFORMATION CENTRE LTD**Report on the Audit of the Financial Statements*****Opinion***

We have audited the financial statements of **African Network Information Centre (AfrinIC) Ltd** (the "Company") on pages 8 to 35 which comprise the statement of financial position as at 31 December 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements on pages 8 to 35 give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS® Accounting Standard and comply with the Mauritius Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our audit report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Emphasis of matter

We draw attention to Note 22 of the financial statements, which describes the uncertainty related to the outcome of certain legal proceedings initiated against the Company. As disclosed, the Company is currently involved in litigation that may have a material impact on its financial position depending on the outcome. While the directors have assessed the potential financial implications and made appropriate disclosures, the ultimate resolution of these matters remains uncertain at the date of our report. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the Commentary of The Directors and the Secretary's Certificate as required by the Companies Act 2001 which we obtained prior to the date of the audit report. Other information does not include the financial statements and our audit report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report on in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AFRICAN NETWORK INFORMATION CENTRE LTD**Report on the Audit of the Financial Statements (continued)*****Responsibilities of Directors for the Financial Statements***

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as the requirement of the Mauritius Companies Act 2001 and Financial Services Act 2007, and for such internal control as directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AFRICAN NETWORK INFORMATION CENTRE LTD**Report on the Audit of the Financial Statements (Continued)*****Auditor's Responsibilities for the Audit of the Financial Statements (Continued)***

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Report on Other Legal and Regulatory Requirements

The Mauritius Companies Act 2001 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- We have no relationship with, or interests in, the Company other than in our capacity as auditors.
- We have obtained all the information and explanations we have required; and
- In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Use of this report

This report, including the opinion has been prepared for and only for the Company's members, as a body, in accordance with Section 205 of the Mauritius Companies Act 2001 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**Forvis Mazars LLP****Sandiren Ramsawmy, FCCA**
Licensed by FRCDate: **22 MAY 2026**

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

ASSETS	Notes	<u>2023</u> USD	<u>2022</u> USD
Non-current assets			
Plant and equipment	4	306,671	441,117
Right-of-use assets	5	308,973	428,705
Intangible assets	6	171,559	172,986
		<u>787,203</u>	<u>1,042,808</u>
Current assets			
Trade receivables	7	158,362	67,656
Prepayments and other receivables	8	281,363	217,866
Financial assets at amortised cost	9	6,376,527	6,453,349
Cash and cash equivalents	16(b)	9,603,739	6,843,935
		<u>16,419,991</u>	<u>13,582,806</u>
Total assets		<u>17,207,194</u>	<u>14,625,614</u>
RESERVES AND LIABILITIES			
Reserves			
Revenue reserve	10	13,374,659	11,085,173
Actuarial reserve		48,698	89,167
Net assets attributable to members		<u>13,423,357</u>	<u>11,174,340</u>
Non-current liabilities			
Lease liabilities	5	13,470	140,578
Retirement benefit obligations	13	87,652	65,688
		<u>101,122</u>	<u>206,266</u>
Current liabilities			
Lease liabilities	5	153,980	178,161
Trade and other payables	12	1,866,012	1,397,820
Contract liabilities	11(b)	1,662,723	1,669,027
		<u>3,682,715</u>	<u>3,245,008</u>
Total liabilities		<u>3,783,837</u>	<u>3,451,274</u>
Total equity and liabilities		<u>17,207,194</u>	<u>14,625,614</u>

The financial statements have been approved for issue by the Board of Directors on



Emmanuel Adewale Adedokun
Director



Fiona Makokkha Asonga
Director

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	<u>2023</u> USD	<u>2022</u> USD
Income	11	6,016,699	6,873,470
Distribution expenses	15	(211,868)	(1,056,858)
Administrative expenses	15	(3,560,061)	(4,537,836)
Net impairment losses on financial assets	15	<u>(153,748)</u>	<u>(62,889)</u>
Surplus of income over expenditure		2,091,022	1,215,887
Net finance (cost)/income	14	<u>198,464</u>	<u>(63,872)</u>
Surplus before taxation		2,289,486	1,152,015
Taxation	18	<u>-</u>	<u>-</u>
Surplus for the year		<u>2,289,486</u>	<u>1,152,015</u>
Other comprehensive income:			
<i>Items that will not be reclassified to profit or loss:</i>			
Remeasurements of post employment benefit obligations	13(v)	<u>(40,469)</u>	25,593
Other comprehensive income for the year		<u>(40,469)</u>	<u>25,593</u>
Total comprehensive income for the year		<u><u>2,249,017</u></u>	<u><u>1,177,608</u></u>

AFRICAN NETWORK INFORMATION CENTRE (Afrinic) LTD

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	Revenue reserve USD	Actuarial reserve USD	Total USD
At 01 January 2022		9,933,158	63,574	9,996,732
Surplus for the year		1,152,015	-	1,152,015
Other comprehensive income for the year	17	-	25,593	25,593
Total comprehensive income for the year		1,152,015	25,593	1,177,608
At 31 December 2022		11,085,173	89,167	11,174,340
At 01 January 2023		11,085,173	89,167	11,174,340
Surplus for the year		2,289,486	-	2,289,486
Other comprehensive loss for the year	13(ii)	-	(40,469)	(40,469)
Total comprehensive income for the year		2,289,486	(40,469)	2,249,017
At 31 December 2023		13,374,659	48,698	13,423,357

The notes on pages 12 to 35 form an integral part of the financial statements.
Auditor's report on pages 5 to 7.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	<u>2023</u> USD	<u>2022</u> USD
Cash flows from operating activities			
Cash generated from operations	16(a)	2,649,528	1,614,918
Interest received		148,806	41,909
Net cash generated from operating activities		<u>2,798,334</u>	<u>1,656,827</u>
Cash flows from investing activities			
Purchase of plant and equipment	4	-	(111,558)
New deposits		(136,880)	(41,909)
Proceeds from maturity of deposits		277,382	-
Net cash used in investing activities		<u>140,502</u>	<u>(153,467)</u>
Cash flows from financing activities			
Interest paid on lease liabilities	5	(16,206)	(26,449)
Principal paid on lease liabilities	5	(134,136)	(118,303)
Net cash used in financing activities		<u>(150,342)</u>	<u>(144,752)</u>
Increase in cash and cash equivalents		<u>2,788,494</u>	<u>1,358,608</u>
Movement in cash and cash equivalents:-			
At 01 January		6,843,935	5,525,814
Effects of exchange rate changes		(28,690)	(40,487)
Increase in cash and cash equivalents		2,788,494	1,358,608
At 31 December	16(b)	<u>9,603,739</u>	<u>6,843,935</u>

The notes on pages 12 to 35 form an integral part of the financial statements.
Auditor's report on pages 5 to 7.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1. CORPORATE INFORMATION

African Network Information Centre (AfriNIC) Ltd, (the "Company") is a private company limited by guarantee incorporated in the Republic of Mauritius. Its registered address and place of business is situated at 11th Floor, Standard Chartered Tower, Cybercity, Ebene, Republic of Mauritius.

The principal activity has remained unchanged during the year and consists of being the Regional Registry for Internet Number Resources for Africa and the Indian Ocean. The Company is a not-for-profit organisation.

In January 2008, AfriNIC Board passed the following Resolution Reference 200801.60 " AfriNIC should endeavour to build a reserve fund sufficient to cover two years of operational expenses."

The financial statements of the Company for the year ended 31 December 2023 were authorised for issue in accordance with a resolution of the directors on 22 MAY 2026

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES**2.1 Basis of preparation***(i) Statement of Compliance*

The financial statements of the Company has been prepared in accordance with IFRS Accounting Standards. IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards
- IAS Standards
- Interpretations developed by the IFRS Interpretations Committee (IFRIC Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC® Interpretations).

The financial statements has been prepared on the historical cost basis, unless stated otherwise.

2.2 Application of new and revised international Financial Reporting Standards (IFRSs)

In the current year, the Company has applied all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board ("IASB") and the IFRSs Interpretations Committee of the IASB that are relevant to its operations and effective for accounting periods beginning on 01 January 2023.

(i) New and revised IFRSs applied with no material effect on financial statements

The following relevant new and revised IFRSs have been applied in these financial statements. The application of these new and revised IFRSs has not had any material impact on the amounts reported and/or disclosed for the current year but may affect the accounting for future transactions or arrangements.

- Extension of the temporary exemption from applying IFRS 9 (Amendments to IFRS 4)
- Deferred tax related to Assets and Liabilities arising from a single transaction (Amendments to IAS 12)
- Definition of Accounting Estimates (Amendments to IAS 8)
- Disclosure of Accounting Policies (Amendment to IAS 1 and practice statement 2)

The above new and amended standards are not relevant and therefore, have no effect on the Company.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 Application of new and revised international Financial Reporting Standards (IFRSs) (continued)

(ii) New and revised IFRSs in issue but not yet effective

At the date of authorisation of these financial statements, the following relevant IFRSs were in issue but effective on annual periods beginning on or after the respective dates as indicated:

	Effective for accounting period beginning on or after
• Classification of Liabilities as Current or Non-current (Amendments to IAS 1)	01 January 2024
• Non-current Liabilities with Covenants (Amendments to IAS 1)	01 January 2024
• Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	01 January 2024
• Suppliers Finance Arrangements (Amendments to IAS 7 and IFRS 7)	01 January 2024
• Lack of Exchangeability (Amendments to IAS 21)	01 January 2025
• Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	01 January 2026
• Presentation and Disclosures in Financial Statements (IFRS 18)	01 January 2027

2.3 Financial instruments

Recognition and derecognition

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets are classified into the following categories:

- Amortised cost;
- Fair value through profit or loss (FVTPL); and
- Fair value through other comprehensive income (FVOCI)

The Classification is determined by both:

- The entity's business model for managing the financial asset;
- The contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within other income and administrative expenses, except for impairment of trade receivables which is presented within other expense.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)**2.3 Financial instruments (continued)***Subsequent measurement of financial assets*

Financial assets are subsequently measured at amortised cost.

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- They are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where receivables do not contain a significant financing component. The Company's cash and cash equivalents, trade and most receivables fall into this category of financial assets at amortised cost.

Impairment of financial assets

IFRS 9's impairment requirements incorporate forward-looking information to recognised expected credit losses – the "expected credit loss ("ECL") model. This replaces IAS 39's "incurred loss model". Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI and trade receivables recognised under IFRS 15.

Recognition of credit losses is no longer dependent on the Company first identifying a credit loss event. Instead the Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Measurement of the expected credit losses is determined by a probability weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables

The Company applies the simplified approach of recognising lifetime expected credit losses for the trade receivables that do not contain a significant financing component in accordance with IFRS 15.

These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In estimating Expected Credit Losses, the Company carries out individual assessment of its trade receivables per contract during the provision assessment meetings, which are held on a yearly basis. The provision assessment meetings consists of senior management, and the finance team who assess the counterparty risk and the likelihood of payment based on several factors such as financial health of the clients as well as the economic environment in which they operate. The Company then specifically provides for clients (invoices) which exhibit increase in credit risk, or for which the economic environment indicates that the receivable might default on a portion of the amount outstanding.

Because the receivables are assessed per contract, historically the Company has had minimal write-offs, and assessed them from both a historical perspective and using forward-looking information, the Company has elected not to apply any practical expedients in determining the expected credit losses. Expectation is already factored into the impairment assessments.

Classification and measurement financial liabilities

As the accounting for financial liabilities remains largely the same under IFRS 9 compared to IAS 39, the Company's financial liabilities were not impacted by the adoption of IFRS 9. However, for completeness, accounting policy is disclosed below.

The Company's financial liabilities include trade and other payables and lease liabilities

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)**2.3 Financial instruments (continued)***Classification and measurement financial liabilities (continued)*

Financial liabilities are initially measured at fair value and adjusted for transaction costs. Subsequently, financial liabilities are measured at amortised cost using the effective interest method. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate. Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date; Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease. All interest related charges and, if applicable, changes in an instruments fair value that are reported in profit or loss are included within finance costs or finance income.

2.4 Foreign Currencies**(a) Functional and presentation currency**

Items included in the financial statements are measured using United States Dollars ("USD"), the currency of the primary economic environment in which the entity operates. The financial statements are presented in United States Dollars ("USD"), which is the Company's functional and presentation currency.

The Company obtained the approval of the Registrar of Companies to present its financial statements in United States Dollars ("USD").

(b) Transactions and balances

Transactions in foreign currencies are translated to the USD at exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Non-monetary items are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

2.5 Plant and Equipment**(i) Recognition and measurement**

Items of plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Historical cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of the self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

If significant parts of an item of plant and equipment have different useful lives, then they are accounted for as separate items (major components) of plant and equipment. Any gain or loss on disposal of an item of plant and equipment are determined by comparing the net proceeds from disposal with the carrying amount of the item, and are recognised in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company. Ongoing repairs and maintenance are expensed as incurred.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.5 Plant and Equipment (continued)

(iii) Depreciation

Depreciation is calculated on a straight line basis to write off the cost of each asset to its residual value over its estimated useful life. Residual value is the estimated amount that the Company would currently obtain from disposal of the asset after deducting the estimated cost of disposal and if the asset was already of the age and in the condition expected at the end of its useful life.

The principal annual rates of depreciation are:

	Annual Rates
Computer Equipment	20%
Office Equipment	20%
Fixtures & Fittings	10%
Building Improvements	10%

Items of plant and equipment are depreciated for the full year in the year of purchase and ready for use and no depreciation is charged in the year of disposal. All plant and equipment have a Nil Residual value. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

2.6 Intangible Assets

(i) Recognition and measurement

Intangible assets acquired by the Company are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Such assets are assessed as having finite useful lives and are amortised on a systematic basis over their estimated useful lives.

Internally generated intangible assets are recognised only when the Company can demonstrate compliance with the recognition criteria set out in IAS 38. They have indefinite useful lives are not amortised but are tested annually for impairment, or more frequently when indicators of impairment exist.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

(iii) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight line method over their estimated useful lives, and is generally recognised in the profit or loss.

The estimated useful life for the current and comparative years is as follows:

	Useful life
Computer software	3-5 years
Internally generated software	Indefinite

2.7 Leases

(a) *The Company as lessee*

The Company assesses whether a contract is, or contains, a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)**2.7 Leases (continued)****(a) The Company as lessee (continued)**

The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; a credit risk adjustment based on bond yields; and an entity-specific adjustment when the risk profile of the entity that enters into the lease is different to that of the Company and the lease does not benefit from a guarantee from the Company.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used)
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification

The Company did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)**2.7 Leases (continued)****(a) The Company as lessee (continued)**

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss in accordance with IAS 36.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. For contracts that contain a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

2.8 Retirement benefit obligations*Defined contribution plans*

A defined contribution plan is a pension plan under which the Company pays fixed contributions into separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The company operates a defined contribution retirement benefit plan for certain employees. Payments to the defined contribution plans are recognised as an expense when employees have rendered service that entitles them to the contributions.

Gratuity on retirement

For certain employees where the statutory gratuity is insufficiently covered by the above pension plans, the net present value of the retirement gratuity payable under the Workers' Rights Act 2019 is calculated by the qualified actuary and provided for. The obligations arising under this item are not refunded.

2.9 Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

2.10 Revenue recognition**(a) Revenue from contracts with customers**

Revenue from contracts with customers is recognised when control of the services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled for those services

Performance obligations and timing of revenue recognition

Revenue consists principally of membership fees charged for the use of Internet Number Resources. The Company recognises revenue over the time the contract through which these resources are provided to customers.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)**2.10 Revenue recognition (continued)****(a) Revenue from contracts with customers (continued)***Determining the transaction price*

Most of the revenue is derived from fixed price contracts and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices.

Allocating amounts to performance obligations

For most contracts, there is a fixed unit price for each service sold, with reductions given for early settlement. Therefore, there is no judgement involved in allocating the contract price to each service in such contracts.

(b) Contract assets

A contract asset is the right to consideration in exchange for services transferred to the customer. If the Company performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

(c) Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

2.11 Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired.

2.12 Income Tax

The Company is exempted from income tax by the Mauritius Tax Authority.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Critical accounting estimates and assumptions

The Company makes certain estimates and assumptions regarding the future. Estimates and judgements are continuously evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Retirement benefit obligations

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/(income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligation.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Company considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension obligation.

Other key assumptions for pension obligations are based on part on current market conditions. Additional information is disclosed in Note 2.8

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)**3.1 Critical accounting estimates and assumptions (continued)***(b) Useful lives and residual values of plant and equipment*

Determining the carrying amounts of property and equipment requires the estimation of the useful lives and residual values of these assets which carry a degree of uncertainty. The directors have used historical information relating to the Company and the relevant industry in which it operates in order to best determine the useful lives and residual values of property and equipment.

(c) Impairment of assets

Non-financial assets are considered for impairment if there is a reason to believe that impairment may be necessary. Factors taken into consideration in reaching such a decision include the economic viability of the asset itself and where it is a component of a larger economic unit, the viability of that unit itself.

Future cash flows expected to be generated by the assets or cash-generating units are projected, taking into account market conditions and the expected useful lives of the assets. The present value of these cash flows, determined using an appropriate discount rate, is compared to the current net asset value and, if lower, the assets are impaired to the present value.

(d) Provision for expected credit losses of financial assets at amortised cost and trade receivables

The Company uses judgemental assessment to determine the ECLs for trade receivables and financial assets at amortised cost.

(e) Leases

In determining the lease term for the property being rented, management considers the broader economics of its arrangement with the lessor, including the economic penalties for both the lessor and the Company should the Company vacate the leased premises.

(f) Limitation of sensitivity analysis

Sensitivity analysis in respect of market risk demonstrates the effect of a change in key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

(g) Litigation cases

There has been a number of legal cases that have been lodged against the Company. There is an element of uncertainty in determining the outcome of these legal cases and the potential impact on the Company in terms of litigation liability and going concern. The directors have exercised significant judgement in assessing any potential liability and have determined that there is no material uncertainty related to going concern. Refer to note 22.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

4. PLANT AND EQUIPMENT

	Computer Equipment USD	Office Equipment USD	Fixtures & Fittings USD	Building Improvement USD	Total USD
(a) COST					
At 1 January 2023	1,193,918	105,865	116,130	176,017	1,591,930
Additions	-	-	-	-	-
At 31 December 2023	1,193,918	105,865	116,130	176,017	1,591,930
DEPRECIATION					
At 1 January 2023	946,101	97,626	40,547	66,539	1,150,813
Charge for the year	102,518	5,605	10,750	15,573	134,446
At 31 December 2023	1,048,619	103,231	51,297	82,112	1,285,259
NET BOOK VALUES					
At 31 December 2023	145,299	2,634	64,833	93,905	306,671
(b) COST					
At 1 January 2022	1,084,959	103,836	115,560	176,017	1,480,372
Additions	108,959	2,029	570	-	111,558
At 31 December 2022	1,193,918	105,865	116,130	176,017	1,591,930
DEPRECIATION					
At 1 January 2022	839,138	91,269	29,797	50,917	1,011,121
Charge for the year	106,963	6,357	10,750	15,622	139,692
At 31 December 2022	946,101	97,626	40,547	66,539	1,150,813
NET BOOK VALUES					
At 31 December 2022	247,817	8,239	75,583	109,478	441,117

At reporting date, the directors have reviewed the plant and equipment for impairment and have not noted any indication of impairment.

(c) Depreciation charge of **USD 134,446** (2022: USD 139,692) has been charged to administrative expenses.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

5. RIGHT-OF-USE-ASSETS AND LEASE LIABILITIES

RIGHT-OF-USE ASSETS

	Building and parking	
	2023	2022
	USD	USD
At 01 January	428,705	558,056
Amortisation	(119,732)	(129,351)
At 31 December	<u>308,973</u>	<u>428,705</u>

LEASE LIABILITIES

	Building and parking	
	2023	2022
	USD	USD
At 01 January	318,739	440,542
Interest expense	16,206	26,449
Lease payments	(150,342)	(144,752)
Exchange differences	(17,153)	(3,500)
At 31 December	<u>167,450</u>	<u>318,739</u>
Current	153,980	178,161
Non current	13,470	140,578
	<u>167,450</u>	<u>318,739</u>

* Variable lease payment adjustment relates to increase in rental.

(a) *Nature of leasing activities (in the capacity as lessee)*

The Company leases property for its office and parking, with payments to increase 5% p.a from February 2022 and 8% p.a respectively.

(b) *Lease term*

In determining the period over which the lease remains enforceable, the Company has considered the broader economics of the arrangement with the lessor including the economic penalties for both the Company and the lessor if the Company were to vacate the premises. The lease is for a period of 5 years from 01 February 2020 to 01 January 2025. Either party shall have the right to terminate the lease by giving 6 months notice after the first 3 years. Management considers that the lease is for a period of 5 years, mainly given that the Company undertook major refurbishment in 2020, hence will incur significant penalty if they terminate the lease before 5 years.

	2023	2022
	USD	USD
Interest expense (included in finance cost)	16,206	26,449
Expenses relating to short-term lease (included in administrative expenses)	-	1,928
Amortisation charged	119,732	129,351

The total cashflow for leases in 2023 was **USD 150,342** (2022: USD 144,752)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**
6. INTANGIBLE ASSETS

COST	Work In Progress USD	Computer software USD	Total USD
At 01 January 2022	-	148,047	148,047
Additions	138,405	-	138,405
At 31 December 2022	138,405	148,047	286,452
At 01 January 2023	138,405	148,047	286,452
At 31 December 2023	138,405	148,047	286,452
AMORTISATION			
At 01 January 2022	-	112,039	112,039
Charge for the year	-	1,427	1,427
At 31 December 2022	-	113,466	113,466
At 01 January 2023	-	113,466	113,466
Charge for the year	-	1,427	1,427
At 31 December 2023	-	114,893	114,893
NET BOOK VALUES 2023	138,405	33,154	171,559
NET BOOK VALUES 2022	138,405	34,581	172,986

The work in progress relates to a software being developed by AFRINIC, namely My AFRINIC V2. As at the reporting date, the software remains under development.

Amortisation charge of **USD 1,427** (2022: USD 1,427) for the Company has been charged to administrative expenses.

7. TRADE RECEIVABLES

	2023 USD	2022 USD
Trade receivables	319,680	86,586
Less: provision for impairment	(161,318)	(18,930)
Trade receivables - net	158,362	67,656

(i) Impairment of trade receivables

The Company applies IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on the shared credit risk characteristics and the days past due.

	2023 USD	2022 USD
1-30 days	2,260	20,584
31- 60 days	126,029	6,224
61- 90 days	-	-
More than 90	191,391	59,778
Total	319,680	86,586
Less: provision for impairment	(161,318)	(18,930)
Total	158,362	67,656

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**
7. TRADE RECEIVABLES (CONTINUED)
(i) Impairment of trade receivables (continued)

The closing loss allowances for trade receivables as at 31 December 2023 reconcile to the opening loss allowances as follows:

	Trade receivables	
	<u>2023</u>	<u>2022</u>
	USD	USD
At 01 January	18,930	18,406
Loss allowance recognised in profit or loss during the year	153,748	62,889
Receivables written off during the year as uncollectible	(11,360)	(62,365)
At 31 December	<u>161,318</u>	<u>18,930</u>

(ii) The carrying amounts of the Company's trade receivables are denominated in the following currencies:

	<u>2023</u>	<u>2022</u>
	USD	USD
United States dollars	141,956	66,799
Euro	16,406	857
	<u>158,362</u>	<u>67,656</u>

(iii) The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Company does not hold any collateral as security.
8. PREPAYMENTS AND OTHER RECEIVABLES

	<u>2023</u>	<u>2022</u>
	USD	USD
Prepayments	28,869	50,420
Deposits	23,289	34,374
Other receivables	229,205	133,072
	<u>281,363</u>	<u>217,866</u>

The carrying amounts of other receivables are denominated in United States dollars and approximate their fair value due to their short-term maturities. The balances do not contain any amounts past due as at reporting date; accordingly, no loss allowance has been recognised.

Other receivables mainly comprise VAT receivable amounting to **USD 115,431** (2022: USD 15,228) and **USD 99,890** (2022: USD 99,890) as fund held on behalf of the Company by OTAM and TESPOK.

9. FINANCIAL ASSETS AT AMORTISED COST

	<u>2023</u>		<u>2022</u>	
	USD	USD	USD	USD
	Current	Non-current	Current	Non-current
Fixed deposits	<u>6,376,527</u>	<u>-</u>	<u>6,453,349</u>	<u>-</u>

A Board Resolution dated 27 November 2015, authorised the creation of a strategic Cash Reserve from AFRINIC's own cash holdings with the following rules:

- that a suitable interest-bearing bank account be created for the Strategic Cash Reserve;
- that any expenditure or transfers out of the Strategic Cash Reserve bank account shall require three signatories, comprising the CEO, the Financial Director and either the Chairman or the Vice-chairman of the Board; and
- that any expenditure or transfers out of the Strategic Cash Reserves shall be authorised by the Board.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**
9. FINANCIAL ASSETS AT AMORTISED COST (CONTINUED)

As at 31 December 2023, the strategic cash Reserve consisted of **USD 6,376,527** (2022: USD 6,453,349) which is held in fixed deposits accounts bearing interest rates carrying from 4.45% to 5% per annual (2022: 1.7% to 4.24% per annual) with a maturity of twelve months from December 2023 (2022: 12 months from December 2022).

10. REVENUE RESERVE

The Company does not have a share capital.

Funding for the running of the Company shall be realised from the following:

- (i) membership fees from members;
- (ii) setup fees for bulk registration services;
- (iii) assignment/allocation fees for individual address space assignments/allocation;
- (iv) maintenance fees for non-contiguous, non ISP address space;
- (v) registration fees for individual address space transfers;
- (vi) setup fees for autonomous system number ("ASN") assignments;
- (vii) grants and/or voluntary donations; and
- (viii) such other sources as may be deemed appropriate from time to time by the Board.

The fees mentioned above shall be subject to review from time to time by the Board.

Revenue reserve

Revenue reserve refers to the undistributed and accumulated surpluses over the years the Company has been in existence.

In January 2008, AFRINIC Board passed the following Resolution Reference 200801.60 "AfrINIC should endeavour to build a reserve fund sufficient to cover two years of operational expenses."

11. INCOME

The following is an analysis of the Company's income for the year:

	<u>2023</u>	<u>2022</u>
	USD	USD
Revenue from rendering of services:		
Membership renewal fees	5,435,373	5,458,118
Allocation or assignment fees	567,052	626,364
Revenue from contracts with customers (Note (a))	6,002,425	6,084,482
Sponsorship for Afrinic events	-	17,990
Other income (Note (d))	14,274	770,998
	<u>6,016,699</u>	<u>6,873,470</u>
<i>Note on discounts</i>		
Early settlement	56,900	4,360
Educational and critical Infrastructure	156,525	167,175
	<u>213,425</u>	<u>171,535</u>
(a) <i>Disaggregation of revenue from contracts with customers</i>	<u>2023</u>	<u>2022</u>
	USD	USD
<i>Product type</i>		
Membership renewal fees	5,435,373	5,458,118
Allocation or assignment fees	567,052	626,364
	<u>6,002,425</u>	<u>6,084,482</u>
<i>Timing of revenue recognition</i>		
Over time	6,002,425	6,084,482
	<u>6,002,425</u>	<u>6,084,482</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**
11. INCOME (CONTINUED)
(b) Liabilities related to contracts with customers

	Contract Liabilities	
	<u>2023</u>	<u>2022</u>
	<u>USD</u>	<u>USD</u>
At 01 January		
Cash received in advance of performance and not recognised as revenue during the year	(1,669,027)	(1,545,266)
Amounts included in contract liabilities that were recognised as revenue during the year	(1,542,042)	(1,542,627)
At 31 December	<u>1,548,346</u>	<u>1,418,866</u>
	<u>(1,662,723)</u>	<u>(1,669,027)</u>
<i>Analysed as follows:</i>		
Current	(1,662,723)	(1,669,027)
Non current	-	-
	<u>(1,662,723)</u>	<u>(1,669,027)</u>

Contract liabilities arise from fees received in one period relating to future membership years.

(c) Remaining performance obligations

The amount of revenue that will be recognised in future periods on these contracts when those remaining performance obligations will be satisfied is analysed as follows:

At 31 December 2023	<u>2024</u>
	<u>USD</u>
Membership renewal fees	1,515,259
Allocation or assignment fees	6,400
Others	141,064
	<u>1,662,723</u>
At 31 December 2022	<u>2023</u>
	<u>USD</u>
Membership renewal fees	1,532,892
Allocation or assignment fees	-
Others	136,135
	<u>1,669,027</u>

(d) Other income

	<u>2023</u>	<u>2022</u>
	<u>USD</u>	<u>USD</u>
Certification income	6,643	2,380
Bad debts recovered	7,631	14,380
Other income (i)	-	250,000
Grants received from organisation (ii)	-	504,238
	<u>14,274</u>	<u>770,998</u>

(i) Miscellaneous income

During the NRO EC (Number Resource Organization Executive Council) face to face meeting in February 2022, the NRO EC resolves to contribute USD 250,000 to AFRINIC's legal representation expenses.

(ii) Grants received from organisations

During 2021, the Company has received funds of \$504,238 for their day-to-day activities from several Organisations.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**
12. TRADE AND OTHER PAYABLES

	<u>2023</u>	<u>2022</u>
	USD	USD
Trade payables	53,198	51,228
Other payables	1,812,814	1,346,592
	<u>1,866,012</u>	<u>1,397,820</u>

The carrying amount of trade and other payables approximates their fair value.

Trade payables represent amount owed to trade creditors as well as suppliers of goods and services.

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 30-day terms.
- Other payables are non-interest bearing and have an average term of six months.

13. RETIREMENT BENEFIT OBLIGATIONS

The liability relates to retirement gratuities payable under the Workers' Rights Act. The latter provides for a lump sum at retirement based on final salary and years of service. Half of any lumpsum and 5 years pension (relating to the employer's share of contribution only) payable from the funds have been offset from the retirement gratuities.

(i) The amounts recognised in the statement of financial position are as follows:

	<u>2023</u>	<u>2022</u>
	USD	USD
<i>Other post employment benefits</i>		
Present value of unfunded defined benefit obligations	<u>87,652</u>	<u>65,688</u>

(ii) Movement in liability recognised in statement of financial position:

	<u>2023</u>	<u>2022</u>
	USD	USD
At 01 January	65,688	50,080
Charged to profit or loss	(18,728)	43,291
Actuarial gains recognised in other comprehensive income	40,469	(25,593)
Exchange gain	223	(2,090)
Benefit paid	-	-
At 31 December	<u>87,652</u>	<u>65,688</u>

(iii) Movement in the present value of defined benefit obligation over the year is as follows:

	<u>2023</u>	<u>2022</u>
	USD	USD
At 01 January	65,688	50,080
Current service cost	5,831	4,055
Interest cost	4,404	2,411
Past service cost	(28,963)	36,825
Actuarial gains	40,469	(25,593)
Exchange gain	223	(2,090)
Benefit paid	-	-
At 31 December	<u>87,652</u>	<u>65,688</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**
13. RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

(iv) The amounts recognised in profit or loss are as follows:

	<u>2023</u>	<u>2022</u>
	USD	USD
Current service cost	5,831	4,055
Net interest cost	4,404	2,411
Past service cost	(28,963)	36,825
Total included in employee benefit expense (Note 15)	<u>(18,728)</u>	<u>43,291</u>

(v) The amounts recognised in other comprehensive income are as follows:

	<u>2023</u>	<u>2022</u>
	USD	USD
Experience gains on liabilities	(12,390)	224
Changes in assumptions underlying the present value of the scheme	(28,079)	25,369
	<u>(40,469)</u>	<u>25,593</u>

(vi) Sensitivity analysis on defined benefit obligations at end of the reporting date:

	<u>2023</u>	<u>2022</u>
	USD	USD
At 31 December		
Increase of 1% in Discount rate	(21,930)	(17,072)
Decrease of 1% in Discount rate	26,169	20,583
Increase of 1% in Future long-term salary assumption	26,581	21,169
Decrease of 1% in Future long-term salary assumption	<u>(22,617)</u>	<u>(17,747)</u>

An increase/decrease of 1% in other principal actuarial assumptions would not have a material impact on defined benefit obligations at the end of the reporting period.

(vii) The sensitivity above have been determined based on sensibly possible changes of the discount rate or salary increase rate occurring at the end of the reporting period if all other assumptions remained unchanged.

The sensitivity analysis may not be representative of the actual change in the unfunded obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some assumptions may be correlated.

There was no change in methods and assumptions used in preparing the sensitivity analysis from prior years.

(viii) The average remaining working life of the employees at 31 December 2023 is 15 years (2022: 15 years).

(ix) The principal actuarial assumptions used for accounting purposes were:

	<u>2023</u>	<u>2022</u>
	%	%
Discount rate	5.50	6.70
Future long-term salary increase	<u>3.00</u>	<u>3.00</u>

(x) The Company is exposed to the following risks:

- Longevity risk-employees living longer than expected exposing the employer to the risk that more employees make it to retirement
- Interest rate risk- risk that yields on bonds decrease leading to higher provisions for benefits.
- Liquidity risk-risk that employer's cash flow is not sufficient to pay the benefits
- Mortality risk-risk that higher than expected deaths leading to unexpected pay-outs
- Salary risk-risk that salary increases are higher than assumed leading to an increase in the liabilities giving rise to actuarial losses.
- Withdrawal risk - risk that more employees make it to retirement to claim their benefits while the provisions assume that fewer employees will remain in employment.
- Investment risk - risk that lower returns on the DC scheme will reduce the expected pension which in turn will reduce the allowable gratuity offset. The net result will be an increase in the residual liability.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**
14. NET FINANCE (COSTS)/INCOME

	<u>2023</u>	<u>2022</u>
	USD	USD
Bank interest income	212,486	69,083
Realised gain/(loss) on exchange	(11,085)	18,871
Unrealised gain/(loss) on exchange	13,269	(125,377)
Interest on lease (Note 5)	(16,206)	(26,449)
	<u>198,464</u>	<u>(63,872)</u>

15. EXPENSES BY NATURE

	<u>2023</u>	<u>2022</u>
	USD	USD
Depreciation (Note 4)	134,446	139,692
Amortisation of right-of-use assets (Note 5)	119,732	129,351
Amortisation (Note 6)	1,427	1,427
Meeting expenses	-	66,576
Office expenses	51,840	64,749
Travelling expenses	8,179	403,129
Employee benefit expense (Note (a))	1,721,167	2,216,356
Net impairment losses on financial assets	153,748	62,889
Legal fees	1,133,630	1,250,527
Other expenses	601,508	1,322,887
	<u>3,925,677</u>	<u>5,657,583</u>
Analysed into:		
Distribution expenses	211,868	1,056,858
Administrative expenses	3,560,061	4,537,836
Net impairment losses on financial assets	153,748	62,889
	<u>3,925,677</u>	<u>5,657,583</u>

(a) EMPLOYEE BENEFIT EXPENSE

	<u>2023</u>	<u>2022</u>
	USD	USD
Salaries	1,275,926	1,629,390
Pension costs:		
- Other post employment benefits (Note 13(iv))	(18,728)	43,291
Social security costs and other benefits	463,969	543,675
	<u>1,721,167</u>	<u>2,216,356</u>
Number of employees	<u>45</u>	<u>49</u>

16. NOTES TO THE STATEMENT OF CASH FLOWS

		<u>2023</u>	<u>2022</u>
		USD	USD
(a) <i>Cash generated from operations</i>	Notes		
Surplus before taxation		2,289,486	1,152,015
<i>Adjustments for:</i>			
Depreciation of plant and equipment	4	134,446	139,692
Amortisation of right-of-use assets	5	119,732	129,351
Amortisation of intangible assets	6	1,427	1,427
Net impairment losses on financial assets	7	153,748	62,889
Loss/(Gain) on unrealised foreign exchange		11,760	34,897
Retirement benefit obligations		(18,728)	43,291
Interest expense	14	16,206	26,449
Interest income	14	(212,486)	(69,083)
		<u>2,495,591</u>	<u>1,520,928</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**
16. NOTES TO THE STATEMENT OF CASH FLOWS (CONTINUED)

	2023	2022
	USD	USD
<i>Changes in working capital</i>		
- trade receivables	(244,454)	(73,959)
- prepayments and other receivables	(63,497)	87,086
- trade and other payables and contract liabilities	461,888	80,863
Cash generated from operations	<u>2,649,528</u>	<u>1,614,918</u>
 (b) <i>Cash and cash equivalents</i>		
	2023	2022
	USD	USD
Bank balance	9,603,214	6,843,427
Cash in hand	525	508
	<u>9,603,739</u>	<u>6,843,935</u>
 <i>Bank balance is analysed as follows:</i>		
Own Cash Holdings	7,924,759	5,158,651
Fees received in advance	1,662,723	1,669,027
Cash Held - Project/Other FIRE	16,257	16,257
	<u>9,603,739</u>	<u>6,843,935</u>

- (c) While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment was immaterial.

Cash for FIRE (FUND for Internet Research and Education) represents funding received from IDRC, ISOC and Google earmarked for FIRE initiatives.

- (d) *Reconciliation of liabilities arising from financing activities*

	01 January 2023 USD	Cash flows USD	Non-cash changes USD	31 December 2023 USD
2023				
Lease liabilities	<u>318,739</u>	<u>(150,342)</u>	<u>(947)</u>	<u>167,450</u>
	01 January 2022 USD	Cash flows USD	Non-cash changes USD	31 December 2022 USD
2022				
Lease liabilities	<u>440,542</u>	<u>(144,752)</u>	<u>22,949</u>	<u>318,739</u>

17. ACTUARIAL RESERVE

	2023 USD	2022 USD
At 01 January,	89,167	63,574
Actuarial gain recognised in other comprehensive income	(40,469)	25,593
At 31 December,	<u>48,698</u>	<u>89,167</u>

Actuarial reserve represents the cumulative remeasurement of defined benefit obligation recognised.

18. TAXATION

The Company has been granted exemption from payment of tax by the Ministry of Finance of the Republic of Mauritius on 16 November 2005.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**
19. RELATED PARTY DISCLOSURES

	2023 USD	2022 USD
(a) <i>Transactions with members:</i>		
Membership fees	<u>6,002,425</u>	<u>6,084,482</u>
(b) <i>Remuneration to directors :</i>	2023 USD	2022 USD
Short term employee benefit of CEO	-	289,023
Per diem of Board members	-	24,375
Internet allowance of Board members	-	11,400
	<u>-</u>	<u>324,798</u>

20. FINANCIAL RISK MANAGEMENT

The Company has exposure to the following financial risks arising from its operations and financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

Categories of financial instruments:

	2023 USD	2022 USD
<i>Financial assets at amortised cost</i>		
Trade receivables	158,362	67,656
Financial assets at amortised cost	6,376,527	6,453,349
Cash and cash equivalent	9,603,739	6,843,935
	<u>16,138,628</u>	<u>13,364,940</u>
<i>Financial liabilities at amortised cost</i>	2023 USD	2022 USD
Trade and other payables	1,866,012	1,397,820
Lease liabilities	167,450	318,739
Contract liabilities	1,662,723	1,669,027
	<u>3,696,185</u>	<u>3,385,586</u>

20.1 Risk management framework

The Company's Board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of directors are responsible for developing and monitoring the Company's risk management policies.

The Board of directors oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

20.2 Credit risk and expected credit losses

The Company takes on exposure to credit risk, which is the risk that a customer or counterparty will be unable to pay amounts in full when due. With respect to credit risk arising from financial assets which comprise cash and cash equivalents and trade and other receivables, the Company's exposure arises from the default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets at the reporting date. Cash transactions are limited to high credit quality financial institutions. Trade and other receivables (net of any provisions at reporting date) are limited as the Company deals with high credit quality insurance companies.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

20. FINANCIAL RISK MANAGEMENT (CONTINUED)

20.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Except for the non-current lease liabilities portion, which is payable after one year, all other financial liabilities are payable within one year.

The table below summarises the maturity profile of the Company's financial liabilities at reporting date based on contractual undiscounted payments.

	<u>Current</u> USD	<u>Non Current</u> USD
31 December 2023		
Non-derivative financial liabilities		
Trade and other payables	1,866,012	-
Contract Liabilities	1,662,723	-
Lease liabilities	153,980	13,470
	<u>3,682,715</u>	<u>13,470</u>
31 December 2022		
Non-derivative financial liabilities		
Trade and other payables	1,397,820	-
Lease liabilities	178,161	140,578
Contract Liabilities	1,669,027	-
	<u>3,245,008</u>	<u>140,578</u>

20.4 Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates, which will affect the Company's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) **Currency risk**

Currency risk is the risk that the fair value of future cash flows of financial instrument will fluctuate because of changes in foreign exchange rate. The Company's policy is to ensure that its net exposure for assets and liabilities is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short term imbalances.

The Company has assets and liabilities denominated in various foreign currencies. As the Company's receivables and payables are settled in the same foreign currency, it is not exposed to foreign exchange risk in the ordinary course of business. Differences in exchange arise mainly on translation of assets and liabilities denominated in foreign currencies into presentation currency.

The currency profile of the Company's financial assets and liabilities is summarised as follows:

	Financial assets 2023 USD	Financial assets 2022 USD	Financial liabilities 2023 USD	Financial liabilities 2022 USD
MUR	48,633	70,892	217,909	378,752
USD	15,137,764	12,662,048	3,404,328	2,981,676
EUR	952,231	632,000	73,948	25,158
	<u>16,138,628</u>	<u>13,364,940</u>	<u>3,696,185</u>	<u>3,385,586</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

20. FINANCIAL RISK MANAGEMENT (CONTINUED)

20.4 Market risk (continued)

(ii) *Sensitivity analysis*

At 31 December 2023, if exchange rate had strengthened/weakened by 5% against the following currencies, the result after tax would be as follows:

	2023 USD	2022 USD
	Increase/ (decrease)	Increase/ (decrease)
	in	in
	profit/equity	profit/equity
MUR	(8,464)	(15,393)
EUR	<u>43,914</u>	<u>30,342</u>
	<u>35,450</u>	<u>14,949</u>

(iii) *Interest rate risk*

The Company has interest bearing deposits with fixed rates. It could be exposed to fair value interest rate risk arising from changes in market interest rates. However, the deposits are short term.

Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust dividend payments to shareholder, return on capital to shareholder or issue new shares.

The Company monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowing (including 'current and non-current borrowings' as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

	2023 USD	2022 USD
Total debt	167,450	318,739
Less: cash and bank balances (Note 16(b))	<u>(9,603,739)</u>	<u>(6,843,935)</u>
Net assets attributable to members	<u>(9,436,289)</u>	<u>(6,525,196)</u>
Gearing ratio	<u>N/A</u>	<u>N/A</u>

21. CONTINGENT LIABILITIES

- (a) As at 31 December 2023, there were contingent liabilities in respect of guarantees for which no provisions have been made in the financial statements. The guarantees are denominated in Mauritian rupees ("MUR"), and are as follows:

	2023		2022	
	USD	Rs.	USD	Rs.
Bank guarantee	<u>232</u>	<u>10,000</u>	<u>232</u>	<u>10,000</u>

- (b) In 2015, AfrinIC Board to participate in The Joint Regional Internet Registry Stability Fund. This is a fund which will be established through voluntary pledges of funds, publicly documented, from individual RIRs. The Fund is to be used in case of need, to guarantee the continuity of registry operations and related support activities, the latter prominently including regional and global policy development processes. Any use of funds will be contingent upon having public reporting of audited financial statements. Since 2022, AfrinIC has pledged USD 100,000 towards the funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****22. LITIGATION CASES**

The company is involved in a number of legal proceeding which do not arise from its ordinary course of operations infringement. In consultation with the company's legal advisors, has assessed the status and merits of these cases not continue to monitor development on an ongoing basis. Based on management's assessment and legal advice received as at the reporting date, it is not probable that these proceeding will result in an outflows of economic resources and accordingly no provisioning has been recognised in the financial statement. Furthermore, management considers that there are no contingent liabilities that requires disclosures in accordance with IAS 37 Provisions, Contingent Liabilities and contingent assets. The company will continue to monitor the outcome of these matters and will update this assessments should new information became available

23. SUBSEQUENT EVENTS AND GOVERNANCE DEVELOPMENTS

- (a) Prior to its last Annual General Members' Meeting (AGMM) in 2022, AFRINIC's Board consisted of eight directors - the Chief Executive Officer (CEO) and seven others.

The Board was due to be reconstituted through an election at the 2022 AGMM. However, this election was not held due to an Interim Order issued in the case *Larus Cloud Service v AFRINIC & ANOR (SC/COM/MOT/000334/2022)*. Despite this, five directors remained in office, which was sufficient to maintain a quorum and allow the Board to function.

On 14 June 2022, a subsequent Interim Order in the case *Africa on Cloud (Pty) Ltd v AFRINIC (SC/COM/WRT/000418/2022)* prohibited AFRINIC from holding board meetings with the participation of Dr. A. Omari. As a result, the Board no longer had the required quorum to convene, although the five remaining directors could still act in their individual capacities.

On 30 June 2022, an Interim Order issued in the case *Crystal Web (Pty) Ltd v AFRINIC (SC/COM/WRT/000454/2022)*, among other restrictions, prevented AFRINIC's CEO from serving as an ex-officio director.

AFRINIC's CEO's contract expired on 03 November 2022. With no quorate board to appoint a successor, AFRINIC has remained without a CEO since 4 November 2022. This also reduced the number of directors to four: Mr. S. Moonesamy, Mr. Silvio Almada, Mr. Abdalla Omari, and Mr. Benjamin Eshun.

On 12 September 2023, following an application under section 178 of the Companies Act 2001 by Cloud Innovation Ltd (CIL) (SC/COM/MOT/000156/2023), the Supreme Court of Mauritius (Commercial Division) appointed the Official Receiver with the following mandate:

- (i) Restraining and prohibiting AFRINIC from relating and/or subject itself to a takeover or merger, or restructuring or management control in any manner whatsoever;
- (ii) Holding the ring and ensuring that the status quo of the assets of AFRINIC is preserved and that the value of the business is maintained.
- (iii) See to it that the election process as per the constitution of AFRINIC be carried so that a proper board could be constituted and also for the appointment of the Chief Executive Officer.

On 28 September 2023, former director, Mr. Benjamin Eshun, purportedly on behalf of AFRINIC, filed an appeal against the 12 September 2023 judgment. The filing of the appeal automatically stayed the judgment, removing the Official Receiver's authority over AFRINIC.

On 02 October 2023, CIL argued before the Acting Deputy Master & Registrar that Mr. Eshun lacked authority to act on behalf of AFRINIC, as he was no longer a director. Accordingly, AFRINIC's appeal was stayed. CIL also lodged an appeal in relation to this ruling.

On 04 October 2023, CIL obtained an Interim Order preventing Mr. Eshun from representing AFRINIC (SC/COM/WRT/000762/2023). The effect of this Order was to restore the Official Receiver's authority.

However, on 13 October 2023, Mr. Eshun applied to the Court of Civil Appeal (SC/COM/WRT/000762/ 2023) to have the Orders of 02 and 04 October set aside, so the appeal of 28 September could proceed. On 16 October 2023, the Court granted Mr. Eshun's request, suspending the Official Receiver's authority once more, pending the determination of the original appeal.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****23. SUBSEQUENT EVENTS AND GOVERNANCE DEVELOPMENTS (CONTINUED)**

During this time, Mr. Eshun, along with Messrs. A. Omari, A. Silvio, and S. Moonesamy, continued to act as individual directors.

On 15 October 2024, the Court of Appeal dismissed the appeal of 28 September 2023 (2024 SCJ 473), ruling that Mr. Eshun had no authority to lodge it on behalf of AFRINIC. Consequently, the Official Receiver's authority was reinstated, and he was ordered to reconstitute the Board by 15 December 2024.

Subsequently, a Court Order dated 25 November 2024 (SC/COM/MOT/000859/2024) extended the Official Receiver's deadline to 30 June 2025.

On 12 February 2025, following another application by CIL (SC/COM/MOT/000082/2025), the Court replaced the Official Receiver with Mr. Gowtamsingh Dabee as Receiver, granting him the mandate to organise elections by 25 April 2025.

In April 2025, the deadline was again extended (SC/COM/MOT/000280/2025) - this time to 30 June 2025.

On 18 June 2025, Mr. Dabee opened online voting for the Board election, with in-person voting scheduled for 23 June 2025.

However, on 23 June 2025, the election was suspended due to allegations of fraudulent powers of attorney being used in the voting process.

On 25 June 2025, in light of the serious irregularities, Mr. Dabee annulled the election and applied to the Court for authorisation to organise a fresh one (SC/COM/MOT/000467/2025).

The Court has since granted him an extension until 30 September 2025 to conduct new elections and reconstitute the Board.

On 18 July 2025, by virtue of General Notice No.1045 of 2025, the Hon. Prime Minister, Minister of Defence, Home Affairs and External Communications, Minister of Finance, Minister for Rodrigues and Outer Islands, acting under section 230 of the Companies Act 2001, designated AFRINIC as a declared company.

In August 2025, there were attempts to prevent both the Receiver and AFRINIC from the organising the AFRINIC's board elections as scheduled (SC/COM/WRT/000657/2025 & SC/COM/WRT/000599/2025), however, both applications were set-aside, and the court in the case bearing reference SC/COM/WRT/000599/2025 mandated the Receiver to hold the said elections under the supervision of the Electoral Commissioner of Mauritius.

The new election date was set to 12th September 2025. The election was successfully concluded, and the following candidates were elected to be part of AFRINIC Board.

- Board Seat 1 (Northern Africa), Mr. Abdelaziz Hilali: declared elected in the absence of any opposing candidate
- Board Seat 2 (Western Africa), Prof Adewale Emmanuel Adedokun
- Board Seat 3 (Indian Ocean), Mr Kaleem Ahmed Usmani
- Board Seat 4 (Central Africa), Mr Laurent Kayemba Ntumba
- Board Seat 5 (Southern Africa), Mrs Carla Sofia Fernandes Sanderson
- Board Seat 6 (Eastern Africa), Mrs Fiona Makokha Asonga
- Board Seat 7 (Non-Regional), Mr Benjamin Mark Roberts
- Board Seat 8 (Non-Regional), Mr Adewole David Ajao

On 08 October 2025, the court-appointed receiver filed an application before the supreme court of Mauritius (SC/COM/MOT/000757/2025) seeking, among other things, his discharge as receiver of AFRINIC. This application has since been heard, and judgement is currently awaited.

- (b) Subsequent to the reporting date, geopolitical tensions in the Middle East, including developments involving Iran, continued to evolve. These events have contributed to ongoing global economic and market uncertainty. Management has assessed the impact of these developments on the Company's operations, financial position and performance. As the Company does not have any operations, assets or customers located in Iran, and does not engage in transactions directly subject to International Sanctions related to the region, these events are considered non-adjusting events after the reporting period, as they relate to conditions that arose after the reporting date. Based on information available at the date of approval of these financial statements, management does not consider these developments to require adjustments to the amounts recognised in the financial statements. Management continues to monitor the situation and will reflect any material impacts in future reporting periods as appropriate.

There are no other material events after the reporting date which require amendments to or additional disclosures in the financial statements for the year ended 31 December 2023.

AFRICAN NETWORK INFORMATION CENTRE (AfrinIC) LTD

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

TABLE OF CONTENTS - 31 DECEMBER 2024

	PAGES
CORPORATE DATA	2
DIRECTORS' REPORT	3
CERTIFICATE FROM THE SECRETARY	4
INDEPENDENT AUDITORS' REPORT	5 - 7
STATEMENT OF FINANCIAL POSITION	8
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	9
STATEMENT OF CHANGES IN EQUITY	10
STATEMENT OF CASH FLOWS	11
NOTES TO THE FINANCIAL STATEMENTS	12 - 36

CORPORATE DATA

		Date of appointment	Date of removal
DIRECTORS	: Mr. Subramanian Moonesamy	01 June 2017	18 September 2023
	Mr. Oluwaseun Samson Ojedeji	01 July 2016	03 June 2022
	Mr. Habib Youssef	23 August 2018	03 June 2022
	Mr. Adewale Emmanuel Adedokun	26 June 2019	03 June 2022
	Mr. Eddy Mabano Kayihura	04 November 2019	03 November 2022
	Mr Benjamin Adezenyambeye Eshun	18 September 2020	18 September 2023
	Mr. Abdalla Omari	18 September 2020	18 September 2023
	Mr. Silvio Cabral Almada	27 December 2021	18 September 2023
	Mr. Adewale Emmanuel Adedokun	15 September 2025	-
	Mr. Adewole David Ajao	15 September 2025	-
	Mrs. Fiona Makokha Asonga	15 September 2025	-
	Mr. Abdelaziz Hilali	15 September 2025	-
	Mr. Laurent Kayemba Ntumba	15 September 2025	-
	Mr. Benjamin Mark Roberts	15 September 2025	-
	Mrs. Carla Sofia Fernandes Sanderson	15 September 2025	-
	Mr. Kaleem Ahmed Usmani	15 September 2025	-
REGISTERED OFFICE	: 19 Cybercity 11 th Floor Standard Chartered Tower Ebène Mauritius		
AUDITOR	: Forvis Mazars LLP 4 th Floor, Unicorn Centre 18N, Frère Félix de Valois Street Port Louis Mauritius		
BANKERS	: The Mauritius Commercial Bank Limited Sir William Newton Street Port Louis Mauritius SBM BANK (MAURITIUS) LTD Corporate Office, SBM Tower 1 Queen Elizabeth II Avenue Port Louis Mauritius		

DIRECTORS' REPORT

The directors present their report and the audited financial statements of **AFRICAN NETWORK INFORMATION CENTRE (AfrINIC) LTD** (the "Company") for the year ended 31 December 2024.

PRINCIPAL ACTIVITY

The Company is the Regional Registry for Internet Number Resources for Africa and the Indian Ocean. The Company is a not for profit organisation.

Results

The results for the year are shown on page 9.

Statement of Directors' Responsibilities in respect of the financial statements

Company law requires the directors to prepare financial statements for each financial year which present fairly the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether IFRS[®] Accounting Standards have been followed and, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors have confirmed that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with Mauritius Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors have made an assessment of the Company's ability to continue as going concern and have no reason to believe the business will not be a going concern in the year ahead.

Remuneration and benefits

Total emoluments and other benefits given directors by the Company during the year were as follows:

	2024 USD	2023 USD
Remuneration to directors (Board Members) (Note 19(b))	<u>2,750</u>	<u>-</u>

Community Support and Engagement

During 2024, AFRINIC provided support to related regional and global organisation and community members is Nil (2023: USD 11,000).

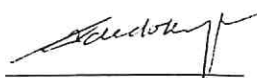
Auditor

The auditor, **Forvis Mazars LLP**, has expressed their willingness to act as auditor of the Company. A resolution for their appointment in accordance with Section 200(i) of the Mauritius Companies Act 2001, will be proposed at the next Annual Meeting.

The fees paid to the auditors were as follows:

	2024 USD	2023 USD
Audit fees to Forvis Mazars LLP	<u>14,000</u>	<u>14,000</u>

The auditors did not receive any fees for other services.

By order of the Board


Director
Adewale Emmanuel Adedokun

Date: 22 MAY 2026



Director
Fiona Makokha Asonga

Date: 22 MAY 2026

**CERTIFICATE FROM THE SECRETARY - 31 DECEMBER 2024
UNDER SECTION 166 (d) OF THE MAURITIUS COMPANIES ACT 2001**

We certify that, to the best of our knowledge and belief that African Network Information Centre (AfrinIC) Ltd (the "Company") has filed with the Registrar of Companies, for the year ended 31 December 2024, all such returns as are required of the Company under the Mauritius Companies Act 2001, except for the filing of the financial statements within the prescribed period.


EXECUTIVE SERVICES LIMITED
Per Christian ANGSEESING
Company Secretary

Date : 22 MAY 2026

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AFRICAN NETWORK INFORMATION CENTRE LTD**Report on the Audit of the Financial Statements*****Opinion***

We have audited the financial statements of **African Network Information Centre (AfrinIC) Ltd** (the "Company") on pages 8 to 36 which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements on pages 8 to 36 give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS[®] Accounting Standard and comply with the Mauritius Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our audit report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Emphasis of matter

We draw attention to Note 22 of the financial statements, which describes the uncertainty related to the outcome of certain legal proceedings initiated against the Company. As disclosed, the Company is currently involved in litigation that may have a material impact on its financial position depending on the outcome. While the directors have assessed the potential financial implications and made appropriate disclosures, the ultimate resolution of these matters remains uncertain at the date of our report. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the Commentary of The Directors and the Secretary's Certificate as required by the Companies Act 2001 which we obtained prior to the date of the audit report. Other information does not include the financial statements and our audit report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report on in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AFRICAN NETWORK INFORMATION CENTRE LTD**Report on the Audit of the Financial Statements (continued)*****Responsibilities of Directors for the Financial Statements***

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as the requirement of the Mauritius Companies Act 2001 and Financial Services Act 2007, and for such internal control as directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AFRICAN NETWORK INFORMATION CENTRE LTD**Report on the Audit of the Financial Statements (Continued)*****Auditor's Responsibilities for the Audit of the Financial Statements (Continued)***

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Report on Other Legal and Regulatory Requirements

The Mauritius Companies Act 2001 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- We have no relationship with, or interests in, the Company other than in our capacity as auditors.
- We have obtained all the information and explanations we have required; and
- In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Use of this report

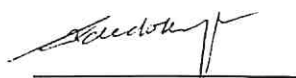
This report, including the opinion has been prepared for and only for the Company's members, as a body, in accordance with Section 205 of the Mauritius Companies Act 2001 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**Forvis Mazars LLP****Sandiren Ramsawmy, FCCA**
Licensed by FRCDate: **22 MAY 2026**

STATEMENT OF FINANCIAL POSITION - 31 DECEMBER 2024

ASSETS	Notes	2024	2023
		USD	USD
Non-current assets			
Plant and equipment	4	211,992	306,671
Right-of-use assets	5	191,558	308,973
Intangible assets	6	171,559	171,559
		<u>575,109</u>	<u>787,203</u>
Current assets			
Trade receivables	7	168,690	158,362
Prepayments and other receivables	8	53,191	281,363
Financial assets at amortised cost	9	6,310,422	6,376,527
Cash and cash equivalents	16(b)	13,309,737	9,603,739
		<u>19,842,040</u>	<u>16,419,991</u>
Total assets		<u>20,417,149</u>	<u>17,207,194</u>
RESERVES AND LIABILITIES			
Reserves			
Revenue reserve	10	16,901,942	13,374,659
Actuarial reserve		45,436	48,698
Net assets attributable to members		<u>16,947,378</u>	<u>13,423,357</u>
Non-current liabilities			
Lease liabilities	5	-	13,470
Retirement benefit obligations	13	96,010	87,652
		<u>96,010</u>	<u>101,122</u>
Current liabilities			
Lease liabilities	5	12,634	153,980
Trade and other payables	12	2,043,434	1,866,012
Contract liabilities	11(b)	1,317,693	1,662,723
		<u>3,373,761</u>	<u>3,682,715</u>
Total liabilities		<u>3,469,771</u>	<u>3,783,837</u>
Total equity and liabilities		<u>20,417,149</u>	<u>17,207,194</u>

The financial statements have been approved for issue by the Board of Directors on 22 MAY 2026



Emmanuel Adewale Adedokun
Director



Fiona Makokkha Asonga
Director

STATEMENT OF COMPREHENSIVE INCOME - YEAR ENDED 31 DECEMBER 2024

	Notes	<u>2024</u> USD	<u>2023</u> USD
Income	11	6,115,553	6,016,699
Distribution expenses	15	(243,692)	(211,868)
Administrative expenses	15	(2,458,908)	(3,560,061)
Net impairment losses on financial assets	15	<u>(43,533)</u>	<u>(153,748)</u>
Surplus of income over expenditure		3,369,420	2,091,022
Net finance (cost)/income	14	<u>157,863</u>	<u>198,464</u>
Surplus before taxation		3,527,283	2,289,486
Taxation	18	<u>-</u>	<u>-</u>
Surplus for the year		<u>3,527,283</u>	<u>2,289,486</u>
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Remeasurements of post employment benefit obligations	13(v)	<u>(3,262)</u>	<u>(40,469)</u>
Other comprehensive loss for the year		<u>(3,262)</u>	<u>(40,469)</u>
Total comprehensive income for the year		<u><u>3,524,021</u></u>	<u><u>2,249,017</u></u>

The notes on pages 12 to 36 form an integral part of the financial statements.
Auditor's report on pages 5 to 7.

STATEMENT OF CHANGES IN EQUITY - YEAR ENDED 31 DECEMBER 2024

	Notes	Revenue	Actuarial	Total
		reserve	reserve	USD
		USD	USD	USD
At 01 January 2023		11,085,173	89,167	11,174,340
Surplus for the year		2,289,486	-	2,289,486
Other comprehensive loss for the year	13(v)	-	(40,469)	(40,469)
Total comprehensive income for the year		2,289,486	(40,469)	2,249,017
At 31 December 2023		13,374,659	48,698	13,423,357
At 01 January 2024		13,374,659	48,698	13,423,357
Surplus for the year		3,527,283	-	3,527,283
Other comprehensive loss for the year	13(v)	-	(3,262)	(3,262)
Total comprehensive income for the year		3,527,283	(3,262)	3,524,021
At 31 December 2024		16,901,942	45,436	16,947,378

STATEMENT OF CASH FLOWS - YEAR ENDED 31 DECEMBER 2024

	Notes	<u>2024</u> USD	<u>2023</u> USD
Cash flows from operating activities			
Cash generated from operations	16(a)	3,446,045	2,649,528
Interest received		291,280	148,806
Net cash generated from operating activities		<u>3,737,325</u>	<u>2,798,334</u>
Cash flows from investing activities			
Purchase of plant and equipment	4	(11,317)	-
New deposits		(273,830)	(136,880)
Proceeds from maturity of deposits		343,261	277,382
Net cash used in investing activities		<u>58,114</u>	<u>140,502</u>
Cash flows from financing activities			
Interest paid on lease liabilities	5	(6,483)	(16,206)
Principal paid on lease liabilities	5	(146,838)	(134,136)
Net cash used in financing activities		<u>(153,321)</u>	<u>(150,342)</u>
Increase in cash and cash equivalents		<u>3,642,118</u>	<u>2,788,494</u>
Movement in cash and cash equivalents:-			
At 01 January		9,603,739	6,843,935
Effects of exchange rate changes		63,880	(28,690)
Increase in cash and cash equivalents		3,642,118	2,788,494
At 31 December	16(b)	<u>13,309,737</u>	<u>9,603,739</u>

The notes on pages 12 to 36 form an integral part of the financial statements.
Auditor's report on pages 5 to 7.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

1. CORPORATE INFORMATION

African Network Information Centre (AfriNIC) Ltd, (the "Company") is a private company limited by guarantee incorporated in the Republic of Mauritius. Its registered address and place of business is situated at 11th Floor, Standard Chartered Tower, Cybercity, Ebene, Republic of Mauritius.

The principal activity has remained unchanged during the year and consists of being the Regional Registry for Internet Number Resources for Africa and the Indian Ocean. The Company is a not-for-profit organisation.

In January 2008, AfriNIC Board passed the following Resolution Reference 200801.60 " AfriNIC should endeavour to build a reserve fund sufficient to cover two years of operational expenses."

The financial statements of the Company for the year ended 31 December 2024 were authorised for issue in accordance with a resolution of the directors on 22 MAY 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES**2.1 Basis of preparation***(i) Statement of Compliance*

The financial statements of the Company has been prepared in accordance with IFRS® Accounting Standards. IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards
- IAS Standards
- Interpretations developed by the IFRS Interpretations Committee (IFRIC Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC® Interpretations).

The financial statements has been prepared on the historical cost basis, unless stated otherwise.

2.2 Application of new and revised international Financial Reporting Standards (IFRSs)

In the current year, the Company has applied all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board ("IASB") and the IFRSs Interpretations Committee of the IASB that are relevant to its operations and effective for accounting periods beginning on 01 January 2024.

(i) New and revised IFRSs applied with no material effect on financial statements

The following relevant new and revised IFRSs have been applied in these financial statements. The application of these new and revised IFRSs has not had any material impact on the amounts reported and/or disclosed for the current year but may affect the accounting for future transactions or arrangements.

- Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
- Non-current Liabilities with Covenants (Amendments to IAS 1)
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)
- Suppliers Finance Arrangements (Amendments to IAS 7 and IFRS 7)

The above new and amended standards are not relevant and therefore, have no effect on the Company.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 Application of new and revised international Financial Reporting Standards (IFRSs) (continued)

(ii) New and revised IFRSs in issue but not yet effective

At the date of authorisation of these financial statements, the following relevant IFRSs were in issue but effective on annual periods beginning on or after the respective dates as indicated:

	Effective for accounting period beginning on or after
• Lack of Exchangeability (Amendments to IAS 21)	01 January 2025
• Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	01 January 2026
• Annual Improvements to IFRS Accounting Standards - Volume 11 (amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10, IAS 7)	01 January 2026
• Presentation and Disclosures in Financial Statements (IFRS 18)	01 January 2027

2.3 Financial instruments

Recognition and derecognition

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets are classified into the following categories:

- Amortised cost;
- Fair value through profit or loss (FVTPL); and
- Fair value through other comprehensive income (FVOCI)

The Classification is determined by both:

- The entity's business model for managing the financial asset;
- The contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within other income and administrative expenses, except for impairment of trade receivables which is presented within other expense.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)**2.3 Financial instruments (continued)***Subsequent measurement of financial assets*

Financial assets are subsequently measured at amortised cost.

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- They are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where receivables do not contain a significant financing component. The Company's cash and cash equivalents, trade and most receivables fall into this category of financial assets at amortised cost.

Impairment of financial assets

IFRS 9's impairment requirements incorporate forward-looking information to recognised expected credit losses – the "expected credit loss ("ECL") model. This replaces IAS 39's "incurred loss model". Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI and trade receivables recognised under IFRS 15.

Recognition of credit losses is no longer dependent on the Company first identifying a credit loss event. Instead the Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Measurement of the expected credit losses is determined by a probability weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables

The Company applies the simplified approach of recognising lifetime expected credit losses for the trade receivables that do not contain a significant financing component in accordance with IFRS 15.

These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In estimating Expected Credit Losses, the Company carries out individual assessment of its trade receivables per contract during the provision assessment meetings, which are held on a yearly basis. The provision assessment meetings consists of senior management, and the finance team who assess the counterparty risk and the likelihood of payment based on several factors such as financial health of the clients as well as the economic environment in which they operate. The Company then specifically provides for clients (invoices) which exhibit increase in credit risk, or for which the economic environment indicates that the receivable might default on a portion of the amount outstanding.

Because the receivables are assessed per contract, historically the Company has had minimal write-offs, and assessed them from both a historical perspective and using forward-looking information, the Company has elected not to apply any practical expedients in determining the expected credit losses. Expectation is already factored into the impairment assessments.

Classification and measurement financial liabilities

As the accounting for financial liabilities remains largely the same under IFRS 9 compared to IAS 39, the Company's financial liabilities were not impacted by the adoption of IFRS 9. However, for completeness, accounting policy is disclosed below.

The Company's financial liabilities include trade and other payables and lease liabilities

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)**2.3 Financial instruments (continued)***Classification and measurement financial liabilities (continued)*

Financial liabilities are initially measured at fair value and adjusted for transaction costs. Subsequently, financial liabilities are measured at amortised cost using the effective interest method. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate. Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date; Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease. All interest related charges and, if applicable, changes in an instruments fair value that are reported in profit or loss are included within finance costs or finance income.

2.4 Foreign Currencies**(a) Functional and presentation currency**

Items included in the financial statements are measured using United States Dollars ("USD"), the currency of the primary economic environment in which the entity operates. The financial statements are presented in United States Dollars ("USD"), which is the Company's functional and presentation currency.

The Company obtained the approval of the Registrar of Companies to present its financial statements in United States Dollars ("USD").

(b) Transactions and balances

Transactions in foreign currencies are translated to the USD at exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Non-monetary items are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

2.5 Plant and Equipment**(i) Recognition and measurement**

Items of plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Historical cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of the self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

If significant parts of an item of plant and equipment have different useful lives, then they are accounted for as separate items (major components) of plant and equipment. Any gain or loss on disposal of an item of plant and equipment are determined by comparing the net proceeds from disposal with the carrying amount of the item, and are recognised in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company. Ongoing repairs and maintenance are expensed as incurred.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.5 Plant and Equipment (continued)

(iii) Depreciation

Depreciation is calculated on a straight line basis to write off the cost of each asset to its residual value over its estimated useful life. Residual value is the estimated amount that the Company would currently obtain from disposal of the asset after deducting the estimated cost of disposal and if the asset was already of the age and in the condition expected at the end of its useful life.

The principal annual rates of depreciation are:

	Annual Rates
Computer Equipment	20%
Office Equipment	20%
Fixtures & Fittings	10%
Building Improvements	10%

Items of plant and equipment are depreciated for the full year in the year of purchase and ready for use and no depreciation is charged in the year of disposal. All plant and equipment have a Nil Residual value. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

2.6 Intangible Assets

(i) Recognition and measurement

Intangible assets acquired by the Company are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Such assets are assessed as having finite useful lives and are amortised on a systematic basis over their estimated useful lives. Internally generated intangible assets are recognised only when the Company can demonstrate compliance with the recognition criteria set out in IAS 38. They have indefinite useful lives are not amortised but are tested annually for impairment, or more frequently when indicators of impairment exist

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

(iii) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight line method over their estimated useful lives, and is generally recognised in the profit or loss.

The estimated useful life for the current and comparative years is as follows:

	Useful life
Computer software	3-5 years
Internally generated software	Indefinite

2.7 Leases

(a) *The Company as lessee*

The Company assesses whether a contract is, or contains, a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)**2.7 Leases (continued)****(a) The Company as lessee (continued)**

The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; a credit risk adjustment based on bond yields; and an entity-specific adjustment when the risk profile of the entity that enters into the lease is different to that of the Company and the lease does not benefit from a guarantee from the Company.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Company did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)**2.7 Leases (continued)****(a) The Company as lessee (continued)**

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss in accordance with IAS 36.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. For contracts that contain a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

2.8 Retirement benefit obligations*Defined contribution plans*

A defined contribution plan is a pension plan under which the Company pays fixed contributions into separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The company operates a defined contribution retirement benefit plan for certain employees. Payments to the defined contribution plans are recognised as an expense when employees have rendered service that entitles them to the contributions.

Gratuity on retirement

For certain employees where the statutory gratuity is insufficiently covered by the above pension plans, the net present value of the retirement gratuity payable under the Workers' Rights Act 2019 is calculated by the qualified actuary and provided for. The obligations arising under this item are not refunded.

2.9 Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

2.10 Revenue recognition**(a) Revenue from contracts with customers**

Revenue from contracts with customers is recognised when control of the services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled for those services

Performance obligations and timing of revenue recognition

Revenue consists principally of membership fees charged for the use of Internet Number Resources. The Company recognises revenue over the time the contract through which these resources are provided to customers.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)**2.10 Revenue recognition (continued)****(a) Revenue from contracts with customers (continued)***Determining the transaction price*

Most of the revenue is derived from fixed price contracts and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices.

Allocating amounts to performance obligations

For most contracts, there is a fixed unit price for each service sold, with reductions given for early settlement. Therefore, there is no judgement involved in allocating the contract price to each service in such contracts.

(b) Contract assets

A contract asset is the right to consideration in exchange for services transferred to the customer. If the Company performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

(c) Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

2.11 Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired.

2.12 Income Tax

The Company is exempted from income tax by the Mauritius Tax Authority.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Critical accounting estimates and assumptions

The Company makes certain estimates and assumptions regarding the future. Estimates and judgements are continuously evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Retirement benefit obligations

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/(income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligation.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Company considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension obligation.

Other key assumptions for pension obligations are based on part on current market conditions. Additional information is disclosed in Note 2.8

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)**3.1 Critical accounting estimates and assumptions (continued)***(b) Useful lives and residual values of plant and equipment*

Determining the carrying amounts of property and equipment requires the estimation of the useful lives and residual values of these assets which carry a degree of uncertainty. The directors have used historical information relating to the Company and the relevant industry in which it operates in order to best determine the useful lives and residual values of property and equipment.

(c) Impairment of assets

Non-financial assets are considered for impairment if there is a reason to believe that impairment may be necessary. Factors taken into consideration in reaching such a decision include the economic viability of the asset itself and where it is a component of a larger economic unit, the viability of that unit itself.

Future cash flows expected to be generated by the assets or cash-generating units are projected, taking into account market conditions and the expected useful lives of the assets. The present value of these cash flows, determined using an appropriate discount rate, is compared to the current net asset value and, if lower, the assets are impaired to the present value.

(d) Provision for expected credit losses of financial assets at amortised cost and trade receivables

The Company uses judgemental assessment to determine the ECLs for trade receivables and financial assets at amortised cost.

(e) Leases

In determining the lease term for the property being rented, management considers the broader economics of its arrangement with the lessor, including the economic penalties for both the lessor and the Company should the Company vacate the leased premises.

(f) Limitation of sensitivity analysis

Sensitivity analysis in respect of market risk demonstrates the effect of a change in key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

(g) Litigation cases

There has been a number of legal cases that have been lodged against the Company. There is an element of uncertainty in determining the outcome of these legal cases and the potential impact on the Company in terms of litigation liability and going concern. The directors have exercised significant judgement in assessing any potential liability and have determined that there is no material uncertainty related to going concern. Refer to note 22.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

4. PLANT AND EQUIPMENT

(a) COST	Computer Equipment	Office Equipment	Fixtures & Fittings	Building Improvement	Total
	USD	USD	USD	USD	USD
At 1 January 2024	1,193,918	105,865	116,130	176,017	1,591,930
Additions	10,930	-	-	387	11,317
At 31 December 2024	1,204,848	105,865	116,130	176,404	1,603,247
DEPRECIATION					
At 1 January 2024	1,048,619	103,231	51,297	82,112	1,285,259
Charge for the year	78,427	1,208	10,750	15,611	105,996
At 31 December 2024	1,127,046	104,439	62,047	97,723	1,391,255
NET BOOK VALUES					
At 31 December 2024	77,802	1,426	54,083	78,681	211,992
(b) COST	Computer Equipment	Office Equipment	Fixtures & Fittings	Building Improvements	Total
	USD	USD	USD	USD	USD
At 1 January 2023	1,193,918	105,865	116,130	176,017	1,591,930
Additions	-	-	-	-	-
At 31 December 2023	1,193,918	105,865	116,130	176,017	1,591,930
DEPRECIATION					
At 1 January 2023	946,101	97,626	40,547	66,539	1,150,813
Charge for the year	102,518	5,605	10,750	15,573	134,446
At 31 December 2023	1,048,619	103,231	51,297	82,112	1,285,259
NET BOOK VALUES					
At 31 December 2023	145,299	2,634	64,833	93,905	306,671

At reporting date, the directors have reviewed the plant and equipment for impairment and have not noted any indication of impairment.

(c) Depreciation charge of **USD 105,996** (2023: USD 134,446) has been charged to administrative expenses.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

5. RIGHT-OF-USE-ASSETS AND LEASE LIABILITIES

RIGHT-OF-USE ASSETS	Building and parking	
	2024	2023
	USD	USD
At 01 January	308,973	428,705
Amortisation	(117,415)	(119,732)
At 31 December	191,558	308,973
LEASE LIABILITIES	Building and parking	
	2024	2023
	USD	USD
At 01 January	167,450	318,739
Interest expense	6,483	16,206
Lease payments	(153,321)	(150,342)
Exchange differences	(7,978)	(17,153)
At 31 December	12,634	167,450
Current	12,634	153,980
Non current	-	13,470
	12,634	167,450

* Variable lease payment adjustment relates to increase in rental.

(a) Nature of leasing activities (in the capacity as lessee)

The Company leases property for its office and parking, with payments to increase 5% p.a from February 2022 and 8% p.a respectively.

(b) Lease term

In determining the period over which the lease remains enforceable, the Company has considered the broader economics of the arrangement with the lessor including the economic penalties for both the Company and the lessor if the Company were to vacate the premises. The lease is for a period of 5 years from 01 February 2020 to 01 January 2025. Either party shall have the right to terminate the lease by giving 6 months notice after the first 3 years. Management considers that the lease is for a period of 5 years, mainly given that the Company undertook major refurbishment in 2020, hence will incur significant penalty if they terminate the lease before 5 years.

In February 2025, the Company agreed with the lessor to extend the occupation of the premises for an additional one-year period. The extension does not form part of the original contractual framework assessed by Management when determining the enforceable lease term. It was negotiated as a temporary accommodation between the parties where renewal is subject to Board approval.

(c)	2024	2023
	USD	USD
Interest expense (included in finance cost)	6,483	16,206
Expenses relating to short-term lease (included in administrative expenses)	-	-
Amortisation charged	117,415	119,732

The total cashflow for leases in 2024 was **USD 153,321** (2023: USD 150,342).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

6. INTANGIBLE ASSETS

COST	Work In Progress USD	Computer software USD	Total USD
At 01 January 2023	138,405	148,047	286,452
At 31 December 2023	<u>138,405</u>	<u>148,047</u>	<u>286,452</u>
At 01 January 2024	138,405	148,047	286,452
At 31 December 2024	<u>138,405</u>	<u>148,047</u>	<u>286,452</u>
AMORTISATION			
At 01 January 2023	-	113,466	113,466
Charge for the year	-	1,427	1,427
At 31 December 2023	<u>-</u>	<u>114,893</u>	<u>114,893</u>
At 01 January 2024	-	114,893	114,893
Charge for the year	-	-	-
At 31 December 2024	<u>-</u>	<u>114,893</u>	<u>114,893</u>
NET BOOK VALUES 2024	<u>138,405</u>	<u>33,154</u>	<u>171,559</u>
NET BOOK VALUES 2023	<u>138,405</u>	<u>33,154</u>	<u>171,559</u>

- (a) The work in progress relates to a software being developed by AFRINIC, namely My AFRINIC V2. As at the reporting date, the software remains under development.

7. TRADE RECEIVABLES

	2024 USD	2023 USD
Trade receivables	215,473	319,680
Less: provision for impairment	<u>(46,783)</u>	<u>(161,318)</u>
Trade receivables - net	<u>168,690</u>	<u>158,362</u>

- (i) Impairment of trade receivables

The Company applies IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on the shared credit risk characteristics and the days past due.

	2024 USD	2023 USD
1-30 days	-	2,260
31- 60 days	1,400	126,029
61- 90 days	2,089	-
More than 90	<u>211,984</u>	<u>191,391</u>
Total	<u>215,473</u>	<u>319,680</u>
Less: provision for impairment	<u>(46,783)</u>	<u>(161,318)</u>
Total	<u>168,690</u>	<u>158,362</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**
7. TRADE RECEIVABLES (CONTINUED)
(i) Impairment of trade receivables (continued)

The closing loss allowances for trade receivables as at 31 December 2024 reconcile to the opening loss allowances as follows:

	Trade receivables	
	<u>2024</u>	<u>2023</u>
	USD	USD
At 01 January	161,318	18,930
Loss allowance recognised in profit or loss during the year	43,533	153,748
Receivables written off during the year as uncollectible	<u>(158,068)</u>	<u>(11,360)</u>
At 31 December	<u>46,783</u>	<u>161,318</u>

(ii) The carrying amounts of the Company's trade receivables are denominated in the following currencies:

	<u>2024</u>	<u>2023</u>
	USD	USD
United States dollars	164,460	141,956
Euro	<u>4,230</u>	<u>16,406</u>
	<u>168,690</u>	<u>158,362</u>

(iii) The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Company does not hold any collateral as security.
8. PREPAYMENTS AND OTHER RECEIVABLES

	<u>2024</u>	<u>2023</u>
	USD	USD
Prepayments	10,412	28,869
Deposits	21,785	23,289
Other receivables	<u>20,994</u>	<u>229,205</u>
	<u>53,191</u>	<u>281,363</u>

The carrying amounts of other receivables are denominated in United States dollar and approximate their fair value. Other receivables do not include any overdue balances, hence no loss allowance is recorded.

9. FINANCIAL ASSETS AT AMORTISED COST

	<u>2024</u>		<u>2023</u>	
	USD	USD	USD	USD
	Current	Non-current	Current	Non-current
Fixed deposits	<u>6,310,422</u>	-	<u>6,376,527</u>	-

A Board Resolution dated 27 November 2015, authorised the creation of a strategic Cash Reserve from AFRINIC's own cash holdings with the following rules:

- that a suitable interest-bearing bank account be created for the Strategic Cash Reserve;
- that any expenditure or transfers out of the Strategic Cash Reserve bank account shall require three signatories, comprising the CEO, the Financial Director and either the Chairman or the Vice-chairman of the Board; and
- that any expenditure or transfers out of the Strategic Cash Reserves shall be authorised by the Board.

As at 31 December 2024, the strategic cash Reserve consisted of **USD 6,310,422** (2023: USD 6,376,527) which is held in fixed deposits accounts bearing interest rates carrying from 4.05% to 4.5% per annual (2023: 4.45% to 5%) per annual) with a maturity of twelve months from December 2024 (2023: 12 months from December 2023).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**
10. REVENUE RESERVE

The Company does not have a share capital.

Funding for the running of the Company shall be realised from the following:

- (i) membership fees from members;
- (ii) setup fees for bulk registration services;
- (iii) assignment/allocation fees for individual address space assignments/allocation;
- (iv) maintenance fees for non-contiguous, non ISP address space;
- (v) registration fees for individual address space transfers;
- (vi) setup fees for autonomous system number ("ASN") assignments;
- (vii) grants and/or voluntary donations; and
- (viii) such other sources as may be deemed appropriate from time to time by the Board.

The fees mentioned above shall be subject to review from time to time by the Board.

Revenue reserve

Revenue reserve refers to the undistributed and accumulated surpluses over the years the Company has been in existence.

In January 2008, AFRINIC Board passed the following Resolution Reference 200801.60 " AfriNIC should endeavour to build a reserve fund sufficient to cover two years of operational expenses."

11. INCOME

The following is an analysis of the Company's income for the year:

	<u>2024</u>	<u>2023</u>
	USD	USD
Revenue from rendering of services:		
Membership renewal fees	5,574,981	5,435,373
Allocation or assignment fees	501,218	567,052
Revenue from contracts with customers (Note (a))	6,076,199	6,002,425
Sponsorship for Afrinic events	-	-
Other income (Note (d))	39,354	14,274
	<u>6,115,553</u>	<u>6,016,699</u>
<i>Note on discounts</i>		
Early settlement	62,493	56,900
Educational and critical Infrastructure	161,587	156,525
	<u>224,080</u>	<u>213,425</u>
(a) <i>Disaggregation of revenue from contracts with customers</i>	<u>2024</u>	<u>2023</u>
	USD	USD
<i>Product type</i>		
Membership renewal fees	5,574,981	5,435,373
Allocation or assignment fees	501,218	567,052
	<u>6,076,199</u>	<u>6,002,425</u>
<i>Timing of revenue recognition</i>		
Over time	<u>6,076,199</u>	<u>6,002,425</u>
	<u>6,076,199</u>	<u>6,002,425</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**
11. INCOME (CONTINUED)
(b) Liabilities related to contracts with customers

	Contract Liabilities	
	2024	2023
	USD	USD
At 01 January		
Cash received in advance of performance and not recognised as revenue during the year	(1,662,723)	(1,669,027)
Amounts included in contract liabilities that were recognised as revenue during the year	(1,201,027)	(1,542,042)
At 31 December	<u>1,546,057</u>	<u>1,548,346</u>
	<u>(1,317,693)</u>	<u>(1,662,723)</u>
<i>Analysed as follows:</i>		
Current	(1,317,693)	(1,662,723)
Non current	-	-
	<u>(1,317,693)</u>	<u>(1,662,723)</u>

Contract liabilities arise from fees received in one period relating to future membership years.

(c) Remaining performance obligations

The amount of revenue that will be recognised in future periods on these contracts when those remaining performance obligations will be satisfied is analysed as follows:

At 31 December 2024	2025
	USD
Membership renewal fees	1,201,522
Allocation or assignment fees	12,900
Others	103,271
	<u>1,317,693</u>
At 31 December 2023	2024
	USD
Membership renewal fees	1,515,259
Allocation or assignment fees	6,400
Others	141,064
	<u>1,662,723</u>

(d) Other income

	2024	2023
	USD	USD
Certification income	8,600	6,643
Bad debts recovered	30,754	7,631
	<u>39,354</u>	<u>14,274</u>

12. TRADE AND OTHER PAYABLES

	2024	2023
	USD	USD
Trade payables	84,222	53,198
Other payables	1,959,212	1,812,814
	<u>2,043,434</u>	<u>1,866,012</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**
12. TRADE AND OTHER PAYABLES (CONTINUED)

The carrying amount of trade and other payables approximates their fair value.

Trade payables represent amount owed to trade creditors as well as suppliers of goods and services.

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 30-day terms.
- Other payables are non-interest bearing and have an average term of six months.

13. RETIREMENT BENEFIT OBLIGATIONS

The liability relates to retirement gratuities payable under the Workers' Rights Act. The latter provides for a lump sum at retirement based on final salary and years of service. Half of any lumpsum and 5 years pension (relating to the employer's share of contribution only) payable from the funds have been offset from the retirement gratuities.

(i) The amounts recognised in the statement of financial position are as follows:

	<u>2024</u>	<u>2023</u>
	USD	USD
<i>Other post employment benefits</i>		
Present value of unfunded defined benefit obligations	<u>96,010</u>	<u>87,652</u>

(ii) Movement in liability recognised in statement of financial position:

	<u>2024</u>	<u>2023</u>
	USD	USD
At 01 January	87,652	65,688
Charged to profit or loss	11,000	(18,728)
Actuarial losses recognised in other comprehensive income	3,262	40,469
Exchange gain	(5,904)	223
Benefit paid	-	-
At 31 December	<u>96,010</u>	<u>87,652</u>

(iii) Movement in the present value of defined benefit obligation over the year is as follows:

	<u>2024</u>	<u>2023</u>
	USD	USD
At 01 January	87,652	65,688
Current service cost	6,329	5,831
Interest cost	4,671	4,404
Past service cost	-	(28,963)
Actuarial gains	3,262	40,469
Exchange gain	(5,904)	223
Benefit paid	-	-
At 31 December	<u>96,010</u>	<u>87,652</u>

(iv) The amounts recognised in profit or loss are as follows:

	<u>2024</u>	<u>2023</u>
	USD	USD
Current service cost	6,329	5,831
Net interest cost	4,671	4,404
Past service cost	-	(28,963)
Total included in employee benefit expense (Note 15)	<u>11,000</u>	<u>(18,728)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**
13. RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

(v) The amounts recognised in other comprehensive income are as follows:

	<u>2024</u>	<u>2023</u>
	USD	USD
Experience gains on liabilities	4,700	(12,390)
Changes in assumptions underlying the present value of the scheme	<u>(7,962)</u>	<u>(28,079)</u>
	<u><u>(3,262)</u></u>	<u><u>(40,469)</u></u>

(vi) Sensitivity analysis on defined benefit obligations at end of the reporting date:

	<u>2024</u>	<u>2023</u>
	USD	USD
At 31 December		
Increase of 1% in Discount rate	(24,227)	(21,930)
Decrease of 1% in Discount rate	28,792	26,169
Increase of 1% in Future long-term salary assumption	29,154	26,581
Decrease of 1% in Future long-term salary assumption	<u>(24,923)</u>	<u>(22,617)</u>

An increase/decrease of 1% in other principal actuarial assumptions would not have a material impact on defined benefit obligations at the end of the reporting period.

(vii) The sensitivity above have been determined based on sensibly possible changes of the discount rate or salary increase rate occurring at the end of the reporting period if all other assumptions remained unchanged.

The sensitivity analysis may not be representative of the actual change in the unfunded obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some assumptions may be correlated.

There was no change in methods and assumptions used in preparing the sensitivity analysis from prior years.

(viii) The average remaining working life of the employees at 31 December 2024 is 15 years (2023: 15 years).

(ix) The principal actuarial assumptions used for accounting purposes were:

	<u>2024</u>	<u>2023</u>
	%	%
Discount rate	5.20	5.50
Future long-term salary increase	<u>3.00</u>	<u>3.00</u>

(x) The Company is exposed to the following risks:

- Longevity risk-employees living longer than expected exposing the employer to the risk that more employees make it to retirement
- Interest rate risk- risk that yields on bonds decrease leading to higher provisions for benefits.
- Liquidity risk-risk that employer's cash flow is not sufficient to pay the benefits
- Mortality risk-risk that higher than expected deaths leading to unexpected pay-outs
- Salary risk-risk that salary increases are higher than assumed leading to an increase in the liabilities giving rise to actuarial losses.
- Withdrawal risk - risk that more employees make it to retirement to claim their benefits while the provisions assume that fewer employees will remain in employment.
- Investment risk - risk that lower returns on the DC scheme will reduce the expected pension which in turn will reduce the allowable gratuity offset. The net result will be an increase in the residual liability.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**
14. NET FINANCE (COSTS)/INCOME

	<u>2024</u>	<u>2023</u>
	USD	USD
Bank interest income	294,606	212,486
Realised gain/(loss) on exchange	(80,263)	(11,085)
Unrealised gain/(loss) on exchange	(49,997)	13,269
Interest on lease (Note 5)	(6,483)	(16,206)
	<u>157,863</u>	<u>198,464</u>

15. EXPENSES BY NATURE

	<u>2024</u>	<u>2023</u>
	USD	USD
Depreciation (Note 4)	105,996	134,446
Amortisation of right-of-use assets (Note 5)	117,415	119,732
Amortisation (Note 6)	-	1,427
Meeting expenses	-	-
Office expenses	53,282	51,840
Travelling expenses	25,998	8,179
Employee benefit expense (Note (a))	1,718,107	1,721,167
Net impairment losses on financial assets	43,533	153,748
Legal fees	27,322	1,133,630
Other expenses	654,480	601,508
	<u>2,746,133</u>	<u>3,925,677</u>
Analysed into:		
Distribution expenses	243,692	211,868
Administrative expenses	2,458,908	3,560,061
Net impairment losses on financial assets	43,533	153,748
	<u>2,746,133</u>	<u>3,925,677</u>

(a) EMPLOYEE BENEFIT EXPENSE

	<u>2024</u>	<u>2023</u>
	USD	USD
Salaries	1,254,072	1,275,926
Pension costs:		
- Other post employment benefits (Note 13(iv))	11,000	(18,728)
Social security costs and other benefits	453,035	463,969
	<u>1,718,107</u>	<u>1,721,167</u>
Number of employees	<u>44</u>	<u>45</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

16. NOTES TO THE STATEMENT OF CASH FLOWS

	Notes	<u>2024</u> USD	<u>2023</u> USD
(a) <i>Cash generated from operations</i>			
Surplus before taxation		3,527,283	2,289,486
<i>Adjustments for:</i>			
Depreciation of plant and equipment	4	105,996	134,446
Amortisation of right-of-use assets	5	117,415	119,732
Amortisation of intangible assets	6	-	1,427
Net impairment losses on financial assets	7	43,533	153,748
Loss/(Gain) on unrealised foreign exchange		(77,762)	11,760
Retirement benefit obligations		11,000	(18,728)
Interest expense	14	6,483	16,206
Interest income	14	(294,606)	(212,486)
		<u>3,439,342</u>	<u>2,495,591</u>
<i>Changes in working capital</i>			
- trade receivables		(53,861)	(244,454)
- prepayments and other receivables		228,172	(63,497)
- trade and other payables and contract liabilities		(167,608)	461,888
Cash generated from operations		<u>3,446,045</u>	<u>2,649,528</u>
(b) <i>Cash and cash equivalents</i>		<u>2024</u> USD	<u>2023</u> USD
Bank balance		13,307,460	9,603,214
Cash in hand		2,277	525
		<u>13,309,737</u>	<u>9,603,739</u>
<i>Bank balance is analysed as follows:</i>			
Own Cash Holdings		11,975,787	7,924,759
Fees received in advance		1,317,693	1,662,723
Cash Held - Project/Other FIRE		16,257	16,257
		<u>13,309,737</u>	<u>9,603,739</u>

- (c) While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment was immaterial.

Cash for FIRE (FUND for Internet Research and Education) represents funding received from IDRC, ISOC and Google earmarked for FIRE initiatives.

- (d) *Reconciliation of liabilities arising from financing activities*

	01 January 2024 USD	Cash flows USD	Non-cash changes USD	31 December 2024 USD
2024				
Lease liabilities	167,450	(153,321)	(1,495)	12,634
2023				
Lease liabilities	318,739	(150,342)	(947)	167,450

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**
17. ACTUARIAL RESERVE

	2024 USD	2023 USD
At 01 January,	48,698	89,167
Actuarial gain recognised in other comprehensive income	<u>(3,262)</u>	<u>(40,469)</u>
At 31 December,	<u>45,436</u>	<u>48,698</u>

Actuarial reserve represents the cumulative remeasurement of defined benefit obligation recognised.

18. TAXATION

The Company has been granted exemption from payment of tax by the Ministry of Finance of the Republic of Mauritius on 16 November 2005.

19. RELATED PARTY DISCLOSURES

	2024 USD	2023 USD
(a) <i>Transactions with members:</i>		
Membership fees	<u>6,076,199</u>	<u>6,002,425</u>
(b) <i>Remuneration to directors (Board Members):</i>		
	2024 USD	2023 USD
Per diem	<u>2,750</u>	<u>-</u>

20. FINANCIAL RISK MANAGEMENT

The Company has exposure to the following financial risks arising from its operations and financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

Categories of financial instruments:

	2024 USD	2023 USD
<i>Financial assets at amortised cost</i>		
Trade receivable	168,690	158,362
Financial assets at amortised cost	6,310,422	6,376,527
Cash and cash equivalent	<u>13,309,737</u>	<u>9,603,739</u>
	<u>19,788,849</u>	<u>16,138,628</u>
	2024 USD	2023 USD
<i>Financial liabilities at amortised cost</i>		
Trade and other payables	2,043,434	1,866,012
Lease liabilities	12,634	167,450
Contract liabilities	<u>1,317,693</u>	<u>1,662,723</u>
	<u>3,373,761</u>	<u>3,696,185</u>

20.1 Risk management framework

The Company's Board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of directors are responsible for developing and monitoring the Company's risk management policies.

The Board of directors oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

20. FINANCIAL RISK MANAGEMENT (CONTINUED)

20.2 Credit risk and expected credit losses

The Company takes on exposure to credit risk, which is the risk that a customer or counterparty will be unable to pay amounts in full when due. With respect to credit risk arising from financial assets which comprise cash and cash equivalents and trade and other receivables, the Company's exposure arises from the default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets at the reporting date. Cash transactions are limited to high credit quality financial institutions. Trade and other receivables (net of any provisions at reporting date) are limited as the Company deals with high credit quality insurance companies.

20.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Except for the non-current lease liabilities portion, which is payable after one year, all other financial liabilities are payable within one year.

The table below summarises the maturity profile of the Company's financial liabilities at reporting date based on contractual undiscounted payments.

	<u>Current</u> <u>USD</u>	<u>Non</u> <u>Current</u> <u>USD</u>
31 December 2024		
Non-derivative financial liabilities		
Trade and other payables	2,043,434	-
Contract Liabilities	1,317,693	-
Lease liabilities	12,634	-
	<u>3,373,761</u>	<u>-</u>
31 December 2023		
Non-derivative financial liabilities		
Trade and other payables	1,866,012	-
Lease liabilities	153,980	13,470
Contract Liabilities	1,662,723	-
	<u>3,682,715</u>	<u>13,470</u>

20.4 Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates, which will affect the Company's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) **Currency risk**

Currency risk is the risk that the fair value of future cash flows of financial instrument will fluctuate because of changes in foreign exchange rate. The Company's policy is to ensure that its net exposure for assets and liabilities is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short term imbalances.

The Company has assets and liabilities denominated in various foreign currencies. As the Company's receivables and payables are settled in the same foreign currency, it is not exposed to foreign exchange risk in the ordinary course of business. Differences in exchange arise mainly on translation of assets and liabilities denominated in foreign currencies into presentation currency.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

20. FINANCIAL RISK MANAGEMENT (CONTINUED)

20.4 Market risk (continued)

(i) *Currency risk (continued)*

The currency profile of the Company's financial assets and liabilities is summarised as follows:

	Financial assets 2024 USD	Financial assets 2023 USD	Financial liabilities 2024 USD	Financial liabilities 2023 USD
MUR	226,288	48,633	69,273	217,909
USD	18,452,352	15,137,764	3,241,812	3,404,328
EUR	1,110,209	952,231	62,676	73,948
	<u>19,788,849</u>	<u>16,138,628</u>	<u>3,373,761</u>	<u>3,696,185</u>

(ii) *Sensitivity analysis*

At 31 December 2024, if exchange rate had strengthened/weakened by 5% against the following currencies, the result after tax would be as follows:

	2024 USD Increase/ (decrease) in profit/equity	2023 USD Increase/ (decrease) in profit/equity
MUR	7,851	(8,464)
EUR	52,377	43,914
	<u>60,227</u>	<u>35,450</u>

(iii) *Interest rate risk*

The Company has interest bearing deposits with fixed rates. It could be exposed to fair value interest rate risk arising from changes in market interest rates. However, the deposits are short term.

Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust dividend payments to shareholder, return on capital to shareholder or issue new shares.

The Company monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowing (including 'current and non-current borrowings' as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

20. FINANCIAL RISK MANAGEMENT (CONTINUED)

Capital risk management (continued)

	<u>2024</u>	<u>2023</u>
	USD	USD
Total debt	12,634	167,450
Less: cash and bank balances (Note 16(b))	<u>(13,309,737)</u>	<u>(9,603,739)</u>
Net assets attributable to members	<u><u>(13,297,103)</u></u>	<u><u>(9,436,289)</u></u>
Gearing ratio	<u><u>N/A</u></u>	<u><u>N/A</u></u>

21. CONTINGENT LIABILITIES

- (a) As at 31 December 2024, there were contingent liabilities in respect of guarantees for which no provisions have been made in the financial statements. The guarantees are denominated in Mauritian rupees ("MUR"), and are as follows:

	<u>2024</u>		<u>2023</u>	
	USD	Rs.	USD	Rs.
Bank guarantee	<u>232</u>	<u>10,000</u>	<u>232</u>	<u>10,000</u>

- (b) In 2015, AfrinIC Board to participate in The Joint Regional Internet Registry Stability Fund. This is a fund which will be established through voluntary pledges of funds, publicly documented, from individual RIRs. The Fund is to be used in case of need, to guarantee the continuity of registry operations and related support activities, the latter prominently including regional and global policy development processes. Any use of funds will be contingent upon having public reporting of audited financial statements. Since 2022, AfrinIC has pledged USD 100,000 towards the funds.

22. LITIGATION CASES

The company is involved in a number of legal proceeding which do not arise from its ordinary course of operations infringement. In consultation with the company's legal advisors, has assessed the status and merits of these cases not continue to monitor development on an ongoing basis. Based on management's assessment and legal advice received as at the reporting date, it is not probable that these proceeding will result in an outflows of economic resources and accordingly no provisioning has been recognised in the financial statement. Furthermore, management considers that there are no contingent liabilities that requires disclosures in accordance with IAS 37 Provisions, Contingent Liabilities and contingent assets. The company will continue to monitor the outcome of these matters and will update this assessments should new information became available

23. SUBSEQUENT EVENTS AND GOVERNANCE DEVELOPMENTS

- (a) Prior to its last Annual General Members' Meeting (AGMM) in 2022, AFRINIC's Board consisted of eight directors - the Chief Executive Officer (CEO) and seven others.

The Board was due to be reconstituted through an election at the 2022 AGMM. However, this election was not held due to an Interim Order issued in the case Larus Cloud Service v AFRINIC & ANOR (SC/COM/MOT/000334/2022). Despite this, five directors remained in office, which was sufficient to maintain a quorum and allow the Board to function.

On 14 June 2022, a subsequent Interim Order in the case Africa on Cloud (Pty) Ltd v AFRINIC (SC/COM/WRT/000418/2022) prohibited AFRINIC from holding board meetings with the participation of Dr. A. Omari. As a result, the Board no longer had the required quorum to convene, although the five remaining directors could still act in their individual capacities.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

23. SUBSEQUENT EVENTS AND GOVERNANCE DEVELOPMENTS (CONTINUED)

On 30 June 2022, an Interim Order issued in the case *Crystal Web (Pty) Ltd v AFRINIC (SC/COM/WRT/000454/2022)*, among other restrictions, prevented AFRINIC's CEO from serving as an ex-officio director.

AFRINIC's CEO's contract expired on 03 November 2022. With no quorate board to appoint a successor, AFRINIC has remained without a CEO since 4 November 2022. This also reduced the number of directors to four: Mr. S. Moonesamy, Mr. Silvio Almada, Mr. Abdalla Omari, and Mr. Benjamin Eshun.

On 12 September 2023, following an application under section 178 of the Companies Act 2001 by Cloud Innovation Ltd (CIL) (*SC/COM/MOT/000156/2023*), the Supreme Court of Mauritius (Commercial Division) appointed the Official Receiver with the following mandate:

- (i) Restraining and prohibiting AFRINIC from relating and/or subject itself to a takeover or merger, or restructuring or management control in any manner whatsoever;
- (ii) Holding the ring and ensuring that the status quo of the assets of AFRINIC is preserved and that the value of the business is maintained.
- (iii) See to it that the election process as per the constitution of AFRINIC be carried so that a proper board could be constituted and also for the appointment of the Chief Executive Officer.

On 28 September 2023, former director, Mr. Benjamin Eshun, purportedly on behalf of AFRINIC, filed an appeal against the 12 September 2023 judgment. The filing of the appeal automatically stayed the judgment, removing the Official Receiver's authority over AFRINIC.

On 02 October 2023, CIL argued before the Acting Deputy Master & Registrar that Mr. Eshun lacked authority to act on behalf of AFRINIC, as he was no longer a director. Accordingly, AFRINIC's appeal was stayed. CIL also lodged an appeal in relation to this ruling.

On 04 October 2023, CIL obtained an Interim Order preventing Mr. Eshun from representing AFRINIC (*SC/COM/WRT/000762/2023*). The effect of this Order was to restore the Official Receiver's authority.

However, on 13 October 2023, Mr. Eshun applied to the Court of Civil Appeal (*SC/COM/WRT/000762/ 2023*) to have the Orders of 02 and 04 October set aside, so the appeal of 28 September could proceed. On 16 October 2023, the Court granted Mr. Eshun's request, suspending the Official Receiver's authority once more, pending the determination of the original appeal.

During this time, Mr. Eshun, along with Messrs. A. Omari, A. Silvio, and S. Moonesamy, continued to act as individual directors.

On 15 October 2024, the Court of Appeal dismissed the appeal of 28 September 2023 (2024 SCJ 473), ruling that Mr. Eshun had no authority to lodge it on behalf of AFRINIC. Consequently, the Official Receiver's authority was reinstated, and he was ordered to reconstitute the Board by 15 December 2024.

Subsequently, a Court Order dated 25 November 2024 (*SC/COM/MOT/000859/2024*) extended the Official Receiver's deadline to 30 June 2025.

On 12 February 2025, following another application by CIL (*SC/COM/MOT/000082/2025*), the Court replaced the Official Receiver with Mr. Gowtamsingh Dabee as Receiver, granting him the mandate to organise elections by 25 April 2025.

In April 2025, the deadline was again extended (*SC/COM/MOT/000280/2025*) - this time to 30 June 2025.

On 18 June 2025, Mr. Dabee opened online voting for the Board election, with in-person voting scheduled for 23 June 2025.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

23. SUBSEQUENT EVENTS AND GOVERNANCE DEVELOPMENTS (CONTINUED)

However, on 23 June 2025, the election was suspended due to allegations of fraudulent powers of attorney being used in the voting process.

On 25 June 2025, in light of the serious irregularities, Mr. Dabee annulled the election and applied to the Court for authorisation to organise a fresh one (SC/COM/MOT/000467/2025).

The Court has since granted him an extension until 30 September 2025 to conduct new elections and reconstitute the Board.

On 18 July 2025, by virtue of General Notice No.1045 of 2025, the Hon. Prime Minister, Minister of Defence, Home Affairs and External Communications, Minister of Finance, Minister for Rodrigues and Outer Islands, acting under section 230 of the Companies Act 2001, designated AFRINIC as a declared company.

In August 2025, there were attempts to prevent both the Receiver and AFRINIC from the organising the AFRINIC's board elections as scheduled (SC/COM/WRT/000657/2025 & SC/COM/WRT/000599/2025), however, both applications were set-aside, and the court in the case bearing reference SC/COM/WRT/000599/2025 mandated the Receiver to hold the said elections under the supervision of the Electoral Commissioner of Mauritius.

The new election date was set to 12th September 2025. The election was successfully concluded, and the following candidates were elected to be part of AFRINIC Board.

- Board Seat 1 (Northern Africa), Mr. Abdelaziz Hilali: declared elected in the absence of any opposing candidate
- Board Seat 2 (Western Africa), Prof Adewale Emmanuel Adedokun
- Board Seat 3 (Indian Ocean), Mr Kaleem Ahmed Usmani
- Board Seat 4 (Central Africa), Mr Laurent Kayemba Ntumba
- Board Seat 5 (Southern Africa), Mrs Carla Sofia Fernandes Sanderson
- Board Seat 6 (Eastern Africa), Mrs Fiona Makokha Asonga
- Board Seat 7 (Non-Regional), Mr Benjamin Mark Roberts
- Board Seat 8 (Non-Regional), Mr Adewole David Ajao

On 08 October 2025, the court-appointed receiver filed an application before the supreme court of Mauritius (SC/COM/MOT/000757/2025) seeking, among other things, his discharge as receiver of AFRINIC. This application has since been heard, and judgement is currently awaited.

- (b) Subsequent to the reporting date, geopolitical tensions in the Middle East, including developments involving Iran, continued to evolve. These events have contributed to ongoing global economic and market uncertainty. Management has assessed the impact of these developments on the Company's operations, financial position and performance. As the Company does not have any operations, assets or customers located in Iran, and does not engage in transactions directly subject to International Sanctions related to the region, these events are considered non-adjusting events after the reporting period, as they relate to conditions that arose after the reporting date. Based on information available at the date of approval of these financial statements, management does not consider these developments to require adjustments to the amounts recognised in the financial statements. Management continues to monitor the situation and will reflect any material impacts in future reporting periods as appropriate.

There are no other material events after the reporting date which require amendments to or additional disclosures in the financial statements for the year ended 31 December 2024



AFRINIC | 11th Floor Standard Chartered Tower
 19 Cybercity, Ebene | Mauritius
 t: +230 403 5100 | f:+230 466 6758

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