



## Disruption with Integrity

"Change is no longer a constant!  
The rate of change is accelerating,  
Disruption is the new norm."

**INTEGRATED REPORT**  
FOR THE YEAR ENDED 30 JUNE 2016

# Disruption with Integrity

“Change is no longer a constant!” Most of the innovation and disruption that we are experiencing today, such as Smartphones, Cloud Computing and Social Networks, did not exist on a global commercial scale 10 years ago. We believe that this will accelerate by 2021. The rate of change is accelerating and with the disruptions ahead, integrity remains one of the few elements of trust in this accelerated world.

At Anglo African, we believe that these disruptions will collectively form the “Fourth Revolution” and that the turning point will be by 2021. As a company, we need to ensure that our stakeholders and ourselves are prepared to leverage these technologies but also to protect ourselves from them.

We have chosen these disruptions as the theme of this year’s Integrated Report as it will have a definite impact on the technology industry in the next 3 to 5 years and facing these challenges head-on is an important part of our “looking forward” strategy. At the beginning of each section, we give the reader an insight into Anglo African’s progress on each of the Emerging Technologies identified below.

## Internet of Things

By 2018, more than 10 billion things will be connected to the Internet, reaching 50 billion by 2020. Through 2017, many advanced IoT projects will be launched around the world, such as Smart Building, autonomous Vehicles.



## Blockchain

By 2017, multimode blockchain and distributed ledger technology will be deployed across industries and government agencies. By 2020, new businesses and business models based on smart contracts and Blockchain efficiencies will be formed.



## Artificial Intelligence

It is predicted that by the early 2020s, a computer will pass the Turing test, becoming the first true artificial intelligence. Through 2017, cognitive computing will further develop and complex systems now run by teams of people will be automated in a number of fields such as Banking, Medical, Oil & Gas.



## Energy Storage

By 2020, half of all energy storage will come from households and businesses seeking to control their energy consumption. This will massively disrupt the traditional business models from established utilities and large equipment manufacturers.



## Advanced Robotics

The progress made by the robotics industry over the last 10 years is amazing. It is expected that by 2020, the advanced robots will be performing most of the activities of a human being. Through 2017, a number of advances such as robo-advisors, retail robots and others will be adopted globally.



2005

2010

2015

2020

# Table of Contents

<b>HOW WE PERFORMED</b>	<b>04</b>
<b>ABOUT THIS REPORT</b>	<b>05</b>
<b>ABOUT US</b>	<b>06</b>
<b>OUR DNA</b>	<b>09</b>
Chairman's Review	10
Value Creation	12
How we do Business	14
Corporate Governance	16
Risk Management	21
Board of Directors	24
Management Team	25
<b>OUR ECOSYSTEM</b>	<b>27</b>
CEO's Review	28
Business Model	30
Transformation Plan	31
Our Presence	32
KPIs	33
<b>OUR CAPITALS</b>	<b>35</b>
Financial Capital	36
Human Capital	38
Relationship Capital	40
Intellectual Capital	42
<b>NON FINANCIAL REPORTING</b>	<b>45</b>
Sustainable Development Goals	46
Global Reporting Initiative - G4	48
<b>FINANCIAL STATEMENTS</b>	<b>51</b>
Statement of Directors' Responsibilities	52
Independent Auditors' Report to the Members	53
Statements of Financial Position	55
Statements of Profit or Loss and Other Comprehensive Income	56
Statements of Changes in Equity	57
Statements of Cash Flows	58
Notes to the Financial Statements	59

## NAVIGATION

Additional information to the integrated report has been referenced as follows:



Directs readers to the page in the integrated report with supplementary information



Refers to the page where further detail is contained within the annual financial statements.



Refers to more detailed information available online at: [www.angloafrican.com/ir2016](http://www.angloafrican.com/ir2016)

## Web Content

### IR in HTML



### More on "About us"



- How we performed
- Business area reviews:
  - Anglo African Systems
  - Anglo African Telecommunications
  - Anglo African Consulting
- PwC Award to Anglo African
- Our Value Creation Over Time
- Our Material Risks

### Our DNA in depth



- Governance:
  - Chairman's video
  - Board of directors Full CVs
  - King Code IV Checklist
- Business Model
- KPIs

### Online Sustainability review



- Sustainable Development Goals
- Global Reporting Initiative Index

### Anglo African Investments - Financial Statements for the year ended 30 June 2016



- Including:
  - Full Financial Statements
  - Four Years Financial Summary

AVAILABLE IN PRINT, ONLINE AND APP STORE

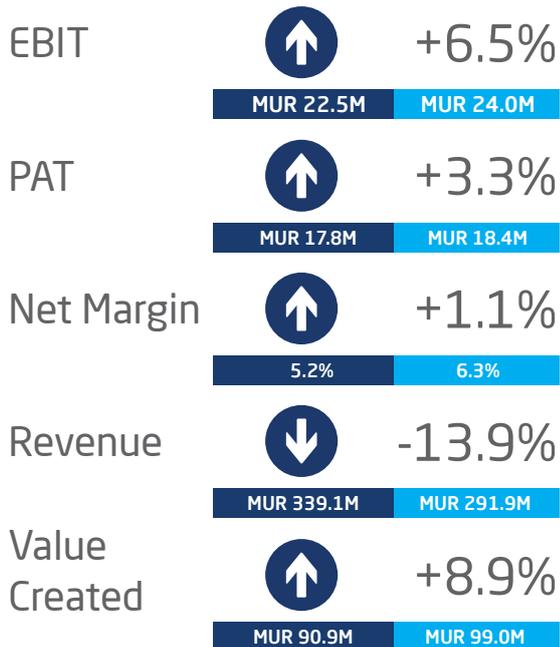


# How we Performed

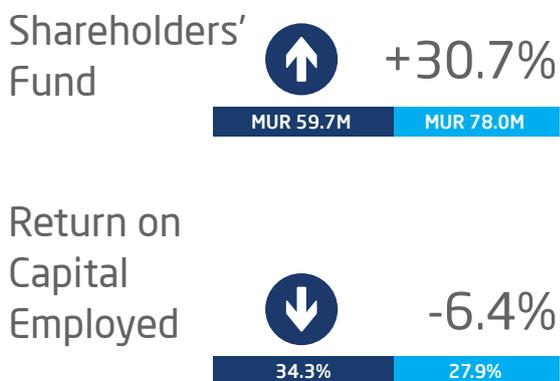
2015

2016

## P&L



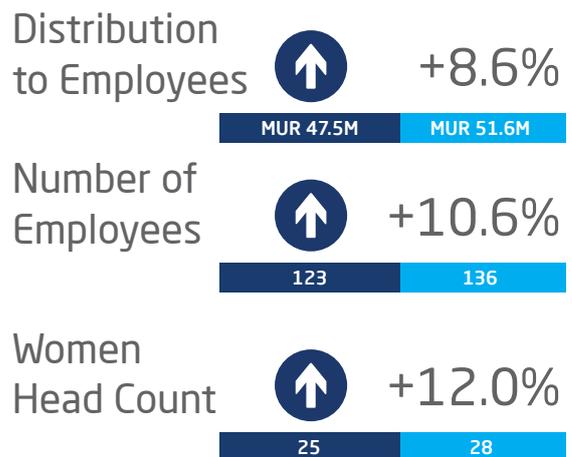
## Shareholders



2015

2016

## Employees



## Cash Flow



## Revenue from



# About this Report |

## Introduction

This is our second Integrated Report and we continue to benchmark ourselves against global best practices in the Corporate Reporting space. In preparing this report, we have been inspired by a number of new standards such as the King Code IV for Corporate Governance, Non-Financial reporting such as Sustainable Development Goals of the United Nations. There are also a number of additions such as the Global Reporting Initiative, new additions in our Risk Management and Governance Sections for the purpose of completeness of our report.

It is important to note that Anglo African has decided not to report on the Natural and Manufactured Capitals as we believe that our operations do not have a material impact on them.

## Reporting to stakeholders

This integrated report is our primary report and serves to cater the diverse range of stakeholders with varied information needs. We provide a range of communication aimed at addressing our stakeholders' requirements. In assessing what is included in the integrated report, we applied the materiality principle, defined below. We have designed this report in three versions. In addition to this printed report, an online version with additional supplementary information is available on our website ([www.angloafrican.com/ir2016](http://www.angloafrican.com/ir2016)) and a concise version is available on GooglePlay and Apple App store.

## Scope and Boundary

The 2016 annual integrated report covers the period 1<sup>st</sup> July 2015 to 30<sup>th</sup> June 2016. Any material events after this date and up to the group's board of directors (board) approval on 9<sup>th</sup> September 2016 have also been included.

The integrated report discusses our operations in Mauritius and the rest of Africa, the geographic regions in which we operate. Our annual financial statements are prepared in accordance with IFRS. While quantitative information relating to the group is prepared according to IFRS, this report discloses material information that may extend beyond the financial reporting boundary.

## Materiality

This integrated report chooses to focus on material developments and issues, and provides pertinent related financial and non-financial performance indicators that are relevant to a wide cross-section of stakeholders. We define a material development or issue as one that affects our ability to remain commercially viable and socially relevant to the communities in which we operate.

## Integrated Thinking

In preparing our report, we were mainly guided by the IIRC framework. In addition to its guiding principles of Stakeholders' Relationships; Materiality; Connectivity of Information; Conciseness; Reliability and Completeness; Consistency and Comparability; Integrated Thinking needs to be "Forward Looking" - providing insights into the organisational strategy and how it relates to the organisation's ability to create value in the short, medium and long term and its use of and effects on the capitals.

As an important player in the Information Technology and Innovation space, we hope that we will be able to demonstrate the thought process and its application with this report.

It is to be noted that Anglo African has decided to engage into this Corporate Reporting exercise on a "Voluntary Basis" as it does not operate within regulated industries and is not listed. Although the report is designed for the different stakeholders at large, our focus is mainly on our customers and partners.

Our main challenge in preparing this report was to keep it "Readable & Understandable" despite additional Information and Innovations. Moreover, we have also been able to keep the size of the report within 80 to 120 pages which remains the global benchmark, in line and inspired by companies like GE, UniCredit and Others.

# About Us |

Anglo African is an information technology firm, headquartered in Mauritius, with fully owned subsidiaries in Madagascar, Rwanda, Zambia and Zimbabwe and sales offices in Djibouti and Reunion Island. We employ over 100 Certified ICT Professionals. During the last 9 years, through a three-pronged strategy of Innovation, Financial discipline and Talent Empowerment, we have managed to break into and maintain key global accounts.

We are a strong player in the Enterprise ICT space in areas such as Hardware [Servers, Storage, DataCom & UnifiedCom], Software [Database, Virtualisation, Redundancy and Collaborative], Applications [ERP, CRM, Digital, Web, Mobile,

Data Analytics and IT Security] and Consulting [IIoT, Telecom & IT]. Strategic partnerships have been critical to achieve this performance with global technology organisations: Oracle, IBM, Microsoft, Symantec, Google, Apple, Facebook and Others; "Our Business Partners".

Our objective is to become the leading player in the «Emerging Technology» space in the markets that we operate. This is in line with our vision of being the most valuable information technology firm in the markets that we operate, as emerging technologies attract higher margins and offers a higher EBIT multiple than traditional technologies.

TO BECOME THE MOST

# VALUABLE

INFORMATION TECHNOLOGY  
FIRM IN THE MARKETS  
THAT WE OPERATE

## FOR CUSTOMERS

Delivering best of breed solutions [Gartner's Leaders Quadrant] at cost effective value

## FOR INVESTORS

A Sustainable [40% maintainable earnings], Growing [20% p.a.] and Profitable Business [10% PAT]

## FOR EMPLOYEES

Most competitive industry reward and benefits [FP + Redefined STI + LTI] as well as personal development

## GEOGRAPHY

We define "Geography" by the countries in which we operate. Whether these countries comprise our Representative offices, Subsidiaries or Head Office.

## TECHNOLOGY

We define "Technology" by the different IT segments where we have developed strong capabilities in terms of talent and also global partnerships.

## OUR MISSION

To become the most respected IT Firm in our markets.

We will achieve this by ensuring customer satisfaction in every single engagement that we undertake.

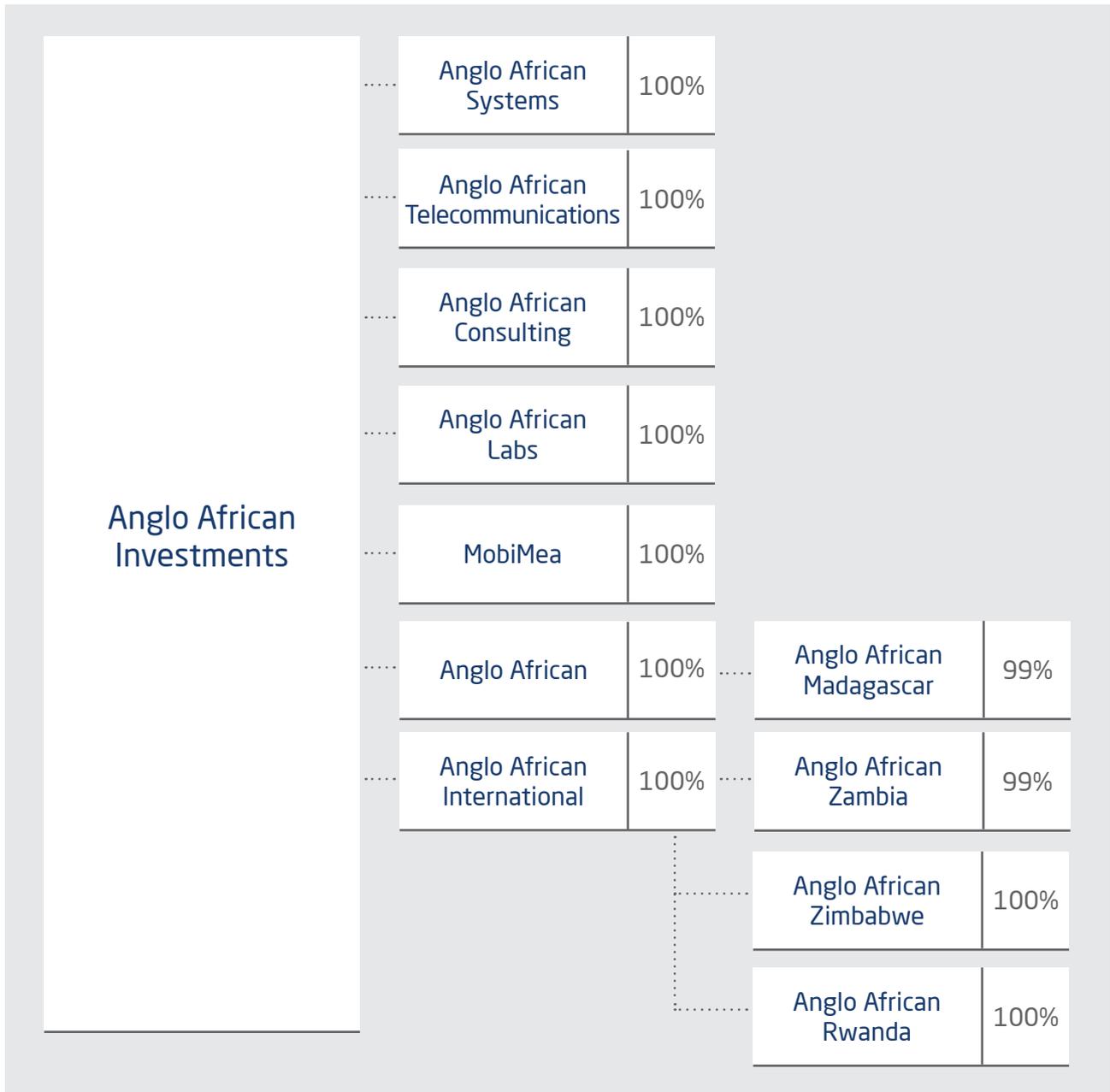
## OUR PURPOSE

To maximise value for all stakeholders by delivering innovative solutions and keeping our promises.

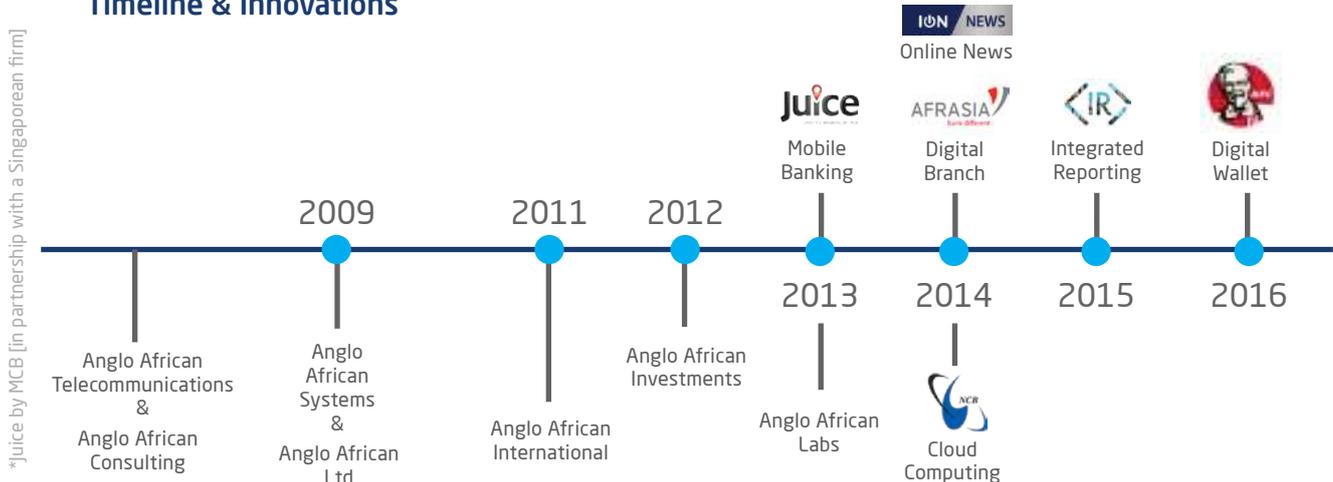
## OUR VALUES

Highest level of Integrity  
Customer First  
Growing our People  
Forward Looking  
Being Proactive & Innovative.

## Group Legal Structure



## Timeline & Innovations



\*Juice by MCB [in partnership with a Singaporean firm]

# Insights

## Internet of Things

By 2018, more than 10 billion things will be connected to the Internet, reaching 50 billion by 2020. Through 2017, many advanced IoT projects will be launched around the world, such as Smart Building and Autonomous Vehicles.

At Anglo African, 2016 has been the year of Research & Innovation in the Internet of Things space. Our teams have made major inroads encompassing the various converging technologies from Middleware, Applications, Telecom, Digital and Electrical Engineering to come up with a comprehensive IIOT architecture in Mauritius in partnership with ABB [[www.abb.com](http://www.abb.com)] and targeting Real Estate, Hospitality and Smart Cities.



# ONE

## OUR DNA

Chairman's Review	10
Value Creation	12
How we do Business	14
Corporate Governance	16
Our Material Risks	21
Board of Directors	24
Management Team	25

# Chairman's Review |

## Disruption!

The theme of this report challenges the traditional thinking process on how the world has evolved in the last 10 years and forces us to change our thinking process on what the world would look like in the next 5 years. While this is true for most organisations across industries, it is particularly relevant for technology firms like Anglo African who carry the risk of being dis-intermediated or may simply disappear.

While the company prepared its Strategic plan which was approved by the Board in June 2015, the preparation of the Integrated Report (IR) and especially the IR framework and its interrelatedness of capital that woke us up to the fact that our Strategic plans were not aggressive enough. Early 2016, the management team came up with a major transformation plan which is presented by the CEO during this report.

On this note, it is with great pleasure that I present the 2016 Integrated Report of Anglo African Investments Ltd and its subsidiaries ('The Group'). This report enables us to measure not only the tangible financial results we have achieved at a Group level, but also our impact on the human, intellectual and relationship capital.

## Integrated Reporting [Innovation]

The timing could not be more perfect for the introduction of the United Nations "Sustainable Development Goals" (SDGs) Matrix in our Integrated Report with the visit of the Secretary General of the UN in Mauritius this year, Mr Ban Ki-moon. The SDGs has been signed by the UN member countries and as these 17 comprehensive goals to transform the world will be heavily dependent on the private sector and corporate world, we are very excited to follow the global trend of integrating SDGs in our non-financial reporting, found in Section Four.

The second innovation is that in Section Three, we have started reporting our performance through our Four Capitals. While we introduced

the subject last year and explained how it would impact our business, especially through the interrelatedness of capital, this year we decided to take it to the next level and the management team did a fantastic job of reporting "Capitals in Action".

Another important innovation is that we felt it would be important to push the benchmark on Corporate Governance to the limit and we have adopted the King Code IV, released mid 2016 as our Governance Code. In our Governance section, you will find the highlights while the detailed matrix is on our website.

Finally, while some companies have already started with this trend, we felt that it would be important to introduce the Global Reporting Initiative G4 on sustainability reporting (GRI-G4) as well as our first Directors' evaluation for the sake of completeness in our Governance section.

## Accolade [Recognition]

Ahead of its 10<sup>th</sup> Anniversary in 2017, the Group is very proud to have introduced Integrated Reporting as one of the innovations that it brought to Mauritius, amongst a few others in what will be presented as "A Decade of Innovation" for the theme of its 10<sup>th</sup> Anniversary.

We are therefore especially proud of this achievement as Anglo African's 2015 Integrated Report was nominated in the PwC Corporate Reporting awards in the 'Best Online Reporting' category and won the award in the 'Best Non-Listed Public Interest Entities and Parastatals' Category with a special mention of the jury for an overall winning category.

Anglo African has also been invited by the International Integrated Reporting Council (IIRC) as member of its Business Forum and the CEO has been intervening on a number of webinars globally and will be sharing Anglo African's experience at the Annual Official Conference of the International Integrated Reporting Council (IIRC) in partnership with the International

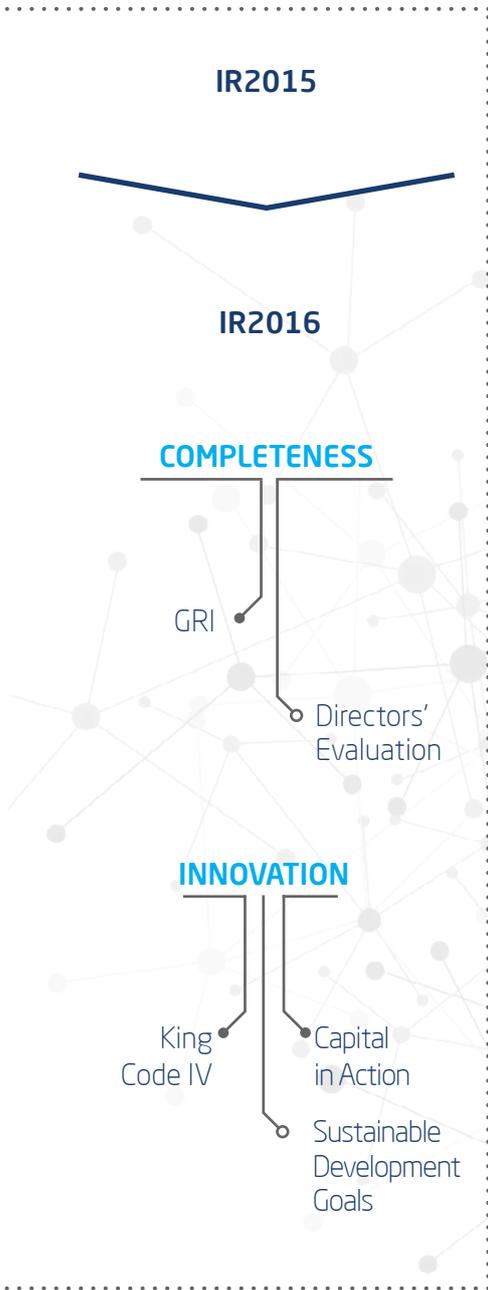


Jean-Claude Béga  
Chairman



PwC awarded Anglo African Best Corporate Reporting in the Non-listed Public Interest Entities and Parastatals

Corporate Governance Network (ICGN) in London in early December 2016.



**Strategic Orientation [Organisational Transformation]**

The Group embarked on its transformation plan early 2016, with the four main innovation focus being Human Capital Management as a Service [HCMaaS], Industrial Internet of Things [IIoT], Security Operations Centre [SOC] and FinTech, with a specific focus on Blockchain Technology and in Artificial Intelligence [AI]. These were not expected to produce any significant contribution to the Group's profitability in the financial year under review though they used additional resources of the company which were unplanned. Despite the fact that these business units will be in operation by the end of 2016, we do not expect them to contribute in any significant way to the bottom line of the next financial year, more so as the Group builds capacity in terms of Knowledge/Technology Transfer, Market Penetration and Human Capital Development.

The reliance on profitable traditional businesses remains critical during this transition period to support, both in terms of financial and human capital, the introduction of the Emerging Technologies mentioned above. However, the strategic plan remains that in the medium to long term, the Group will derive a majority of its revenues from its international operations in Africa, as well as emerging technologies.

The Risk Management System has also been reviewed and its effectiveness as well as performance are followed closely by the management team and reviewed by the board regularly.

The results of FY2016 were impacted by negative performance of our foreign operations and slowdown in our local operations. Necessary actions will be taken in the next financial year to address the weaknesses in our strategy and operational model. The management team will also focus on the implementation of the organisational transformation plan discussed in this report.

**Appreciation**

Once again, the "Digital" team at Anglo African has innovated in a number of ways, especially in the UI/UX Design space which has allowed us to share more information with less space and making our <IR> more readable and understandable.

I would also like to thank Mrs Nishika Bajaj who retired from the Board in September 2015 and Mr Pierre Ah Sue who retired from the board in June 2016 after 6 years as Chairman and Director during which time he has shared and inculcated his "Entrepreneurial" skills and values to the Board and Executive team.

My statement would be incomplete without expressing my gratitude to my fellow directors on the Anglo African board for their continued support and wisdom, to the Anglo African's management team for their outstanding efforts and leadership during this very challenging year.

Last but not least, I would like to take this opportunity to express my sincere gratitude to our customers who have provided their valuable patronage to the Group.

**Year in Review [Performance]**

The Group's results for FY2016 were satisfactory considering the challenges faced in both the local and international markets. Profit after tax increased by 3.3% to MUR 18.4M, further consolidating the Group's equity as no dividend was paid out in line with the current dividend policy.



Video

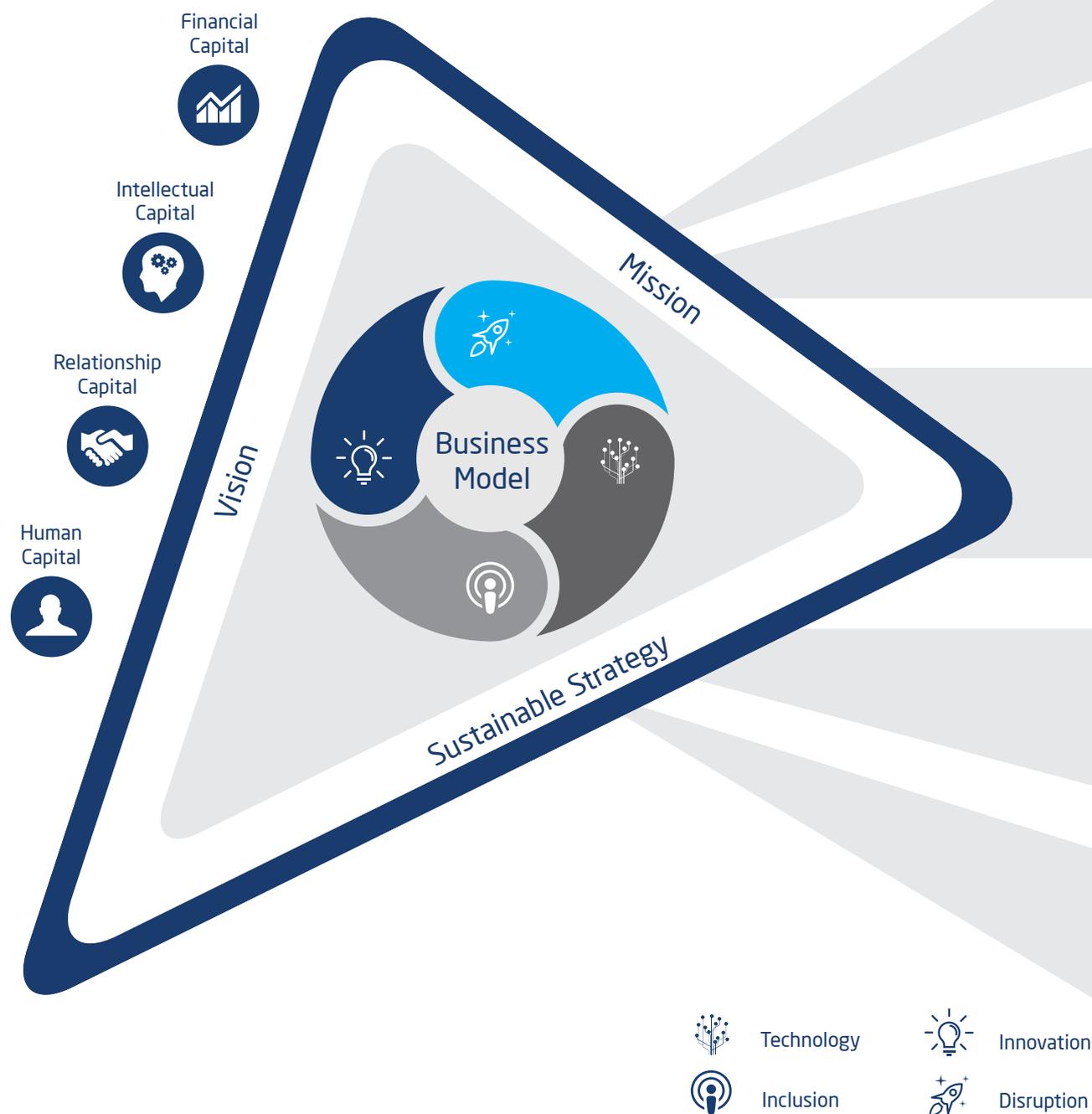
**Jean-Claude Béga**  
Chairman

9th September 2016

# Our Value Creation Over Time |

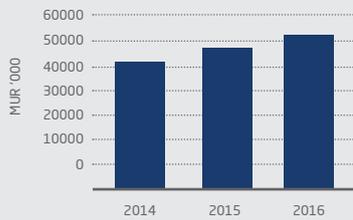
The value added statement reports the value added by the activities of the Group and its employees and also shows how the value created has been distributed.

Value added is calculated as the market price of the output of the Group less cost of bought-in goods and services. This value added is distributed to various parties, such as the employees, providers of capital, Government, or retained in the Group to maintain and develop operations.



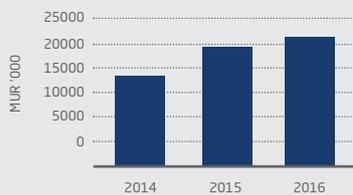
Total value created were distributed to:

## Employees



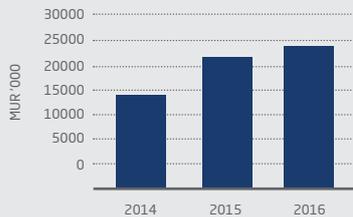
We contribute to the economy through job creation, upskilling our staff as well as providing job placements to university students.

## Government



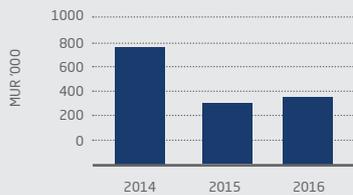
We pay income tax, VAT, environment protection fee and telecom specific licenses to the Government.

## Reinvested



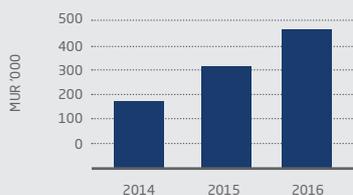
We reinvest profits to finance research and innovation in new technologies as well as to support future growth of the company for the benefit of all our stakeholders.

## Providers of Capital



We pay interest to banks and share profit with minority shareholders. We indirectly contribute to the economy through the transactions with our suppliers which provide us mostly interest free credit just as we give credit to most of our customers.

## Community



We give back to the community by supporting non-governmental organisations which are involved in supporting children in need of special care or educational support.

# How we do Business |

Our core businesses comprises hardware, software, applications, connectivity and professional services within the Information Technology Industry.

## Assets

### People

Having the right people with the right skills is essential for the delivery of our strategy. Empowering our people is a priority of our organisation and it is now paramount as we diversify our geographic and technology markets.

### Research & Innovation

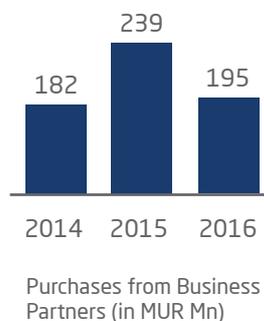
While traditional technologies represent the bulk of our revenue, emerging technologies are priorities for the future. This also requires that the team has a thorough understanding of the customer's challenges.

### Best Practices

As the company grows in size, investment in systems and processes becomes another priority in order to ensure that the increasing number of projects being delivered from Southern to Northern Africa exceeds our Service Level Agreements.

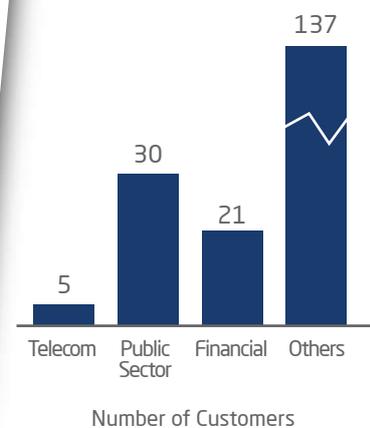
### Business Partners

Our Business Partners are key in ensuring that end-to-end solutions are provided to customers. It has been our priority to build and maintain mutually beneficial relationships based on ethical business principles.



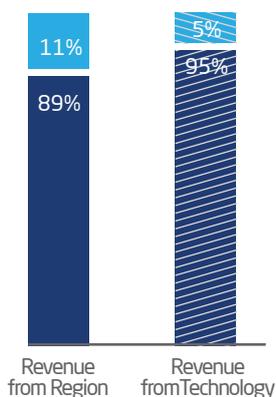
## Customer

We have around 200 enterprise clients in over 6 countries from Southern and Northern Africa in various verticals such as Telecom, Financial Services Industry and Public Sector. Our teams continue to gather domain expertise in each vertical to better serve our clients.



## Revenue

We generate revenue by providing Hardware, Software, Application and Devices solutions straddling both traditional and emerging technologies. While our revenue from Africa and Emerging technologies are still in its infancy, they remain the 2 areas receiving the most human and financial capital investments.

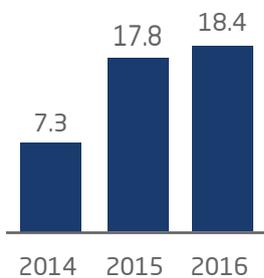


FY 2016

- Outside Mauritius
- Mauritius
- Emerging
- Traditional

## Net Profit

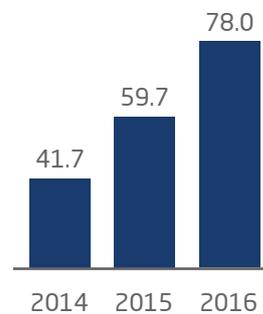
In order to sustain and grow our business, we need to ensure that our Net Profit Efficiency attains a minimum of 10%. Our ongoing investments in our assets help in that area in terms of growing revenue, growing gross and net margins through better procurement, overheads monitoring and implementation of best practices.



Net Profit (in MUR Mn)

## Reinvesting

Currently, the company has a no-dividend policy, all the profits are maintained in the company as retained earnings. This policy is critical in ensuring that our geographic expansion in Africa, investments in Emerging Technologies and Human Capital Development plans do not constitute a drain on our existing operations.



Shareholders' Fund (in MUR Mn)

# Corporate Governance |

## Governance Model

The Group operates within a clearly defined governance framework that allows the Board to balance its role of providing risk oversight and strategic counsel while ensuring adherence to regulatory requirements and risk tolerance.

The Board has set up two Board committees, namely the Corporate Governance, Remuneration and Nomination Committee, and the Audit and Risk Management Committee, with clearly defined mandates.



The Board committees facilitate the discharge of the Board's responsibilities and provide in-depth focus on specific areas. Each committee has its Terms of Reference (ToRs), which the Board reviews at least once a year. The ToRs for each committee set out its role, responsibilities, scope of authority, composition and procedures. The committees report to the Board through their respective chairman and minutes of all committee meetings are submitted to the Board.

## Board of Directors

At June 30 2016, the Board of Directors comprised 5 Independent non-executive Directors and 2 Executive Directors.

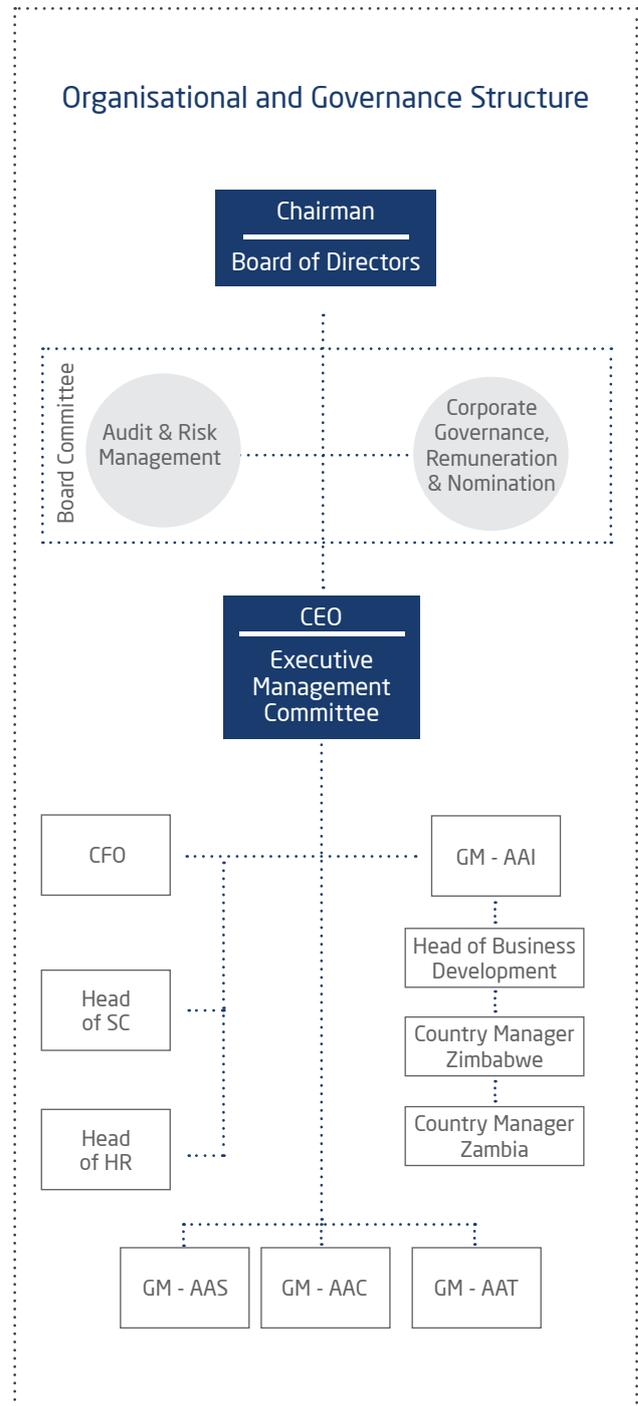
The Independent and Non-Executive Directors bring a wide range of experience and skills to the Board. The Executive Directors are involved in the day-to-day management and are in the full-time salaried employment of the Group. The Board is responsible for providing effective corporate governance. It determines the Company's purpose, strategy and values and ensures that the Company and its controlled entities are properly managed. It monitors and evaluates the implementation of strategies, policies, management performance criteria and business plans.

The roles and functions of the Chairman, who is an independent director, and of the Chief Executive Officer, are separate. The Chairman presides over meetings of directors and ensures the smooth functioning of the Board. The management of the Group is carried out by the Chief Executive Officer who also develops and recommends to the Board the long-term vision and strategy for the Group, as well as formulates annual business plans and budgets to support the long-term strategy approved by the Board.

## Directors in the subsidiaries



The policy of the company is to appoint the GM and Senior Executive of the subsidiary and at least one person from the management company on the board of our subsidiaries.



See Corporate Governance Report online



## Board Committees

Two committees were constituted by the Board of directors who approved their terms of reference on 1<sup>st</sup> July 2015. These were: (1) the Audit and Risk Management Committee which met under the chairmanship of Mr Sunil Banymandhub

for the first time in September 2015 and (2) the Corporate Governance, Remuneration and Nomination Committee which met under the chairmanship of Mr Jean-Claude Béga for the first time in May 2016.

### Audit and Risk Management Committee

The main objectives of this Committee are to:

- Review the internal control systems and processes as well as the internal audit report
- Ensure the timely identification, mitigation and management of risks that could have a material impact on the Group
- Examine accounting and financial reporting processes and annual financial statements and ensure compliance with applicable laws and accounting standards;
- Review the scope and results of the external audit as well as the nature and extent of non-audit services provided by external auditors, where applicable.

The members of the Committee are Mr Sunil Banymandhub (Chairman of the Committee), Mr Guillaume Ortscheit and Ms Sanjana Singaravelloo.

### Corporate Governance, Remuneration and Nomination Committee

The main objectives of this Committee are to:

- Determine, agree and develop the Company's general policy on corporate governance
- Make recommendations on the appointment of new directors
- Determine any criteria necessary to measure the performance of executive directors in discharging their functions and responsibilities
- Recommend to the shareholders the level of fees to be paid to directors, and review and advise on the remuneration policy

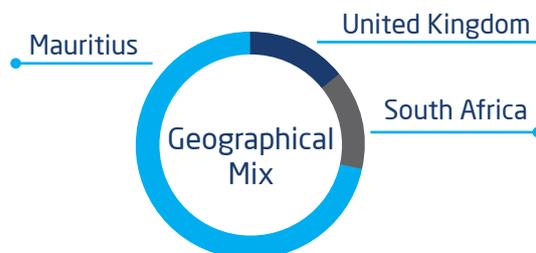
The members of the Committee are Mr Jean-Claude Béga (Chairman of the Committee), Prof. Marc Kitten and Mr Sanjeev Manrakhan.

## Balance of Executive and Non-Executive Directors

**2** Executive      **5** Non-Executive & Independent

## Board Gender Balance

Female 1      Male 6



## Board attendance & Directors' Remuneration

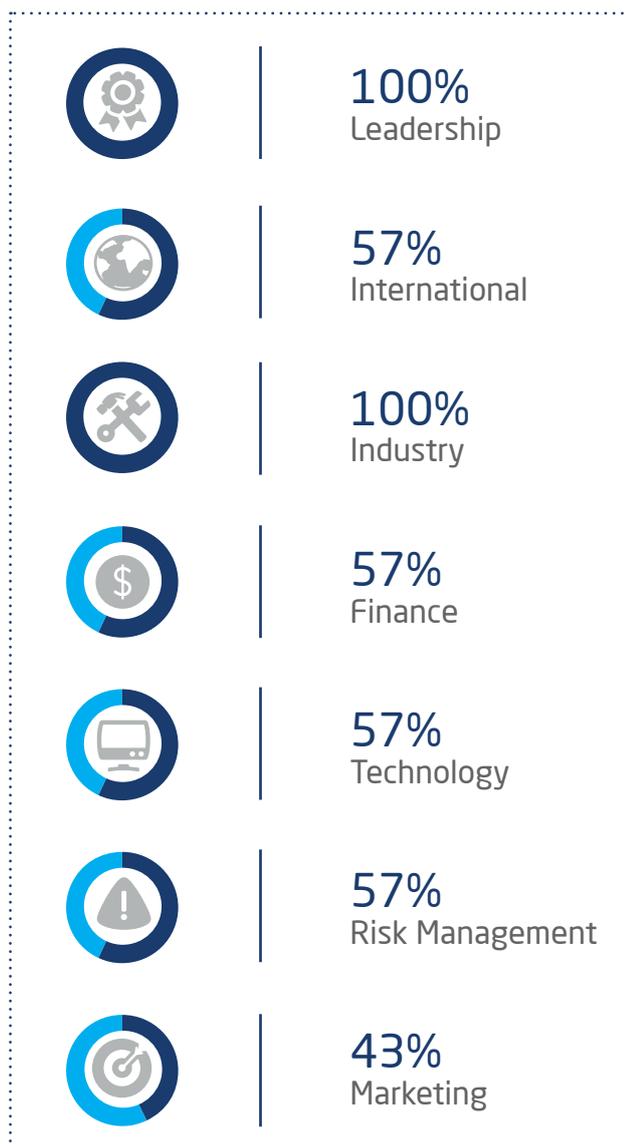
	Board meetings	Corporate Governance, Remuneration and Nomination Committee	Audit and Risk Management Committee	Remuneration(MUR)
Jean-Claude Béga	4/4	1/1	n/a	90,000
Pierre Ah Sue	2/4	0/1	n/a	40,000
Nishika Bajaj	1/1	n/a	n/a	n/a
Sunil Banymandhub	3/4	n/a	1/1	20,000
Ali Jamalooden	3/4	n/a	n/a	1,281,857
Marc Kitten	4/4	n/a	n/a	40,000
Sanjeev Manrakhan	4/4	1/1	n/a	1,135,000
Guillaume Ortscheit	4/4	n/a	1/1	40,000
Sanjana Singaravelloo	3/4	n/a	1/1	40,000

## Directors' Evaluation

A Board and Committee evaluation and director's individual evaluation questionnaire was circulated to the directors in September 2016 for the first directors' evaluation exercise. This evaluation showed mainly that the Board functioned well, but most importantly provided recommendations where improvement could be brought in its functioning. The overall score of the evaluation was 84%, the detailed scores are as follows:

	Score
Functions of the Board	78%
Size, Composition and Independence of the Board	80%
Board meetings and Chairman's appraisal	85%
Board committees	84%
Audit & Risk Management Committee (ARMC)	88%
Corporate Governance, Remuneration & Nomination Committee (CGRNC)	84%
Director's individual assessment/evaluation	87%

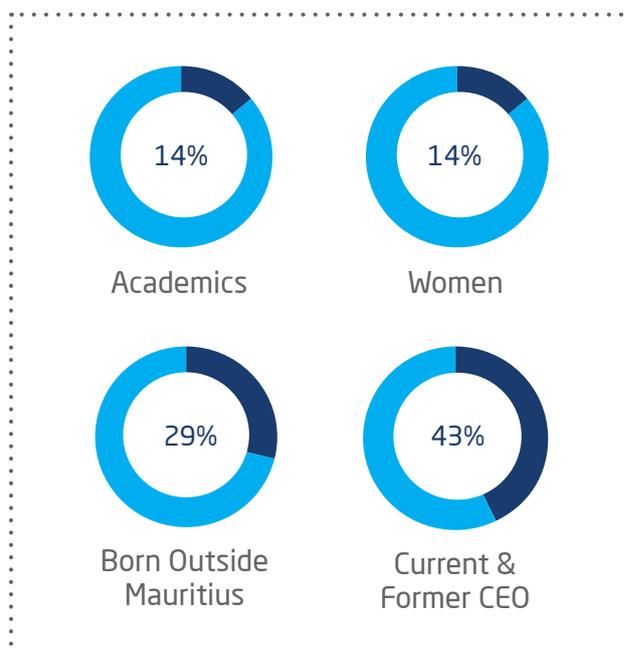
## Directors' Experience



## Profile Of Directors & Senior Executives

For the profile of Directors and Management Team, please refer to pages 24 and 25.

### Diversity of Background of Directors



## Ethics and Business Conduct

The Group is committed to abide by the highest standards of ethical and professional integrity, based on a fundamental belief that business should be carried out honestly, fairly and legally. Our Code of Conduct, which encompasses our ethical practices, anti-bribery rules, data protection and confidentiality norms amongst others, is intimated to employees upon joining as part of their employment conditions.

The company takes any allegations of solicitation of bribes or any corrupt practices very seriously. As such, any of these allegations are escalated directly to the CEO who will then decide based on the internal [Executive Committee] and external [Legal Advisor] counsel whether to refer it to the disciplinary committee and eventually relevant enforcement authorities.

## Conflict Of Interest

The directors and staff are encouraged to self-declare conflicts of interest and if applicable, withdraw from the decision making process.

The Board and management team are responsible for managing conflict of interest situations in order to ensure that the workplace behaviour and decision-making throughout the Group are not influenced by conflicting interests. Preventive measures such as transferring the individual to other duties may sometimes be taken and policies regarding gifts and hospitality offered have been communicated to staff.

FS  
19  
72

## Related Party Transactions

Related party transactions are disclosed in Note 21 to the financial statements.

## Auditors Remuneration

The fees payable to the external auditors, De Chazal and Associates, for audit services amounted to MUR 536,279 (2015: MUR 553,310). No fees were paid to them for non-audit services.

## Contracts of Significance

There was no contract of significance subsisting during the year to which the Company or any of its subsidiaries was a party to and on which a director was materially interested either directly or indirectly.

## Statement of Remuneration Philosophy

As from January 2016, on the recommendation of the Corporate Governance, Remuneration and Nomination Committee, non-executive directors are paid a fee for attending Board meetings and Committee meetings. The Chairman of the Board and Chairman of the Committees are paid a higher fee.

Executive directors are in full time employment of the Group and do not receive additional fees for sitting on the Board or the Committee meetings.

The remuneration policy for management and staff is to reward effort and merit as fairly as possible. Other factors considered include experience, qualifications, skills scarcity, responsibilities shouldered and employee engagement. The general manager of each subsidiary is also incentivised through a profit-sharing scheme based on the profitability of the subsidiary and the achievement of set key performance indicators (KPIs).

## CSR and Donations

The Group contributed MUR 465,659 from its CSR fund to 3 NGOs focused on helping underprivileged and vulnerable children across Mauritius:

- Century Welfare Association
- Child Evangelism Fellowship
- ANFEN

The Group has not made any other donations during the year (2015: Nil).

## Health, Safety and Environment Policy

The Group has issued a Workplace Safety Rules handbook that is provided to all staff. The handbook is regularly updated.

The Group is committed to:

- Provide a safe workplace and ensure that personnel are properly trained and have appropriate safety and emergency equipment.
- Conserve natural resources by reusing materials, purchasing recycled materials, and using recyclable packaging and other materials.
- Market products that are safe for their intended use, efficient in their use of energy, protective of the environment, and that can be reused, recycled or disposed of safely.
- Ensure the responsible use of energy throughout our business, including conserving energy, improving energy efficiency, and giving preference to renewable over non-renewable energy sources when feasible.

## Internal Control & Internal Audit

The Board is responsible for the system of internal control and risk management. Management is responsible for the design, implementation and monitoring of the internal control system.

In view of the size of its operations, the Group does not have an internal audit department.

The Group has commissioned an independent firm, namely Ernst & Young, to perform an assessment of the design of the internal control framework for selected processes and their report was reviewed by the Audit and Risk Management Committee in September 2015.

The recommendations made by Ernst & Young were implemented by management during the year and quarterly reports on the progress were made to the Board.

## Legal and Shareholding Structure

Anglo African Investments Ltd is a private company limited by shares. The share capital of the Company consists of 10,000 ordinary shares of MUR 10 each and is wholly held by Mr Sanjeev Manrakhan. There has been no dealing in the shares of the Company during the period under review.

The Group shareholding structure is disclosed on page 7.

## Dividend policy

No dividend will be paid out by the Company until 30 June 2017. The dividend policy will be reviewed thereafter.

## King Code IV

Anglo African has decided to include in this Integrated Report a high-level application of the King Code IV report on Corporate Governance, as an early adopter [the code being effective on April 1, 2017]. We believe it does add value to our Corporate Governance and of equal importance, its impact on Stakeholders' management, Technology and Strategy. These are mainly based on the global trends such as: financial capitalism to financial inclusion, short term capital markets to sustainable capital markets and siloed reporting to integrated reporting.

At the onset, one of the major aspect of the King Code IV is the emphasis on Integrated Reporting and Thinking as compared to the King Code III released on 2009. In addition, the main themes are presented below:

- **Leadership, Ethics and Corporate citizenship**
- **Strategy, Performance and Reporting**
- **Governing Structures and Delegation**
- **Governance Functional Areas**
- **Stakeholders' Relationships**

In view of the comprehensiveness of the Code, we have not gone into detail, with regards to the full application of the recommended practices. On the web version, we have presented the sections of the different principles of King Code IV, as follows:



1. Integrated Reporting
2. Balanced composition of Governing Bodies and Independence
3. Delegation to Management
4. Delegation to Committees
5. Corporate Governance services to Governance Bodies
6. Performance evaluation of the Governing Bodies
7. Social and Ethics Committees
8. Risk and Opportunities
9. Technology and Information
10. Compliance
11. Remuneration
12. Assurance & Internal Audit
13. Audit & Audit Responsibilities
14. Tax
15. Shareholders' Activism
16. Dispute Resolution

## Statement of Compliance

Name of Public Interest Entity (PIE): Anglo African Investments Ltd.

Reporting Period: 1<sup>st</sup> July 2015 to 30<sup>th</sup> June 2016

We, the Directors' of Anglo African Investments Ltd, confirm to the best of our knowledge that the PIE has complied with all of its obligations and requirements under the Code of Corporate Governance.

**Jean-Claude Béga**  
Chairman

**Sanjeev V. Manrakhan**  
Chief Executive Officer

9<sup>th</sup> September 2016

## Secretary's Certificate

UNDER SECTION 166(d) OF THE COMPANIES ACT 2001

We certify that, based on records and information made available to us by the directors and shareholders of the Company, we have filed with the Registrar of Companies, for the financial year ended 30 June 2016, all such returns as are required of the Company under the Companies Act 2001.

**K. Newoor**

For and on behalf of  
Aadra Secretarial Services Ltd

Secretary

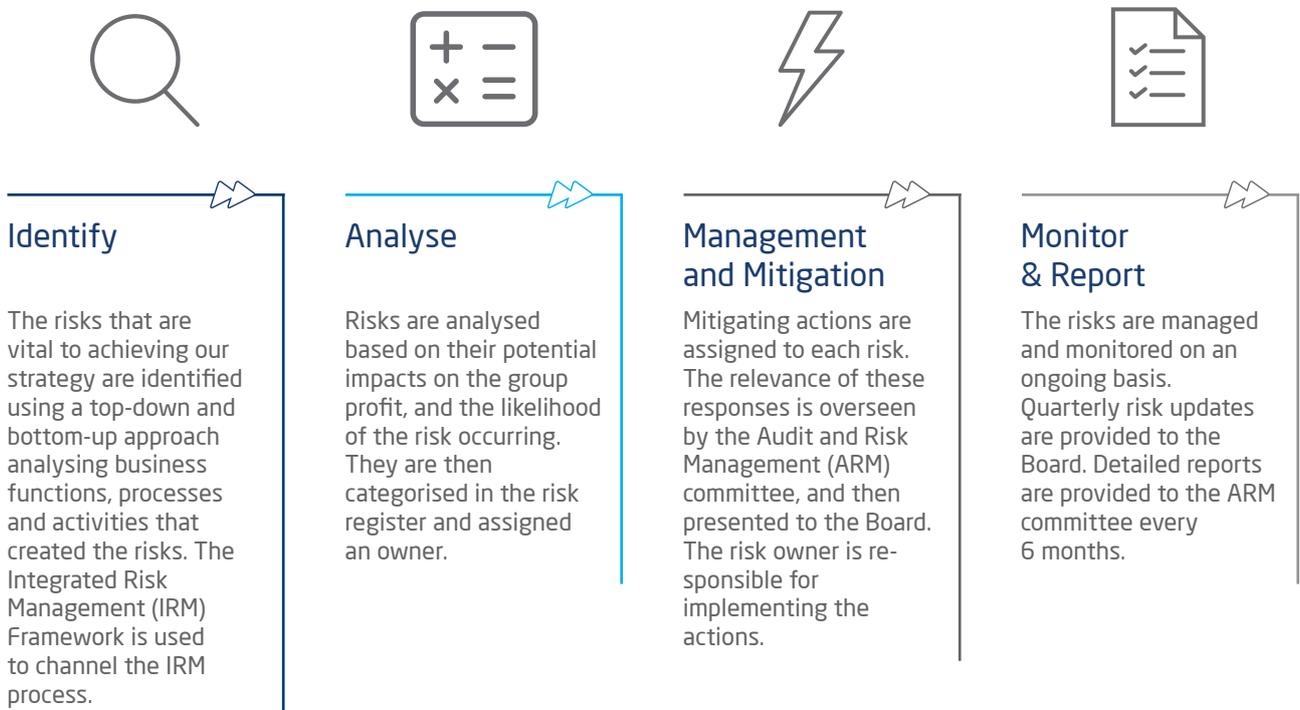
9<sup>th</sup> September 2016

# Risk Management

For Anglo African, risk management involves appropriately balancing out between realising opportunities for gain while minimising adverse impacts.

Each quarter, the Board reviews the critical risks facing the Group, and validates the risk appetite. The group is committed to managing risks in a proactive and effective manner to remain sustainable and competitive, improving its operational effectiveness, and continually creating value to stakeholders. Day-to-day risk management falls under the responsibilities of assigned risk owners at each layer of management, and is strengthened through formal risk reviews conducted across all functional areas of the Group. Our risk management approach ensures that any changes in risk likelihood and impact are identified, evaluated and managed appropriately.

## Risk management process



Risk Likelihood	
Event is expected to occur in most circumstances	Almost Certain
Event will probably occur in most circumstances	Likely
Event will possibly occur at some time	Possible
Event may occur at some time but is unlikely	Unlikely
Event may occur only in exceptional circumstances	Rare

Color of the risk ID on the risk register & heatmap defines our risk appetite
Red: Low risk appetite
Orange: Medium risk appetite
Green: High risk appetite

# Risk Management |

	Risk ID	Risk	Mitigation	Risk Owner	Strategic Priority* impacted	Capital Impacted
Strategic Priority*	1	Product Risk	<ul style="list-style-type: none"> <li>Factory inspections of units before shipping out</li> <li>Stress test before delivery to customers</li> </ul>	Head SC	1, 2	
	2	Product Obsolescence	<ul style="list-style-type: none"> <li>Re-engineered business model to avoid keeping stock</li> </ul>	Head SC	1, 4	
	3	Claims by Clients v/s Directors & Officers in overseas operations	<ul style="list-style-type: none"> <li>Clear contractual escalation process as part of communication management</li> <li>Dispute mechanism in contracts</li> <li>Adequate insurance cover in operating countries</li> </ul>	Head SC	1	
	4	Kidnap & Ransom	<ul style="list-style-type: none"> <li>Educating employees on safety measures</li> <li>Favouring agents as introduced by our local partner</li> <li>Avoidance of high risk countries</li> </ul>	GM - AAI	1, 2, 3	
	5	Cyber Liability Risk	<ul style="list-style-type: none"> <li>Clear Information Security (Info Sec) policies</li> <li>Info Sec awareness training regularly dispensed to all employees</li> <li>Enforcing Info Sec controls on employees devices</li> </ul>	Mgt	1, 2, 5	
	6	Overstretched resources	<ul style="list-style-type: none"> <li>Implemented better Project Management process</li> <li>Strengthened relationships with Partners for Staff augmentation in different countries during peak period</li> </ul>	GM - AAC	2, 3, 5	
7	Business Continuity failure	<ul style="list-style-type: none"> <li>Daily backups of system data, which are replicated regularly off-site</li> <li>Optimised operational process for employees' ability to work offsite</li> </ul>	Mgt	5		
8	Delivering not up to clients expectations	<ul style="list-style-type: none"> <li>Implemented customer feedback on every project as part of ISO 9001 initiative</li> <li>Overall customer satisfaction survey carried out independently, once yearly</li> </ul>	GMs & Managers	1, 2		
9	Non-compliance to Legal & Contractual laws & regulations in overseas Operations	<ul style="list-style-type: none"> <li>Used specialised local partners in countries where we operate</li> <li>Optimising business model by using staff augmentation</li> </ul>	GM - AAI	1, 5		
10	Information Security Risks	<ul style="list-style-type: none"> <li>Adopted overseas strategic partner's best practice</li> <li>Clear Info Sec policies</li> <li>Info Sec awareness</li> </ul>	GM - AAS	1, 5		
11	Underquoting	<ul style="list-style-type: none"> <li>Review of quotes by GMs</li> <li>Review by a committee for large project</li> </ul>	GMs	1, 5		

Risk ID	Risk	Mitigation	Risk Owner	Strategic Priority* impacted	Capital Impacted
12	Risks of our principals going directly to market and bypassing us	<ul style="list-style-type: none"> <li>Diversified into other businesses, involving own IP</li> </ul>	Mgt	1	
13	Foreign Currency risk	<ul style="list-style-type: none"> <li>Volatility of forex followed regularly</li> <li>As far as practically possible, projects sold on same currency as equipment/services being purchased</li> </ul>	CFO	1	
14	Interest rate risk	<ul style="list-style-type: none"> <li>Controlled. Group does not have any borrowings, except for leasing facilities</li> </ul>	CFO	1	
15	Liquidity risk	<ul style="list-style-type: none"> <li>Controlled. Group has built up enough cash reserves</li> </ul>	CFO	1, 3, 4	
16	Credit risk	<ul style="list-style-type: none"> <li>Our major customers are large institutions</li> <li>Approval of credit facilities by committee</li> </ul>	CFO	1, 2	
17	Key men risk	<ul style="list-style-type: none"> <li>Succession planning implementation in progress</li> </ul>	CEO & GM's	1 to 5	

Financial Capital

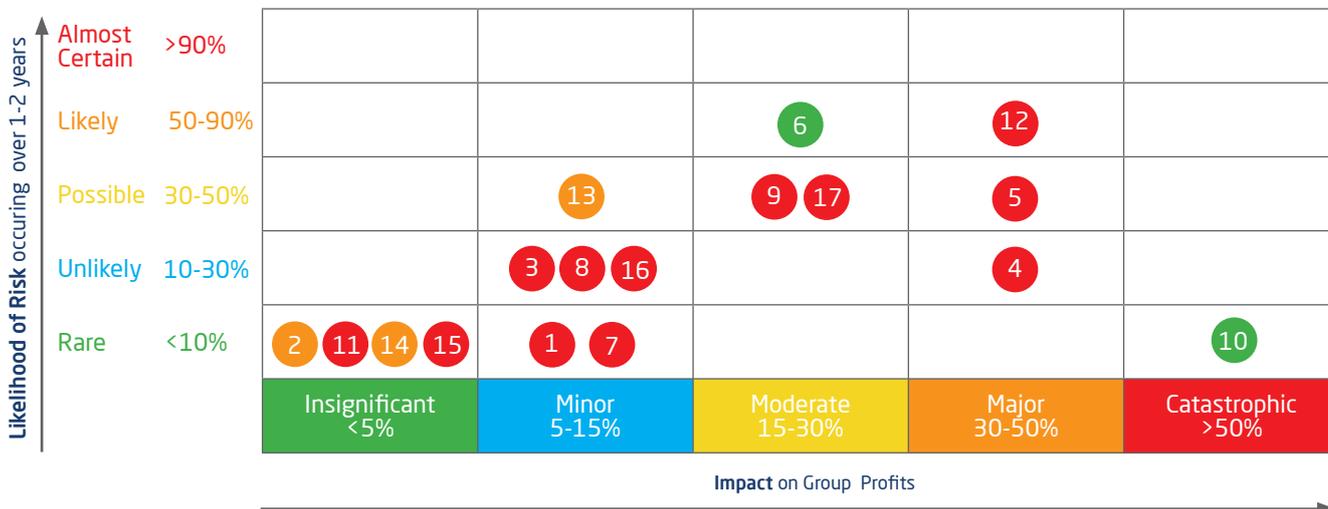
Human Capital

Relationship Capital

Intellectual Capital

### HeatMap Classification Table

This is our first exercise on Heatmap classification, which shall be continuously refined. We will disclose the risks evolution, (decreased, same or increased) in our next Integrated Report. The risks are assessed over the short, medium and long term. The heatmap below provides an overview of the assessment of the strategic risks considered from a 1 - 2 years time horizon. The risks have been depicted utilising their residual rating (assessment of the risk after taking mitigating actions into consideration).



# Board of Directors |



**Mr BEGA Jean-Claude**  
Chairman & Independent Director

[Find complete CV on the web version](#)

Jean-Claude Béga is presently the Group Head of Financial Services and Business Development at IBL Ltd. He is the Non-Executive Chairman of Phoenix Beverages Ltd, Anahita Estates Limited and EILGeo Re. Mauritius Ltd. He is also Director of a number of Companies including Alteo Limited, Lux Island Resorts Ltd, AfrAsia Bank Limited, Abax Corporate Services Limited and The Emerging Africa Infrastructure Fund Limited.



**Mr BANYMANDHUB Kishore Sunil**  
Independent Director

[Find complete CV on the web version](#)

Kishore Sunil Banymandhub is Chairman of Omnicane Ltd. He is Director & Chairman of the Audit Committee of MCB Group Ltd. He is a Director of New Mauritius Hotels, as well as the Chairman of the Risk and Audit Committee. He recently joined the board of BlueLife. He served as President of the Mauritius Employers Federation in 1987. He was Member of the Presidential Commission on Judicial Reform (1996), headed by Lord Mackay of Clashfern. He is an Adjunct Professor at the University of Mauritius.



**Prof. KITTEN Marc Michel Maurice**  
Independent Director

[Find complete CV on the web version](#)

Marc Kitten is a Visiting Professor in finance at Imperial College London and a founding partner of Candesic, a strategy consultancy focused on technology and healthcare. He has over 15 years of strategy consulting experience at McKinsey and Candesic, with a 10-year career at Deutsche Bank as a vice president in the Global Markets division in Germany.



**Mr ORTSCHAIT Guillaume**  
Independent Director

[Find complete CV on the web version](#)

Guillaume Ortscheit is the director in charge of ecosystem & partners for SIGFOX in South Africa. SIGFOX is the world's leading provider of global communication solutions powering the Internet of Things (IoT). He was a senior consultant for ORION Strategic Services and has 20+ years of technical and sales expertise in mobile network operators ecosystems in Africa and mobile based products, IT infrastructure and security. He was previously the Chief Executive Officer of SIM Dynamics and prior to that, Sales Manager (Mobile Value Added Services Solutions) in Gemalto and General Manager (Business Development and Sales) for Gemplus.



**Mrs SINGARAVELLOO Tharangany Sanjana**  
Independent Director

[Find complete CV on the web version](#)

Sanjana Tharangany Singaravelloo is heading the Global Benefit Africa unit of Aon since February 2013. She has over 17 years' experience gained with Old Mutual (Cape Town), Hymans Robertson Actuaries and Consultants (Glasgow), PwC (London and Amsterdam), ABN Amro (Amsterdam), the UK Pension Regulator (UK), Cim Life/Cim Insurance/Anglo (Mauritius) and Aon (South Africa).



**Mr JAMALOODEEN Ali Mohammad**  
Executive Director

[Find complete CV on the web version](#)

Ali Jamalooddeen is a seasoned Project Management Practitioner with over 13 years of project leadership experience. He is currently the Chief Operating Officer of the Anglo African Group, having joined the Company as one of its first employees in 2007 as General Manager - Programme Management. He was previously the Turnkey Project Manager of Huawei in Mauritius, and Project Consultant in Australia.



**Mr MANRAKHAN Sanjeev V.**  
Executive Director

[Find complete CV on the web version](#)

Sanjeev Manrakhan was appointed Head of Marketing and International Roaming for Mauritius Telecom's Mobile division in 1995. He was part of the consulting team of France Telecom Mexico and joined Gemalto in 2000 as Regional Director for Sub-Saharan Africa looking after various sectors such as telco, banking and ID, before being appointed as Senior Advisor to the President of Huawei SSA in 2008. He founded the Anglo African Group and is currently its Chief Executive Officer.

# Management Team |

The senior management team at Anglo African ably supports the CEO by providing valuable input for his decision-making as well as provides critical guidance and effective oversight for the implementation of the Group activities on a day-to-day basis.



**Mr MANRAKHAN Sanjeev V.**  
Chief Executive Officer

Sanjeev studied "Economics and Applied Business Statistics" at the University of Cape Town and specialised in Services Marketing. He holds a Post Graduate Certificate in "Telecom" from Bailbrook College in Bristol, UK and completed his MBA in "Information Strategy" at EDHEC Business School in Nice, France. He held managerial position at Mauritius Telecom before joining Gemalto in 2000 as Regional Director for Sub-Saharan Africa. In 2008, he was appointed as Senior Advisor to the President of Huawei SSA. He founded the Anglo African Group and is currently its Chief Executive Officer.



**Mrs LI CHIU LIM Lee Yiang Liliane**  
Chief Financial Officer

Liliane holds a BSc (Hons) in Accounting from the University of Mauritius and is a Fellow of the Association of Chartered Certified Accountants. She started her career at PricewaterhouseCoopers and subsequently worked for more than 14 years at State Bank of Mauritius Ltd where she was Team leader (Finance) / Financial Controller during the last 7 years. She is currently the Chief Financial Officer of Anglo African Group.



**Mr JAMALOODEEN Ali Mohammad**  
Chief Operating Officer & General Manager Anglo African International

Ali holds a B.Eng. Honours First Class in Electrical & Electronic Engineering from the University of Mauritius, a M.Eng. in Telecommunications Engineering from the Royal Melbourne Institute of Technology, and a Master's degree in Project Management from the University of Melbourne. He is a seasoned Project Management Practitioner with over 13 years of project leadership experience. He was previously the Turnkey Project Manager of Huawei in Mauritius, and Project Consultant in Australia. He is also the Chief Operating Officer of the Anglo African Group.



**Mr KHULPUTEEA Jumbraj**  
General Manager Anglo African Systems

Jumbraj holds a Bachelor of Engineering in Electronics and Communication from IIT Roorkee, India and MBA (IT Enterprise Management) from CDAC/UOM. He has over 16 years' experience in implementation and support of Enterprise Systems, consisting of RISC-based infrastructure, systems software and high availability solutions. He is currently the General Manager of Anglo African Systems Ltd.



**Mr MAUTBAR Navindranath**  
General Manager Anglo African Telecom

Navin holds a Master of Engineering (Electronic & Electrical) from University of Leeds, UK and MBA (Marketing) from University of Surrey, UK. He has over 21 years' experience in Telecom Engineering and Managed Services. He held managerial and engineering positions at Mauritius Telecom, Central Electricity Board, Mauritius Broadcasting Corporation and Bonair Knitwear Ltd. He is currently the General Manager of Anglo African Telecommunications Ltd.



**Mrs TEELUCK Sangita**  
Head of Supply Chain

Sangita is the Head of Supply Chain and has experience in logistics and supply chain operations. She previously worked as administrative officer at Huawei for 18 months before joining Anglo African as administrative manager in 2007. She was promoted to the role of Operations Manager for Anglo Mobility in 2011 and to Head of Supply Chain for Anglo African Group in 2015. She is currently completing her Diploma from the Chartered Institute of Procurement & Supply (CIPS).



**Mr VALAYTHEN Jessen**  
General Manager Anglo African Consulting

Jessen holds a degree in Software Engineering and is an Oracle Technology Support specialist, Oracle certified Associate and Oracle HRMS Certified Implementation Specialist. He has over 10 years' experience in the delivery, research and development side having intervened on a number of large sites in Mauritius in the Banking and Telco environment on different platforms such as Java, Databases, Oracle (Custom Development, Oracle BI, Content Management, and ERP), Mobile and Web Development. He is currently the General Manager of Anglo African Consulting Ltd.

# Insights

## Blockchain

By 2017, multi-mode blockchain and distributed ledger will be deployed across industries and government agencies. By 2020, new businesses and business models based on smart contracts and Blockchain efficiencies will be implemented.

NanoBNK is a fully owned subsidiary of Anglo African, which has invested quite substantially in the Blockchain technology, both in terms of Research, Training and Development. We are planning to launch the first comprehensive financial services to users by 2017, mostly based on Blockchain technology. Most of the services from traditional banking will be available such as Payment, Credit, LC and Remittance.



# TWO

## OUR ECOSYSTEM

CEO's Review	28
Business Model	30
Transformation Plan	31
Our Presence	32
KPIs	33

# Chief Executive Officer Review |

## Transformation

AIR  
28  
31

There are two major factors that have strongly encouraged us to re-visit our strategic plan and adopt a more transformational one which is presented later on in this section.

Firstly, there were the challenges that we faced regarding loss of businesses in the public sector and the need for Anglo African to diversify into new sectors such as Hospitality, Real Estate and Smart Cities. To achieve this objective, it was important for us to identify the latest emerging technologies that will be impacting these markets such as IIoT and others.

Secondly, while applying the IIRC framework, we re-examined our business model, especially its use of financial, human, relationship and intellectual capitals and how they interact with each other, how we generate revenue, what drives our profit and how much value we create. We believe that we have been able to review and re-design our business model to be able to respond to market forces and disruptions; manage the key risks and opportunities; align with our strategic objectives and finally defined the relevant KPIs to measure its critical elements. These have been illustrated on pages 14-15, 22-23, 31-33.

## Driving Growth

AIR  
28  
04

While revenue is down, our profits are up as well as our PAT efficiency. As a company, we have underperformed a number of KPIs this financial year mostly due to economic uncertainties in the main markets that we operate in.

FS  
28  
56

Net profit grew by 3.3% over FY2015 to reach MUR 18.4 million in FY2016 while group revenue reached MUR 291.9 million in FY2016, down 13.9% from last financial year, driven mainly by a drop in our devices business which we earmarked for disposal as we believe that it does not form part of our core businesses going forward.

Our targeted 10% PAT as a percentage of revenue under-performed at 6%. The MUR 10.7 million shortfall is

mainly due to:

- Substantial fall in our Public Sector Businesses, based on slowdown and uncertainty in this sector,
- Delayed contracts within our Digital Business,
- Political and economic uncertainties in Zimbabwe,
- Severe Delay in launching our operations in Zambia.

In this context, regional expansion and investment in emerging technologies [such as HCMaaS, SOC, IIoT, Blockchain, AI] continues to be a priority as traditional markets come close to saturation levels. In the face of intensifying competition, profit growth will also come from better procurement, best practices and strict management of overheads, which we continue to monitor very closely.

## Engaging Customers towards becoming an End-to-End Provider

During the period under review, we have continued to consolidate our products and services offerings in order to strengthen our position as an End-to-End provider. Our low cost operations and careful cost control continue to help us in providing cost-effective solutions to our clients. Finally, in the latest CSAT effected in 2016, we were pleased to reach a score of 89% which puts us within our targeted KPIs.

## Empowering our People

As in any technology-based business, the Human Capital component is a very important part of our delivery process. While we have a unique way of managing human capital through empowerment and human capital development, we also ensure that our remuneration remains competitive, through our profit-sharing scheme.

Despite this, we still face direct and indirect competition from Global IT firms, Banks, Telcos and others, which we are trying to mitigate by ensuring that the learning process



**Sanjeev Manrakhani**  
Chief Executive Officer

and access to technologies are more aggressive at Anglo African. This would act as a determinant factor for these young talents who are looking for a unique learning experience.

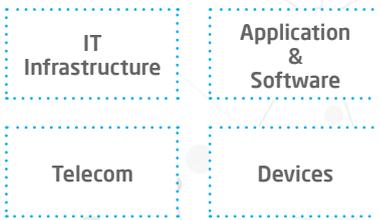
## Embedding Best Practices

During the financial year under review, we have started the transition of our ISO 9001 Quality Assurance framework to the new 2015 standard, while maintaining crucial customer feedback, upon completion of each and every project. Besides, we maintained an independent satisfaction survey to continue gauging the quality of our project implementation, our service level agreements, the effectiveness

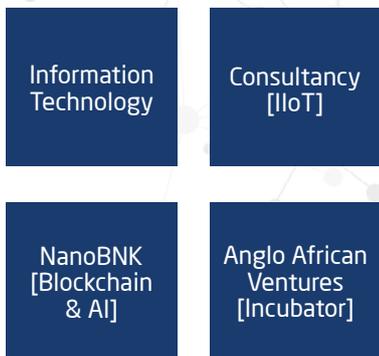
of project management process in place and the expertise of our people benchmarked against the market. IP Harvesting of the different processes across the multiple countries where we operate has allowed us to streamline operations of the Group while reducing various non-compliance risks which could lead to reputational and financial impacts.

## Transformation Plan

### Traditional Business



### New Business Model



## Enhancing Partnerships

We have realised the single biggest risk facing us is that our Technology partners start bypassing us to go directly to the clients especially with the advent of cloud technologies. Necessary mitigation plans are being put in place to reduce the impact of such a risk on our operations and profitability. In addition, we are also diversifying our partnership base especially as we expand into newer technologies such as IIOT, AI, SOC and Blockchain specially as some of our traditional partners do not have the relevant IP breadth to support our expansion plans.

## Our Social Responsibility

We continue to assist non-governmental organisations working with orphans or disadvantaged children around the country. This year we have expanded our funding to include additional regions as we are very concerned with the challenges faced by these young children who seem to have everything against them so early in life. We have thus given our support to (i) Century Welfare Association which runs a special educational needs school for children with disabilities (ii) Child Evangelism Fellowship which provides academic and character building classes as well as organises music and sports activities for children at Karo Kaliptis and Cite Hibiscus; and (iii) ANFEN which promotes non-formal education for out-of-school adolescents in a network of 20 centres.

## Looking Forward

We anticipate a tough year ahead for 3 main reasons:

- Difficult economic and macroeconomic pressures will lead to a weaker outlook for our customers, coupled with the fall in FDI with regards to new clients.
- While we will increase our investments and resources in Research and Innovation, we do

not expect substantial return during the coming financial year.

- Focus on the expansion of our African offices in Zambia and Djibouti and downsizing current operations in Zimbabwe, Rwanda and Madagascar will adversely impact our profitability.

Our priority will remain focused on our organisational transformation plan which will see further consolidation of our current operations and increased investment and resources ploughed into Research and Innovation for Emerging Technologies.

Despite the challenging economic conditions, we will continue with our recruitment of young graduates and investment in Research and Innovation to diversify revenue and risk base - in addition to continue with our ambitious "Vision" of becoming the most valuable technology firm in the markets that we operate. I remain confident that our strong balance sheet, the cost-effectiveness of our services and innovation will continue to maximise customer satisfaction, differentiate ourselves from competition and in the medium term an increase in stakeholders' value!

Finally, I would like to thank all our people for their passion, commitment and dedication without which the success this year despite serious adverse conditions would not have been possible. I would also like to thank the Chairman and Members of the Board of Directors for their continued support, guidance and advice.

**Sanjeev V. Manrakhan**  
Chief Executive Officer

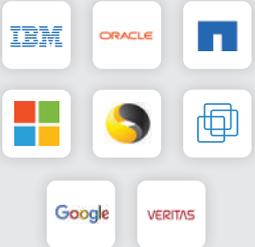
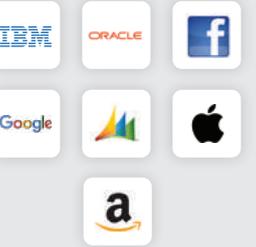
9<sup>th</sup> September 2016

# Business Model |



	Anglo Systems	Anglo Telecom	Anglo Consulting	Anglo Mobility
Business Activity	We Analyse, Design, Source, Implement, Commission and Support IT Infrastructure Hardware and Software: <ul style="list-style-type: none"> <li>• Servers &amp; Storage</li> <li>• Business Continuity</li> <li>• Messaging</li> <li>• Virtualisation</li> <li>• Databases [RDBMS]</li> <li>• Middleware</li> </ul>	We, Source, Implement, Commission and Support IT Infrastructure Hardware and Software: <ul style="list-style-type: none"> <li>• Datacom &amp; UnifiedCom</li> <li>• Information Security</li> </ul> We provide IIoT Professional Services for: <ul style="list-style-type: none"> <li>• Digital Transformation</li> <li>• Telecom Networks</li> <li>• Building Automation</li> <li>• Electrical Engineering</li> </ul>	We Analyse, Design, Source, Implement, Commission and Support Application & Software, as well as Open Source & Native development: <ul style="list-style-type: none"> <li>• eCommerce, Mobile Platforms &amp; Payment Int.</li> <li>• Ent. Resource Planning</li> <li>• BI &amp; Data Analytics</li> <li>• Digital Marketing, UI/UX Design</li> </ul>	We source products from leading Smartphone / Display manufacturers which we re-sell and ensure after-sales service for retailers
Revenue	Margins on 3rd party products and licenses	Margins on 3rd party products & licenses. Professional Fees.	Professional Fees and Margins on licenses	Margins on 3rd party products



	Partner Fees - Licences, Products, Consulting Services & Resell Rights			
Cost of Sales				



Expenses	Employee Costs, including Partner Certifications & Administrative Expenses
----------	--

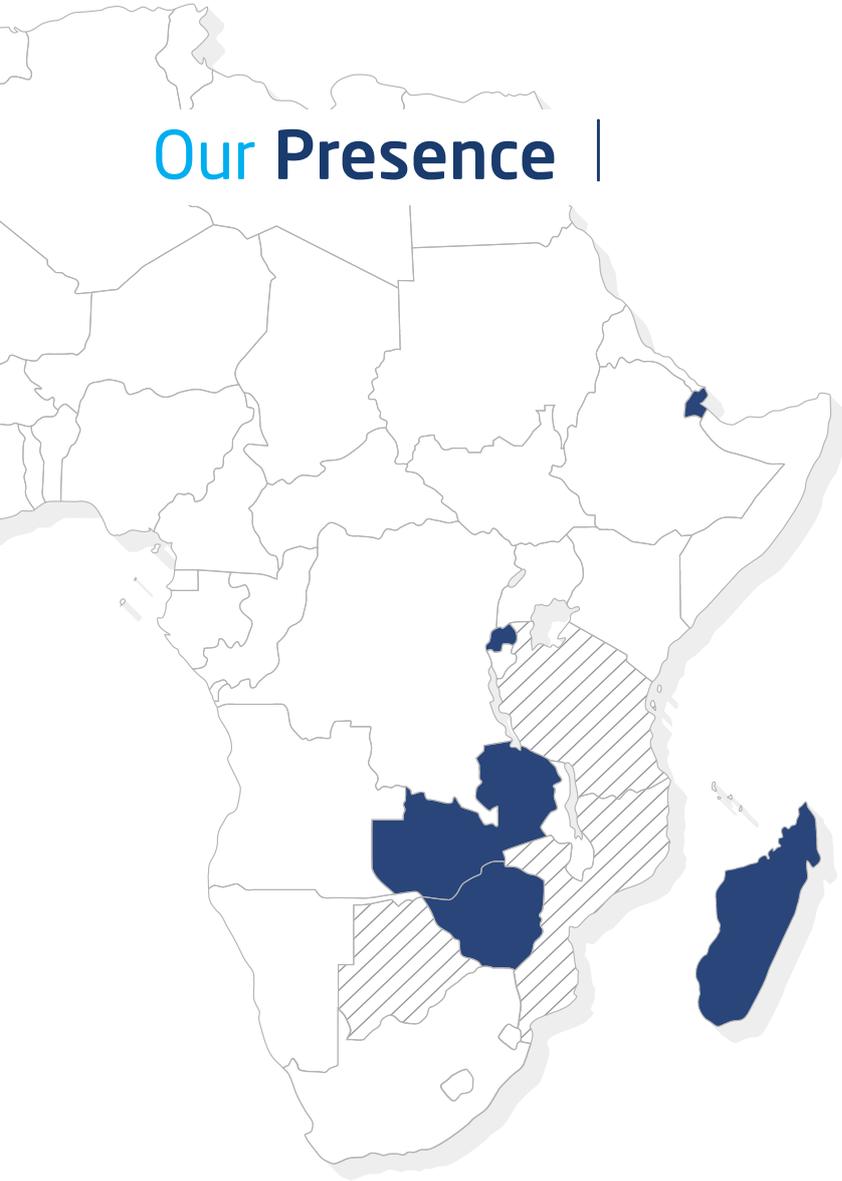


**Net Profit = Retained earnings which is reinvested to sustain and grow our business**

# Transformation Plan |

	Current	FYE 30.06.2017	Rationale	2018 > 2020
Traditional Business	Systems	Information Technology	Our IT Infrastructure business has been performing very well over the last few years. We will consolidate this business by transferring the Development and Datacom business from Consulting and Telecom respectively.	Security & Network Operations Centre, Robotics
	Consulting	Information Technology	The Development Business will be transferred to Systems and the Digital Business to Telecom.	Merged with Telecom & Systems
	Telecom	Technology Consultancy	With the ubiquitous nature of technology, the demand for technology consulting from the Hospitality, Real Estate and Smart City industries is growing. We will transfer the HW business to Systems and transfer the Digital business from Consulting.	IIoT, Telecom, Digital Transformation, Energy Efficiency
	Mobility	Earmarked for Disposal	We believe that the device market will become very competitive and being a trading rather than a technology business, this makes it a non-core activity and therefore earmarked for disposal.	N/A
Regional Business	Zambia [Subsidiary]	Expansion	We expect strong growth from our Zambian operations and we will continue to invest to expand our business in both traditional and emerging technologies.	Traditional Business and Fintech
	Djibouti [Rep. Office]	Expansion	Despite being a small market, we believe that the growth potential remains important.	N/A
	Zimbabwe [Subsidiary]	Representative Office	Due to political and economic uncertainties, it was decided to move from a subsidiary to a Representative office.	N/A
	Rwanda [Subsidiary]	Representative Office	Due to size of the market and competitive situation, it was decided to move from a subsidiary to a Representative office.	N/A
	Madagascar [Subsidiary]	Representative Office	Due to political and economic uncertainties, it was decided to move from a subsidiary to a Representative office.	N/A
Emerging Business	ION News [Subsidiary]	Series "A" financing	ION News having achieved a strong position in the news market, it was decided to open the capital to investors so that it can continue its growth phase.	Online News & Artificial Intelligence
	NanoBNK [Subsidiary]	FinTech	By end of 2016, we will launch our Fintech Start-Up which will offer an equivalent suite of Banking and Insurance services based on the Blockchain Technology and Artificial Intelligence.	Blockchain, Artificial Intelligence
	Ventures [Incubator]	Investments	Together with Investment funds in Mauritius, we monitor opportunities to invest in technology 'Start-Ups' that would add value to Anglo African, either in the enhancement of our clients business or replacement of third party vendors.	Loyalty Platform Asset Management Platform Virtual / Augmented Reality

# Our Presence |



**■ Subsidiary or Sales Office**

**▨ Other countries being serviced**

% of Group Revenue

<b>4.47%</b>	<b>Djibouti</b>	Sales Office
	Population	<b>0.89 Mn</b>
	GDP per Capita	<b>1,570 USD</b>
	GDP Growth	<b>5%</b>
	Industries	<b>Telecom and Ports</b>

Having set up a representative office in Djibouti in November 2014, Anglo African currently covers the key sectors of infrastructure and telecommunications. Djibouti remains a promising country. The main areas of focus in the short and medium term are infrastructure, telecommunications, financial services and public sector.

<b>n/a</b>	<b>Zambia</b>	Subsidiary
	Population	<b>15.47 Mn</b>
	GDP per Capita	<b>1,625 USD</b>
	GDP Growth	<b>5%</b>
	Industries	<b>Banks &amp; Public</b>

Having set up in Zambia in May 2015, Anglo African is currently focusing on the financial services and public sector. Zambia remains an extremely promising country. The main areas of focus in the short and medium term are telecommunications, financial services and public sector.

<b>2.78%</b>	<b>Madagascar</b>	Subsidiary
	Population	<b>24.24 Mn</b>
	GDP per Capita	<b>409 USD</b>
	GDP Growth	<b>3%</b>
	Industries	<b>Mining, Telecom &amp; Banks</b>

Having set up its subsidiary in Madagascar in January 2008, Anglo African has significantly ramped up since to cover the key sectors of mining, manufacturing and telecommunications. For safety reasons, we are reviewing our operations, to continue service Madagascar offshore. The main areas of focus in the short and medium term are mining, infrastructure, telecommunications and financial services.

<b>2.39%</b>	<b>Zimbabwe</b>	Subsidiary
	Population	<b>15.6 Mn</b>
	GDP per Capita	<b>819 USD</b>
	GDP Growth	<b>1.5%</b>
	Industries	<b>Telecom &amp; Banks</b>

Having established its footprint in Zimbabwe in September 2014, Anglo African is currently providing its services in the key sectors of telecommunications and financial services. Zimbabwe difficult economic situation will force us to review our operations next year.

<b>n/a</b>	<b>Reunion</b>	Sales Office
	Population	<b>0.84 Mn</b>
	GDP per Capita	<b>22,857 USD</b>
	GDP Growth	<b>2.8%</b>
	Industries	<b>Healthcare</b>

Having established a strategic partnership in Reunion in 2013, Anglo African is focusing on the key sector of healthcare. The main areas of focus in the short and medium term are healthcare and infrastructure.

<b>n/a</b>	<b>Rwanda</b>	Subsidiary
	Population	<b>11.61 Mn</b>
	GDP per Capita	<b>690 USD</b>
	GDP Growth	<b>5.4%</b>
	Industries	<b>Banks &amp; Telecom</b>

Having established a subsidiary in Rwanda in November 2013, Anglo African currently faces Partner reseller rights challenges, forcing us to review our operations next year.

*n/a - not applicable for this period*

# KPIs

## 2016 Performance dashboard and 2017 targets

KPIs	2016			2017		
	ACTUAL	TARGET	ACHIEVEMENT	TARGET		
Driving Growth	International Business Development	Number of offices in Africa	6	8		5
		Increase in revenue from Africa	11%	30%		22%
	Emerging Technologies	Number of new service in each of the traditional core competencies	5	5		3
		Increase in Group revenue	5%	20%		20%
Engaging Customers	Customer Satisfaction	Increase in Group customers' satisfaction Index	89%	92%		92%
	Cost Effectiveness	Conversion Rate Optimisation	75%	75%		77%
Empowering our People	Remuneration	With the assistance of Hay Consulting, work towards reaching upper quartile range	n/a	Upper Quartile		n/a
	Development	Ensure all relevant technical and non-technical training is provided to reach at least 85% of certifications requirements of Vendors	89%	85%		90%
Enhancing Partnerships	Purchases	Increase in purchases contracted from our Business Partners	-18%	10%		10%
	Certifications Levels	Reach the highest level of certification with at least 4 of our top Business Partners	5	4		6
Embedding Best Practices	Systems and Processes	Implement 2 QA frameworks, CMM3 and ISO 27001	0	2		0
	IP Harvesting	IP Harvesting in Head office and all subsidiaries	4	4		5

Fully achieved   Achieved   Unattained

Our DNA

Our Ecosystem

Our Capitals

Non-Financial Reporting

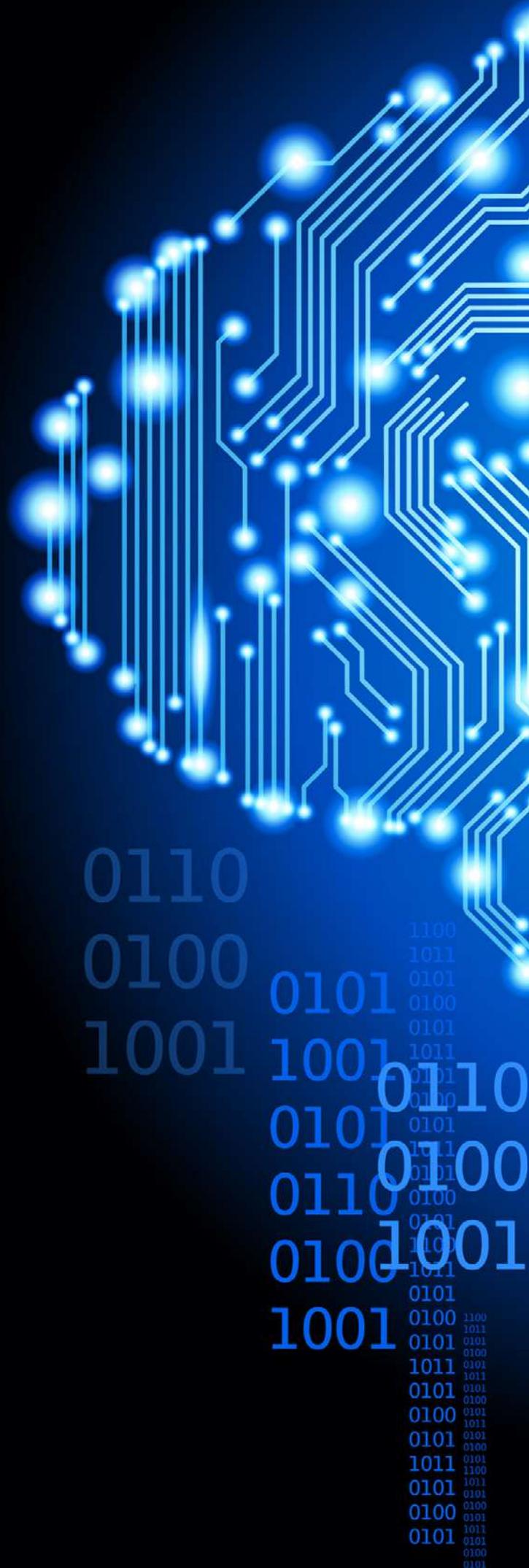
Financial Statements

# Insights

## Artificial Intelligence

It is predicted that by the early 2020s, a computer will pass the Turing test, becoming the first true artificial intelligence. Through 2017, cognitive computing will further develop and complex systems now run by teams of people will be automated in a number of fields such as Banking, Medical, Oil & Gas.

The level of skills and expertise to develop competencies in the Artificial Intelligence space is mind boggling. As there are few companies worldwide that have taken serious lead in that space, Anglo African has engaged into a strategic relationship with IBM to develop Applications and Services based on Watson AI platform. We will be launching in 2017, services such as Robo-Advisory and Robo-Journalism.



# THREE

## OUR CAPITALS

Financial	36
Human	38
Relationship	40
Intellectual	42

# Financial Capital

## Profitable

Despite the challenging economic environment both domestically and in the countries where we operate, Anglo African Investments Ltd and its subsidiaries ('the Group') has achieved a satisfactory financial performance with revenue of MUR 291.9M for FY2016 (FY2015: MUR 339.1M).

The decrease was mainly due to lower income from Anglo Mobility, which is in the business of selling mobile phones, tablets and displays, as the Group reallocated its resources away from this activity which has been classified as non-core, as well as lower cross border income on account of poor performance in our foreign operations and reduced revenue from the public sector in Mauritius.

Nevertheless, Group profit after tax increased by 3.3% to reach MUR 18.4M, aided by higher gross margin of 26.5% (2015: 25.1%) and foreign exchange gains recorded in FY2016. EBITDA grew by 13% over FY2015 while Return on average equity was 26.7% in FY2016.

## Investing for growth

With the coming disruptions it is foreseeing in the technology industry in the next 3-5 years and beyond, the Group has already embarked on a strategy to invest its capitals, whether financial, human or intellectual, into research, staff recruitment and training, as well as building new partnerships with suppliers in order to develop services and products that align with the new technologies so as to bring these innovations to our customers. This investment impacts on our costs in the short term, with little revenue in return, but is considered critical for the growth of the Group.

## Strong capital base

Still with the long term in mind, no dividend was paid out in FY2016 so as to strengthen the Group's equity and retain free cash flow to fund its growth. Hence shareholders' fund grew by 31% to reach MUR 78M as at June 30, 2016.

FS  
36  
56

Profitable  
Operations

Solid Equity

Low Gearing

Our Stocks of Capital

## 2016 Results & Targets

Actual 2016

Target 2016

### Revenue growth



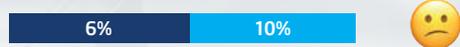
Revenue achieved in FY2016 was lower by 14% compared to FY2015, which was far from our targeted growth of 19%. The shortfall compared to target was mainly due to delay in starting operations in Zambia on account of unexpected partner licencing issues that took a long time to be resolved. Our operations in Zimbabwe also did not yield expected results on the telecom side and poor results were achieved in the IT sector.

### Shared services expenses to revenue



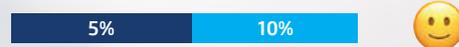
Shared services expenses, relating to Anglo African Ltd which provides accounting, human resource management and strategic direction to the group, was lower by 10% compared to target. However, the ratio of shared services expenses to revenue was higher at 4.6% compared to a target of 3.7% due to the revenue base being much lower than target.

### Net margin



Net margin achieved was 6% compared to target of 10% mainly on account of losses incurred in our foreign operations. For FY2017, expenditures to be incurred in relation to new technologies and expansion overseas are not expected to generate revenue in the short term.

### Gearing



Gearing remained low as profits are retained in the Group to fund growth and there were no significant investment in assets in FY2016. Moreover, the Group maintains sufficient cash reserves to fund its operations.

### Highlight 2016

- Increase in PAT efficiency compared to last year
- Improved liquidity

### Target 2017

- Revenue growth 10%
- Net margin 5%
- Shared services expenses to revenue 4.6%
- Gearing 5%

# Human Capital |

## Our People

Our Human capital is our most vital asset, and crucial in our line of business. In this competitive and dynamic environment, it is the knowledge, skills and attitude of our people which are at the core of our success. We value our employees for their unique potential and talent and provide them with a medium within which they are able to fully develop and reach their potential.

## The Change

A major innovation this year is the use technology to further Human Capital Development at Anglo African, with the introduction of our Human Capital Management platform [HCMaaS] available on web and mobile, in which employee engagement is improved and interaction

with our HR and Payroll systems is seamless, making tasks such as leave application, internal employee surveys, access to payslip anytime and anywhere readily available.

The HCMaaS is being further enhanced with innovative features that enhance HCM effectiveness across the multiple countries where we operate, like onboarding of new recruits, certification tracker, etc.

## Talent Recruitment

We initiated some more aggressive actions with regards to roadshows at Universities for internship of students, and recruiting young graduates in our innovative businesses.

Skilled &  
Certified ICT  
Professionals

Diversified  
Talent Base

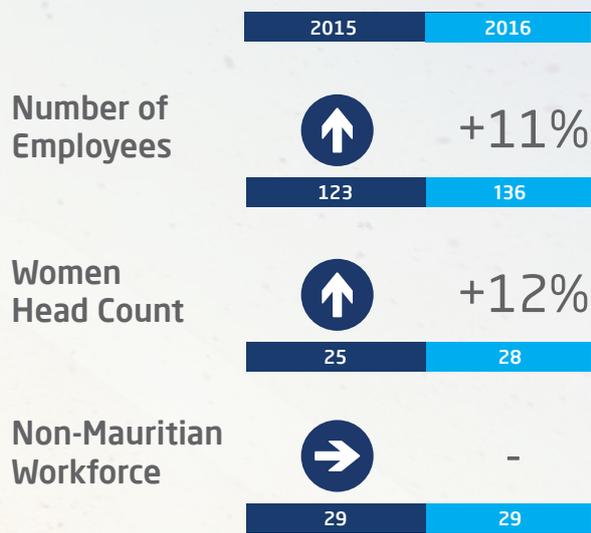
## Our Stocks of Capital

# 2016 Results & Targets

## HCMAaaS Platform



Get a preview of the digital version of this report!



## Team Building Highlights



## Highlight 2016

- Boosted employee morale through Team Building events, Health & Safety Workshops and other Employee initiated events
- Increased employee engagement with the launch of our innovative HCMAaaS Platform on Mobile and Web

## Target 2017

- Continue to improve employee Engagement
- Introduce Pension Scheme for eligible employees
- Succession planning at different functions, to address key men risk
- Continue to recruit talented young graduates

# Relationship Capital |

The <IR> framework defines relationship capital as institutions and the relationships within and between communities, groups of stakeholders and other networks and the ability to share information to enhance individual and collective well being.

For Anglo African, its relationships with all of the various stakeholders are of key importance. The relationships it builds with its clients, people and business partners hold a special significance within its business model.

## Corporate Social Responsibility

Through its activities, Anglo African builds relationships with stakeholders and also collaborates with NGOs and foundations involved in child welfare activities.

## Customer Contact

We continue to monitor the cost-effectiveness as well as the delivery quality of our implementation.

In addition, our weekly newsletter keeps over 4,000 recipients in the corporate world up to date on the latest technology available in the field of IloT, Security, Analytics, Digital and Fintech.

## Technology Partnerships

In view of our expansion in Emerging Technologies, we have developed strategic partnerships with companies with strong competencies and capabilities on a knowledge/technology transfer arrangements.

Brand Equity  
(B2B)

Trusted  
Stakeholder  
Relationship

Customer  
Satisfaction  
Level

Our Stocks of Capital

## 2016 Results & Targets

Actual 2015

Actual 2016

### CSAT



We regularly maintain an independent satisfaction survey to continue gauging the quality of our project implementation, our service level agreements, the effectiveness of project management process in place and the expertise of our people benchmarked against the market.

### CSR



We continue to assist NGOs helping underprivileged and vulnerable children across Mauritius. The Group contributed MUR 465,659 from its CSR fund to NGOs working with orphans or disadvantaged children around the country, as part of our Social Inclusion initiatives.

### Highlight 2016

- Recognition for Corporate Reporting by industry peers
- Development of partnerships in new technologies
- Expansion of CSR activities for disadvantaged children

### Target 2017

- Customer Satisfaction (CSAT) 92%
- Enhance competitiveness through innovation and cost-efficiency
- CSR Fund MUR 0.5M and Social Inclusion programmes

# Intellectual Capital |

The <IR> framework defines intellectual capital as organisational, knowledge-based intangibles, including: Intellectual Property as well as tacit knowledge, systems, procedures and protocols.

One of the most important results of the IIRC framework implementation was the identification of a high risk of Anglo African being dependent on third party vendors.

Anglo African's Research and Innovation model aims to integrate internal and external knowledge in our own technology and solutions. As part of our Systems and Processes framework - when working with third party technology, our knowledge is applied to create new methods of working to ensure the best possible performance and efficiency.

The management team then worked on a very aggressive transformation plan for Research, Innovation and Development of our "Own IP" solutions in the field of IIoT, HCM, Fintech and AI.

## Own IP

We define "Own IP" as solutions whereby Anglo African retains more than 51% of the revenue and less than 49% are passed on to third party vendors with regards to new solutions in the field of Security, IIoT, HCM and Fintech.

## Research, Innovation & Knowledge Transfer

In order for us to develop this "Own IP" status, the company made significant investment in the acquisition of software, tools and knowledge transfer in order to be able to develop the relevant solutions. Strategic partnerships with Universities have also been secured in that respect.

Global Partnerships

Own IP

Research & Innovation

Our Stocks of Capital

## 2016 Results & Targets



### Investment into:

#### Research & Innovation



Since 2012, we have systematically delivered at least one major innovative product every year to our customers, enhancing their operational effectiveness. This has been possible due to an increased reinvestment year after year of our profits into research & innovation in new technologies.

#### Knowledge Transfer



We continue to build internal capacity in Knowledge transfer as we continue to maintain key relationships with our Partners, academics from Universities and participation in Developers communities.

### Highlight 2016

- Development of HCM and IIoT Solutions, under "Own IP"
- Finalisation of Fintech roadmap with Blockchain technology
- Disposal of non-core assets

### Target for 2017

- Launch of Fintech operations H1: 2017
- Stronger sales and marketing of HCM & IIoT solutions H2: 2016
- Development of Artificial Intelligence solutions for the banking industry

# Insights

## Energy Storage

By 2020, half of all energy storage will come from households and businesses seeking to control their energy consumption which will massively disrupt the traditional business models from established utilities and large equipment manufacturers.

At Anglo African, we strongly believe that most of these Innovations and Disruptions will need to be powered by sources of renewable energy that will be small, compact and mobile. Hence, Energy Storage will be a key component in the adoption of technology whether at home, in the office or in the vehicle. While we have not engaged into much Research work in the Energy Storage, we are closely monitoring progress by companies, in Energy Storage.



# FOUR

## NON-FINANCIAL REPORTING

Sustainable Development Goals	46
Global Reporting Initiative - G4	48

# Sustainable Development Goals |

This Agenda is a plan of action for people, planet and prosperity. It also seeks to strengthen universal peace in larger freedom. We recognise that eradicating poverty in all its forms and dimensions, including extreme poverty, is the greatest global challenge and an indispensable requirement for sustainable development.

All countries and all stakeholders, acting in collaborative partnership, will implement this plan. We are resolved to free the human race from the tyranny of poverty as well as to heal and secure our planet. We are determined to take the bold and transformative steps which are urgently needed to shift the world onto a sustainable and resilient path. As we embark on this collective journey, we pledge that no one will be left behind.

The 17 Sustainable Development Goals and 169 targets which we are announcing today demonstrate the scale and ambition of this new universal Agenda. They seek to build on the Millennium Development Goals and complete what these did not achieve. They seek to realise the human rights of all and to achieve gender equality and the empowerment of all women and girls.

They are integrated, indivisible and balance the three dimensions of sustainable development: the economic, social and environmental.

The Goals and targets will stimulate action over the next fifteen years in areas of critical importance for humanity and the planet:

## People

We are determined to end poverty and hunger, in all their forms and dimensions, and to ensure that all human beings can fulfil their potential in dignity, equality and in a healthy environment.

## Planet

We are determined to protect the planet from degradation, including through sustainable consumption and production, sustainably managing its natural resources and taking urgent action on climate change, so that it can support the needs of the present and future generations.

## Prosperity

We are determined to ensure that all human beings can enjoy prosperous and fulfilling lives and that economic, social and technological progress occurs in harmony with nature.

## Peace

We are determined to foster peaceful, just and inclusive societies which are free from fear and violence. There can be no sustainable development without peace and no peace without sustainable development.

## Partnership

We are determined to mobilise the means required to implement this Agenda through a revitalised Global Partnership for Sustainable Development, based on a spirit of strengthened global solidarity, focused in particular on the needs of the poorest and most vulnerable and with the participation of all countries, all stakeholders and all people.

The interlinkages and integrated nature of the Sustainable Development Goals are of crucial importance in ensuring that the purpose of the new Agenda is realised. If we realise our ambitions across the full extent of the Agenda, the lives of all will be profoundly improved and our world will be transformed for the better.

Excerpt from the Preamble to the United Nations Sustainable Development Goals Initiative



Our most significant initiatives contribute to development, promote well-being, help conserve the environment, and are in line with the United Nations Global Goals for Sustainable Development. We have attempted to provide a high level overview.

CURRENT INITIATIVES	REFERENCES	PAGES	SDGs
Industrial Internet of Things	Our DNA Chairman’s Review Chief Executive Officer’s Review Relationship Capital Intellectual Capital	8 10 28 40 42	     
Fintech (Blockchain)	Chairman’s Review Our Ecosystem Chief Executive Officer’s Review Relationship Capital Intellectual Capital	10 26 28 40 43	   
Research and Innovation	Our DNA How we do Business Chief Executive Officer’s Review Financial Capital Intellectual Capital	8 14 28 36 42	    
Human Capital Management	Chairman’s Review Chief Executive Officer’s Review Human Capital Intellectual Capital	10 28 38 42	   
Incubator	Relationship Capital Intellectual Capital	40 42	   
Young Graduates	Chief Executive Officer’s Review Human Capital	28 38	     
Corporate Social Responsibility	Corporate Governance (CSR and Donations) Chief Executive Officer’s Review Relationship Capital	18 28 40	 

Our DNA

Our Ecosystem

Our Capitals

Non-Financial Reporting

Financial Statements

# Global Reporting Initiative G4 |

The following table presents the GRI with reference to the “General Standard Disclosures”, as foreseen by the GRI G4 Guidelines. We have provided a high level overview below.

DMA AND INDICATORS		PAGES	OMISSIONS
<b>Strategy and Analysis</b>			
G4-1	Statement from the CEO	28, 29, Website	
G4-2	Key impacts, risks, and opportunities	Section 2: 17, 21-23, Website	Section 1
<b>Organisational Profile</b>			
G4-3	Name of the Organisation	6	
G4-4	Primary brands, products, and/or services	6, 30-31, Website	
G4-5	Location of the Organisation’s headquarters	6	
G4-6	Countries where the Organisation operates	6, 32	
G4-7	Nature of ownership and legal form	7, 19	
G4-8	Markets served	6, 14, 15, 32	
G4-9	Scale of the Reporting Organisation	4, 14-15, 36-39	
G4-10	Workforce characteristics	4, 38, 39	
G4-11	Employees covered by collective bargaining agreements		Not Applicable
G4-12	Organisation’s supply chain	30	
G4-13	Changes in Organisation’s size, structure, ownership or its supply chain	16-19, 32	
G4-14	Precautionary principles	21-23, Website	
G4-15	Externally developed charters, principles or initiatives to which the Organisation subscribes	22, 28, 46-47	
G4-16	Membership in Associations or Organisations		Not Applicable
<b>Identified Material Aspects and Boundaries</b>			
G4-17	Entities included in the Integrated Report	66, Website	
G4-18	Reporting Principles for defining Report Content	5, Website	
G4-19	Material aspects identified in defining Report content		Not Disclosed
G4-20	Material aspects within the Organisation		Not Disclosed
G4-21	Material aspects outside the Organisation		Not Disclosed
G4-22	Restatements of information provided in earlier Reports		Not Applicable
G4-23	Significant changes from previous Reporting periods in scope and aspect boundaries		Not Applicable
<b>Stakeholder engagement</b>			
G4-24	Stakeholder groups engaged by the Organisation	5	
G4-25	Identification and selection of stakeholders to engage	5	
G4-26	Organisation’s approach to Stakeholder engagement	5	
G4-27	Key topics collected through stakeholder engagement	10, 11, 28, 29	
<b>Report Profile</b>			
G4-28	Reporting period	5, 19, Website	
G4-29	Date of the last Report	FYE 30 June 2015	
G4-30	Reporting cycle	5	
G4-31	Contact point for questions regarding the Report	79	
G4-32	GRI Content Index	48, 49, Website	
G4-33	External assurance		Not Applicable
<b>Governance</b>			
G4-34	Governance structure	16, 19, Website	
G4-35	Delegating authority for economic, environmental and social topics		Not Applicable
G4-36	Positions with responsibility for economic, environmental and social topics		Not Applicable

DMA AND INDICATORS		PAGES	OMISSIONS
G4-37	Consultation between stakeholders and the highest governance bodies on economic, environmental and social topics		Not Applicable
G4-38	Composition of highest governance bodies and its committees	16, 17, 24, 25, Website	
G4-39	Executive powers of the Chairman	16, Website	
G4-40	Qualification and expertise of highest governance bodies	24, Website	
G4-41	Processes to avoid conflicts of interest	18	
G4-42	Highest governance bodies and senior executives' roles in the development, approval, and updating of the Organisation's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts		Not Applicable
G4-43	Measures taken to develop and enhance the highest governance bodies' collective knowledge of economic, environmental and social topics		Not Applicable
G4-44	Evaluation of the Board of Directors' performance	18	
G4-45	Highest governance bodies' role in the identification and management of economic, environmental and social impacts, risks, and opportunities	16, 21, Website	
G4-46	Highest governance bodies' role in reviewing the effectiveness of the Organisation's risk management processes for economic, environmental and social topics.	17, 21, Website	
G4-47	Frequency of the highest governance bodies' review of economic, environmental and social impacts, risks, and opportunities	17, 21, Website	
G4-48	Highest committee or position that formally reviews and approves the Organisation's Integrated Report	17, 24, Website	
G4-49	Communicating critical concerns to the highest governance bodies	21, Website	
G4-50	Critical concerns that were communicated to the highest governance bodies and the mechanism(s) used to address and resolve them		Not Applicable
G4-51	Remuneration policies for highest governance bodies and senior executives	19	
G4-52	Principles for determining remuneration	18	
G4-53	How stakeholders' views are sought and taken into account regarding remuneration		Not Applicable
G4-54	Ratio of the annual total compensation for the organisation's highest-paid individual in each country of significant operations to the median annual total compensation for all employees		Not Disclosed
G4-55	Ratio of percentage increase in annual total compensation for the organisation's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees	6, Website	Not Disclosed
<b>Ethics and integrity</b>			
G4-56	Organisation's values, principles, standards and norms of behavior	6, Website	
G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to Organisational integrity	18	
G4-58	Internal and external mechanisms for Reporting concerns about unethical or unlawful behavior, and matters related to Organisational integrity	18	

Our DNA

Our Ecosystem

Our Capitals

Non-Financial Reporting

Financial Statements

# Insights

## Advanced Robotics

The progress made by the robotics industry over the last 10 years is amazing and it is expected that by 2020, the advanced robots will be performing most of the activities of a human being. Through 2017, a number of advances such as robo-advisor, retail robots and others will be adopted globally.

Similar to AI, the level of expertise required in the Advanced Robotics space is also very specialised. While there are different companies specialised in different areas such as military, security, manufacturing, at Anglo African, we have engaged in a strategic relationship with SoftBank-Aldebaran for its advanced robotics products and software mainly targeted to the Home and Retail markets.





# FIVE

## FINANCIAL STATEMENTS

Statement of Directors' Responsibilities	52
Independent Auditors' Report to the Members	53
Statements of Financial Position	55
Statements of Comprehensive Income	56
Statements of Changes in Equity	57
Statements of Cash Flows	58
Notes to the Financial Statements	59

# Statement of Directors' Responsibilities |

The directors acknowledge their responsibilities for:

- (i) adequate accounting records and maintenance of effective internal control systems;
- (ii) the preparation of consolidated financial statements which fairly present the state of affairs of the Company as at the end of the financial year and the results of their operations and cash flows for the year then ended and which comply with International Financial Reporting Standards (IFRS) and the Mauritius Companies Act 2001;
- (iii) the selection of appropriate accounting policies supported by reasonable and prudent judgements and estimates.

The external auditors are responsible for reporting on whether the financial statements are fairly presented.

The directors report that:

- adequate accounting records and an effective system of internal controls and risk management have been maintained;
- appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently;
- International Financial Reporting Standards and the Mauritius Companies Act 2001 have been adhered to. Any departure in the interest in fair presentation has been disclosed, explained and quantified; and
- the Code of Corporate Governance has been adhered to in all material aspects and reasons provided for non compliance.

On behalf of the Board of Directors.



Sanjeev Vinod Manrakhan  
Director



Kishore Sunil Banymandhub  
Director (Chairman, Audit Committee)

9<sup>th</sup> September 2016

# Independent Auditors' Report to the Members |

This report is made solely to the members of Anglo African Investments Ltd (the company) as a body, in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for opinions we have formed.

## Report on the Financial Statements

We have audited the Group financial statements of Anglo African Investments Ltd and its subsidiaries (the "Group") and the company's separate financial statements set out on pages 55 to 76 which comprise the statements of financial position at June 30, 2016, the statements of comprehensive income, statements of changes in equity and statements of cash flow for the year then ended and a summary of significant accounting policies and other explanatory notes.

## Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

## Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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

## Opinion

In our opinion, the financial statements on pages 55 to 76 give a true and fair view of the financial position of the Group and of the Company as at June 30, 2016, and their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

# Independent Auditors' Report to the Members |

## Report on Other Legal and Regulatory Requirements

### (a) Mauritius Companies Act 2001

In accordance with the requirements of Mauritius Companies Act 2001, we report as follows:

- We have no relationship with, or any interests in, the Company and its subsidiaries other than in our capacity as auditors;
- We have obtained all the information and explanations that 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.

### (b) Financial Reporting Act 2004

The directors are responsible for preparing the Corporate Governance Report ("the Report"). Our responsibility is to report on the extent of compliance with the Code of Corporate Governance ("the Code") as disclosed in the Report and on whether the disclosure is consistent with the requirements of the Code.

In our opinion, the disclosure in the Report is consistent with the requirements of the Code.

*De Chazal & Associates*

DE CHAZAL & ASSOCIATES  
Chartered Certified Accountants



V. Ramdeny, ACA, FCCA  
Licensed by FRC  
Port Louis, Mauritius

9<sup>th</sup> September 2016

# Statements of Financial Position |

	Notes	The Group		The Company	
		2016 Rs	2015 Rs	2016 Rs	2015 Rs
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	4	15,482,056	15,871,520	-	-
Intangible assets	5	459,153	390,879	-	-
Investments in subsidiaries	7	-	-	5,957,575	601,000
Deferred tax assets	6	1,094,664	559,517	-	-
		<b>17,035,873</b>	<b>16,821,916</b>	<b>5,957,575</b>	<b>601,000</b>
<b>Current assets</b>					
Inventories	8	3,635,945	18,367,509	-	-
Trade and other receivables	9	63,583,883	96,285,101	15,758,743	14,990,087
Cash and cash equivalents		39,935,194	15,942,424	11,744,717	430
		<b>107,155,022</b>	<b>130,595,034</b>	<b>27,503,460</b>	<b>14,990,517</b>
<b>TOTAL ASSETS</b>		<b>124,190,895</b>	<b>147,416,950</b>	<b>33,461,035</b>	<b>15,591,517</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Capital and reserves</b>					
Stated capital	10	100,000	100,000	100,000	100,000
Retained earnings		75,999,761	57,630,420	32,974,623	15,116,407
Translation reserves		1,931,616	1,985,114	-	-
		<b>78,031,377</b>	<b>59,715,534</b>	<b>33,074,623</b>	<b>15,216,407</b>
Non-controlling interest		(57,138)	(40,475)	-	-
		<b>77,974,239</b>	<b>59,675,059</b>	<b>33,074,623</b>	<b>15,216,407</b>
<b>Non-current liabilities</b>					
Borrowings	11	2,574,426	2,026,364	-	-
Deferred tax liability	6	767,299	6,374	-	-
Retirement benefit obligations	12	4,737,266	4,096,494	-	-
		<b>8,078,991</b>	<b>6,129,232</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>					
Trade and other payables	13	34,334,750	78,094,873	309,600	266,445
Borrowings	11	1,225,715	948,331	-	-
Current tax liabilities	19	2,577,200	2,569,455	76,812	108,665
		<b>38,137,665</b>	<b>81,612,659</b>	<b>386,412</b>	<b>375,110</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>124,190,895</b>	<b>147,416,950</b>	<b>33,461,035</b>	<b>15,591,517</b>

These financial statements have been approved by the Board of Directors on 9<sup>th</sup> September 2016.



Sanjeev Vinod Manrakhan  
Director

9<sup>th</sup> September 2016



Kishore Sunil Banyamandhub  
Director (Chairman, Audit Committee)

The notes on pages 59 to 77 form an integral part of these financial statements.  
Auditors' report on pages 53 to 54.

# Statements of Profit or Loss and other Comprehensive Income |

	Notes	The Group		The Company	
		2016 Rs	2015 Rs	2016 Rs	2015 Rs
Revenue	14	291,867,891	339,137,740	-	-
Operating costs	15	(214,520,985)	(254,139,660)	-	-
Gross Profit		77,346,906	84,998,080	-	-
Other income	16	2,818,513	557,818	19,128,645	15,740,515
		80,165,419	85,555,898	19,128,645	15,740,515
Administrative and other expenses	17	(61,284,792)	(60,964,285)	(1,084,723)	(338,213)
Foreign exchange gains/(loss)		5,127,196	(2,032,556)	(9,142)	-
Finance costs	18	(376,862)	(319,084)	(3,764)	-
<b>Profit before taxation</b>		<b>23,630,961</b>	<b>22,239,973</b>	<b>18,031,016</b>	<b>15,402,302</b>
Tax expense	19	(5,278,378)	(4,481,334)	(172,800)	(108,665)
<b>Profit for the year</b>		<b>18,352,583</b>	<b>17,758,639</b>	<b>17,858,216</b>	<b>15,293,637</b>
<b>Other comprehensive income that may be reclassified to profit or loss subsequently:</b>					
Exchange difference on translation of foreign operations		(53,403)	225,557	-	-
<b>Total comprehensive income for the year</b>		<b>18,299,180</b>	<b>17,984,196</b>	<b>17,858,216</b>	<b>15,293,637</b>
<b>Profit attributable to:</b>					
Owners of the parent		18,369,341	17,758,034	17,858,216	15,293,637
Non-controlling interest		(16,758)	605	-	-
		<b>18,352,583</b>	<b>17,758,639</b>	<b>17,858,216</b>	<b>15,293,637</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the parent		18,315,843	17,980,925	17,858,216	15,293,637
Non-controlling interest		(16,663)	3,271	-	-
		<b>18,299,180</b>	<b>17,984,196</b>	<b>17,858,216</b>	<b>15,293,637</b>

The notes on pages 59 to 77 form an integral part of these financial statements.  
Auditors' report on pages 53 to 54.

# Statements of Changes in Equity |

	Stated capital Rs	Retained earnings Rs	Translation reserves Rs	Total Rs	Non- controlling interest Rs	Total equity Rs
<b>The Group</b>						
At July 01, 2014	100,000	39,872,386	1,762,222	41,734,608	(43,746)	41,690,862
Profit for the year	-	17,758,034	-	17,758,034	605	17,758,639
Translation	-	-	222,892	222,892	2,666	225,558
<b>At June 30, 2015</b>	<b>100,000</b>	<b>57,630,420</b>	<b>1,985,114</b>	<b>59,715,534</b>	<b>(40,475)</b>	<b>59,675,059</b>
At July 01, 2015	100,000	57,630,420	1,985,114	59,715,534	(40,475)	59,675,059
Profit for the year	-	18,369,341	-	18,369,341	(16,758)	18,352,583
Translation	-	-	(53,498)	(53,498)	95	(53,403)
<b>At June 30, 2016</b>	<b>100,000</b>	<b>75,999,761</b>	<b>1,931,616</b>	<b>78,031,377</b>	<b>(57,138)</b>	<b>77,974,239</b>

	Stated capital Rs	Retained earnings Rs	Total Rs
<b>The Company</b>			
At July 01, 2014	100,000	(177,230)	(77,230)
Profit for the year	-	15,293,637	15,293,637
<b>At June 30, 2015</b>	<b>100,000</b>	<b>15,116,407</b>	<b>15,216,407</b>
At July 01, 2015	100,000	15,116,407	15,216,407
Profit for the year	-	17,858,216	17,858,216
<b>At June 30, 2016</b>	<b>100,000</b>	<b>32,974,623</b>	<b>33,074,623</b>

The notes on pages 59 to 77 form an integral part of these financial statements.  
Auditors' report on pages 53 to 54.

# Statements of Cash Flows |

Notes	The Group		The Company	
	2016 Rs	2015 Rs	2016 Rs	2015 Rs
<b>Cash flows from/(used in) operating activities</b>				
Cash generated from operations	31,737,748	27,831,393	(1,823,130)	(15,740,740)
Interest received	664,684	308,068	1,128,645	740,347
Interest paid	(54,468)	(42,343)	-	-
Tax (paid)/refund	(3,903,004)	(3,538,739)	(204,653)	-
<b>Net cash generated from/(used in) operating activities</b>	<b>28,444,960</b>	<b>24,558,379</b>	<b>(899,138)</b>	<b>(15,000,393)</b>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(5,919,903)	(10,554,939)	-	-
Disposal of property, plant and equipment	964,661	183,245	-	-
Disposal of investment in subsidiaries	-	-	-	823
Investment in subsidiaries	-	-	(5,356,575)	-
Dividend income	-	-	18,000,000	15,000,000
<b>Net cash (used in)/generated from investing activities</b>	<b>(4,955,242)</b>	<b>(10,371,694)</b>	<b>12,643,425</b>	<b>15,000,823</b>
<b>Cash flows from financing activities</b>				
Loan received	2,102,954	1,185,750	-	-
Loan repaid	(1,599,902)	(1,834,192)	-	-
<b>Net cash generated from/(used in) financing activities</b>	<b>503,052</b>	<b>(648,442)</b>	<b>-</b>	<b>-</b>
<b>Increase in cash and cash equivalents</b>	<b>23,992,770</b>	<b>13,538,243</b>	<b>11,744,287</b>	<b>430</b>
<b>Movement in cash and cash equivalents</b>				
At July, 01	15,942,424	2,404,181	430	-
At June, 30	39,935,194	15,942,424	11,744,717	430
<b>Increase in cash and cash equivalents</b>	<b>23,992,770</b>	<b>13,538,243</b>	<b>11,744,287</b>	<b>430</b>

The notes on pages 59 to 77 form an integral part of these financial statements.  
Auditors' report on pages 53 to 54.

# Notes to the Financial Statements |

## 1. GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

Anglo African Investments Ltd, "the Company", was incorporated in the Republic of Mauritius on 25 July 2012 as a private company limited by shares. The Company's registered office is Royal Road, Coromandel, Mauritius.

The Company and its subsidiaries are together referred as "the Group".

The principal activities of the Group are to provide telecommunications and IT services.

The consolidated financial statements are presented in Mauritian Rupee (Rs), which is also the functional currency of the Group.

The consolidated financial statements of the Group have been prepared in accordance with IFRS as issued by International Accounting Standards Board (IASB).

## 2. BASIS OF PREPARATION

The financial statements comply with the Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements are prepared under the historical cost convention, except that available-for-sale financial assets are stated at fair value.

### *Standards, Amendments to published Standards and Interpretations issued but not yet effective*

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after January 1, 2016 or later periods, but which the Company has not early adopted.

At the reporting date of these financial statements, the following were in issue but not yet effective:

- IFRS 9 Financial instruments
- IFRS 14 Regulatory Deferral Accounts
- Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11)
- Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)
- IFRS 15 Revenue from Contract with Customers
- Equity Method in Separate Financial Statements (Amendments to IAS 27)
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)
- Annual Improvements to IFRSs 2012-2014 Cycle

- IFRS 16 Leases
- Amendments to IAS12 -Recognition of Deferred Tax Assets for Unrealised losses
- Amendments to IAS 7 Statement of Cash Flows

Where relevant, the Company is still evaluating the effect of these Standards, amendments to published Standards and Interpretations issued but not yet effective, on the presentation of its financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

### *Summary of accounting policies*

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarised below.

#### **(a) Plant and equipment**

Property, plant and equipment are stated at historical cost less accumulated depreciation and any impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Depreciation is calculated on the straight-line method to write off the cost of each asset to their residual values over their estimated useful life. The principal annual rates used are as follows:

Building	2%
Motor vehicles	20%
Office equipment	20%-50%
Computer equipment	20%-50%
Furniture and fittings	20%

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposal of property, plant and equipment are determined by comparing proceeds with carrying amount and are included in the statement of comprehensive income.

# Notes to the Financial Statements |

## b) Intangible assets

Computer software that is not considered to form an integral part of any hardware equipment is recorded as intangible assets. The software is capitalised at cost plus any implementation charges and amortised over its estimated useful lives of 3 to 5 years on a straight line basis.

## (c) Investments in subsidiaries

### *Company*

Investments in subsidiary companies are carried at cost. The carrying amount is reduced to recognise any impairment in the value of individual investments.

### *Consolidated financial Statements*

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group.

The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interests in the acquiree either at fair value or at the non-controlling interests' proportionate share of the acquiree's net assets. Subsequently to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The excess of the consideration transferred, the amount of any non-controlling interests in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of comprehensive income.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

### *Transactions and non-controlling interests*

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

## (d) Financial instruments

### *(i) Financial assets*

The Group classifies its financial assets in the following categories: financial assets through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its financial assets at initial recognition.

### *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within twelve months of the end of the reporting period.

### *Recognition and measurement*

Purchases and sales of financial assets are recognised on trade-date, the date on which the Group/Company commit to purchase or sell the asset. Investments are initially measured at fair value plus transaction costs for all financial assets.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group/Company have transferred substantially all risks and rewards of ownership.

Available-for-sale financial assets are subsequently carried at their fair values.

Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost.

Unrealised gains and losses arising from changes in the fair value of financial assets classified as available-for-sale are recognised in equity. When financial assets classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the statement of comprehensive income as gains and losses on financial assets.

# Notes to the Financial Statements |

## (d) Financial instruments (cont'd)

### *Recognition and measurement (cont'd)*

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group/Company establish fair value by using valuation techniques. These include the use of recent arm's length transactions and reference to other instruments that are substantially the same.

### *Impairment of financial assets*

The Group/Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of financial assets classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss, measured as the difference between acquisition at cost and the current fair value, less any impairment on that financial asset previously recognised in profit or loss, is removed from equity and recognised in the statement of comprehensive income.

If the fair value of a previously impaired debt security increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed and the reversal recognised in the statement of comprehensive income.

### *(ii) Trade receivables*

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group/Company will not be able to collect all amounts due according to the original terms of receivables. The amount of provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of provision is recognised in the statement of comprehensive income.

### *(iii) Trade payables*

Trade payables are stated at fair value and subsequently measured at amortised cost using the effective interest method.

### *(iv) Borrowings*

Borrowings are recognised initially at fair value being their issue proceeds net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Group/Company have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

### *(v) Cash and cash equivalents*

Cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

### *(vi) Stated capital*

Ordinary shares are classified as equity.

## (e) Taxation

Income tax expense represents the sum of the tax currently payable, deferred tax and corporate social responsibility contribution.

### *(i) Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the statement of financial position date.

### *(ii) Deferred tax*

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is determined using tax rates that have been enacted at the statement of financial position date and are expected to apply in the period when the related deferred tax asset is realised or liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which deductible temporary differences can be utilised.

## (f) Retirement benefit obligations

The Company does not operate any pension plan for the benefit of its employees or directors.

### *Severance allowance*

Under the Employment Relations Act, employees are entitled to severance allowance on reaching retirement age. Full provision for payment of severance allowance has been made in the financial statements.

### *State plan*

Contributions to the National Pension Scheme are expensed to the statement of comprehensive income in the period in which they fall due.

# Notes to the Financial Statements |

## **(g) Impairment of assets**

Assets that have an indefinite useful life are subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

## **(h) Accounting for leases**

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Payment made under operating leases are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the statement of comprehensive income unless they are attributable to qualifying assets in which case they are capitalised.

The property, plant and equipment acquired under finance lease contracts is depreciated over the useful life of the asset.

## **(i) Revenue recognition**

Revenue is measured at fair value of the consideration received or receivable and represents income derived from the sale of telecommunications and IT products and services and mobile devices, net of Value Added Tax. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Other revenues earned by the Group and the Company are recognised on the following bases:

- Interest income - when interest is actually credited to the company's bank account.
- Dividend income - when the shareholder's right to receive payment is established.

## **(j) Foreign currencies**

### *Functional and presentation currency*

Items included in the financial statements are measured using Mauritian rupees, the currency of the primary economic environment in which the entity operates ("functional currency").

The consolidated financial statements are presented in Mauritian rupees, which is the Company's functional and presentation currency.

### *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the 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 the statement of comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the date the fair value was determined.

### *Group companies*

The results and financial position of all the group entities that have a functional currency different from the presentation currency are translated into the reporting currency as follows:

- (a) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- (b) income and expenses for each statement of comprehensive income are translated at average exchange rates;
- (c) all resulting exchange differences are recognised as a separate component of equity. None of the group entities report under a currency of a hyperinflationary economy.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities are taken to shareholders' equity.

When a foreign operation is sold, such exchange differences are recognised in the statement of comprehensive income as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

# Notes to the Financial Statements |

## (k) Provisions

Provisions are recognised when the Group and the Company have a present or constructive obligation as a result of past events and it is probable that it will result in an outflow of resources that can be reasonably estimated to settle the obligation.

## (l) Related parties

Related parties are individuals and companies where the individual or company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operational decisions.

## 3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF UNCERTAINTY

The Group and the Company make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next financial year are discussed below.

### (a) Impairment of Property, plant and equipment and Intangible assets

Property, plant and equipment and intangible 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.

### (b) Depreciation policies

Property, plant and equipment and Intangible assets (software) are depreciated to their residual values over their estimated useful lives.

The residual value of an asset is the estimated net amount that the Company would currently obtain from the disposal of the assets, if the asset were already of the age and condition expected at the end of its useful life.

The directors therefore make estimates based on historical experience and use best judgement to assess the useful lives of the assets and to forecast the expected residual values of the asset at the end of their expected useful lives.

## (c) Impairment of investments in subsidiaries

Determining whether investments in subsidiaries are impaired requires an estimation of the value in use of the investment. The value in use calculation requires the directors to estimate the future cash flows expected to arise from that investment and a suitable discount rate in order to calculate present value. The actual results could, however, differ from the estimates.

## (d) Allowance for credit losses

Management reviews the debtors portfolio on a regular basis and makes allowance for credit losses based on its estimates on the recoverable amount of each debt, considering several factors such as the ageing of the receivables, an evaluation of the customer's financial conditions, information about the potential inability of a customer to meet its financial obligations or the customer being placed under administration or receivership.

## (e) Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised based on the likely timing and level of future taxable profits.

## (f) Limitations of sensitivity analysis

Sensitivity analysis in respect of market risk demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors.

# Notes to the Financial Statements |

## 4. PROPERTY, PLANT AND EQUIPMENT

	Computer equipment Rs	Office & Other equipment Rs	Furniture & fittings Rs	Motor Vehicles Rs	Total Rs
<b>The Group</b>					
<b>COST</b>					
At July 01, 2015	5,385,713	3,909,101	3,546,620	15,616,287	28,457,721
Translation	8,642	33,140	8,321	38,957	89,060
Additions	2,487,939	647,970	66,470	2,475,130	5,677,509
Disposals	(721,002)	(2,435)	(254,620)	(2,987,213)	(3,965,270)
At June 30, 2016	7,161,292	4,587,776	3,366,791	15,143,161	30,259,020
<b>DEPRECIATION</b>					
At July 01, 2015	1,601,501	1,006,125	746,420	9,232,155	12,586,201
Translation	(177)	4,399	183	2,058	6,463
Charge for the year	1,556,404	824,421	817,779	2,512,064	5,710,668
Disposals	(424,927)	(2,435)	(252,423)	(2,846,583)	(3,526,368)
At June 30, 2016	2,732,801	1,832,510	1,311,959	8,899,694	14,776,964
<b>NET BOOK VALUE</b>					
At June 30, 2016	<b>4,428,491</b>	<b>2,755,266</b>	<b>2,054,832</b>	<b>6,243,467</b>	<b>15,482,056</b>
<b>COST</b>					
At July 01, 2014	3,580,628	1,172,378	1,760,558	12,306,316	18,819,880
Reclassification to Intangible assets	(515,111)	-	-	-	(515,111)
Additions	2,490,600	2,736,723	1,786,062	3,377,071	10,390,456
Disposals	(170,404)	-	-	(67,100)	(237,504)
At June 30, 2015	5,385,713	3,909,101	3,546,620	15,616,287	28,457,721
<b>DEPRECIATION</b>					
At July 01, 2014	839,729	568,718	90,505	7,535,932	9,034,884
Reclassification to Intangible assets	(167,798)	-	-	-	(167,798)
Charge for the year	969,051	437,407	655,915	1,712,997	3,775,370
Disposals	(39,481)	-	-	(16,774)	(56,255)
At June 30, 2015	1,601,501	1,006,125	746,420	9,232,155	12,586,201
<b>NET BOOK VALUE</b>					
At June 30, 2015	<b>3,784,212</b>	<b>2,902,976</b>	<b>2,800,200</b>	<b>6,384,132</b>	<b>15,871,520</b>

Property, plant and equipment includes vehicles with a net book value of Rs 3,931,450 (2015: Rs 3,393,104) held under finance lease.

# Notes to the Financial Statements |

## 5. INTANGIBLE ASSETS

	The Group	
	2016 Rs	2015 Rs
<b>COST</b>		
At July 01,	679,594	-
Reclassified from Property, plant and equipment	-	515,111
Additions	242,394	164,483
At June 30,	921,988	679,594
<b>AMORTISATION</b>		
At July 01,	288,715	-
Reclassified from Property, Plant and equipment	-	167,798
Charge for the year	174,120	120,917
At June 30,	462,835	288,715
<b>NET BOOK VALUE</b>		
At June 30	459,153	390,879

Intangible assets consist of acquired software.

## 6. DEFERRED TAX

Deferred taxes are calculated on all temporary differences on the liability method at 15% (2015:15%). The following amounts are shown in the statement of financial position:

	The Group	
	2016 Rs	2015 Rs
Deferred tax asset	1,094,664	559,517
Deferred tax liability	(767,299)	(6,374)
	327,365	553,143
<b>The movement on the deferred tax account:</b>		
At July 1,	553,143	1,123,197
Translation	88	(43,095)
Statement of comprehensive income charge	(225,866)	(526,959)
At June 30,	327,365	553,143
<b>Analysed as follows:</b>		
- Accelerated capital allowances	(767,299)	(678,399)
- Retirement benefit obligations	703,338	614,474
- Allowance for credit losses	268,950	352,001
- Other Provisions	122,376	265,067
	327,365	553,143

# Notes to the Financial Statements |

## 7. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2016 Rs	2015 Rs
At July 1,	601,000	601,655
Additions	5,356,575	-
Disposals	-	(655)
At June 30,	5,957,575	601,000

The financial statements of the following subsidiary companies have been included in the consolidated financial statements.

Name of company	Year ended	Class of Shares held	Country of incorporation and operation	Stated capital	% holding
Anglo African Ltd	June 30	Ordinary	Mauritius	Rs 100,000	100
Anglo African Systems Ltd	June 30	Ordinary	Mauritius	Rs 100,000	100
Anglo African Telecommunications Ltd	June 30	Ordinary	Mauritius	Rs 100,000	100
Anglo African Consulting Ltd	June 30	Ordinary	Mauritius	Rs 1,000	100
Anglo African International Ltd	June 30	Ordinary	Mauritius	USD 150,000	100
MobiMEA Ltd	June 30	Ordinary	Mauritius	Rs 100,000	100
Anglo African Labs Ltd	June 30	Ordinary	Mauritius	Rs 100,000	100
Anglo African Madagascar SARL	June 30	Ordinary	Madagascar	MGA 2,000,000	99
Anglo African Rwanda Limited	June 30	Ordinary	Rwanda	RWF 15,000	100
Anglo African Zimbabwe (Private) Limited	June 30	Ordinary	Zimbabwe	USD 2,000	100
Anglo African Zambia Limited	June 30	Ordinary	Zambia	ZMW 10,000	99

## 8. INVENTORIES

	The Group	
	2016 Rs	2015 Rs
Mobile phones and tablets	578,414	17,356,224
ICT hardware and software	3,311,299	1,497,695
Accessories and displays	891,303	657,886
	4,781,016	19,511,805
Less provision for write down of inventories	(1,145,071)	(1,144,296)
	3,635,945	18,367,509

Inventories are stated at cost. Provision has been made for slow moving inventories.

# Notes to the Financial Statements |

## 9. TRADE AND OTHER RECEIVABLES

	The Group		The Company	
	2016 Rs	2015 Rs	2016 Rs	2015 Rs
Trade receivables	55,468,349	85,523,469	-	-
Allowance for credit losses	(1,436,492)	(821,962)	-	-
	54,031,857	84,701,507	-	-
Tax receivable	-	1,141,218	-	-
Other receivables	9,552,026	10,442,376	-	-
Amounts due from related parties	-	-	15,758,743	14,990,087
	63,583,883	96,285,101	15,758,743	14,990,087

The average credit period on sales is 2 months. No interest is charged on trade receivables. The carrying amounts of trade and other receivables approximate their fair value and represent the Group and Company's maximum exposure to credit risk. No collateral security is held on those receivables.

Amounts due by related parties bear interest at the rate of 9% p.a, are unsecured and do not have fixed terms of repayments.

### Ageing of past due but not impaired trade receivables

	The Group		The Company	
	2016 Rs	2015 Rs	2016 Rs	2015 Rs
1 to 60 days	16,150,525	25,619,297	-	-
61 to 120 days	762,803	796,484	-	-
121 to 180 days	14,197	112,569	-	-
Over 180 days	1,773,661	2,399,739	-	-
	18,701,186	28,928,088	-	-

### Ageing of impaired trade receivables

1 to 60 days	-	218,500	-	-
61 to 120 days	-	816,469	-	-
121 to 180 days	-	119,091	-	-
Over 180 days	1,463,065	264,403	-	-
	1,463,065	1,418,463	-	-

### Movement in the allowance for credit losses

At July, 01	821,962	35,548	-	-
Provision for the year	861,839	1,054,164	-	-
Amounts written off	(247,309)	(267,750)	-	-
At June, 30	1,436,492	821,962	-	-

Management considered the change in credit quality of the trade receivables from the date the credit was granted to the reporting date to determine the allowance for credit losses.

# Notes to the Financial Statements |

## 10. STATED CAPITAL

### COST

Issued and fully paid  
10,000 Ordinary shares of Rs 10 each

The Group & The Company	
2016 Rs	2015 Rs
100,000	100,000

## 11. BORROWINGS

The Group enter into finance leasing arrangements for some of its motor vehicles. The Group have options to purchase the vehicles for a nominal amount at the conclusion of the lease agreements. The fixed rates of interest on finance leases range from 7% to 8.5%. The Group's obligations under finance leases are secured by the lessors title to the leased assets.

The maturity of non-current borrowings is as follows:

After one year and before two years  
After two years and before five years

The Group	
2016 Rs	2015 Rs
1,092,871	1,517,301
1,481,555	509,063
2,574,426	2,026,364

(c) The borrowings are denominated in Mauritian Rupees.

(d) The carrying amounts of borrowings approximate the fair value.

## 12. RETIREMENT BENEFIT OBLIGATIONS

### Post retirement benefits

Post retirement benefits comprise mainly severance allowance payable under Employment Rights Act 2008 to employees on retirement.

The movement in liability recognised in the statement of financial position is as follows:

At July 1,  
Provision for the year  
At June 30,

The Group	
2016 Rs	2015 Rs
4,096,494	4,122,715
640,772	(26,221)
4,737,266	4,096,494

# Notes to the Financial Statements |

## 13. TRADE AND OTHER PAYABLES

	The Group		The Company	
	2016 Rs	2015 Rs	2016 Rs	2015 Rs
Trade payables	12,171,637	45,999,597	-	40,350
Other payables	21,109,644	20,101,308	209,600	226,095
Due to related parties	1,053,469	11,993,968	100,000	-
	34,334,750	78,094,873	309,600	266,445

The carrying amounts of trade and other payables approximate their fair values.

The amount due to related party is unsecured, interest free and with no fixed terms of repayment.

## 14. REVENUE

	The Group		The Company	
	2016 Rs	2015 Rs	2016 Rs	2015 Rs
Sales during the year	291,867,891	339,137,740	-	-

## 15. OPERATING COSTS

	The Group		The Company	
	2016 Rs	2015 Rs	2016 Rs	2015 Rs
Materials	196,929,024	244,210,623	-	-
Staff costs	13,792,395	6,534,812	-	-
Other costs	3,799,566	3,394,225	-	-
	214,520,985	254,139,660	-	-

## 16. OTHER INCOME

	The Group		The Company	
	2016 Rs	2015 Rs	2016 Rs	2015 Rs
Sundry revenues	1,628,070	247,754	-	-
Dividend income	-	-	18,000,000	15,000,000
Profit on disposal of equipment	525,759	1,996	-	168
Interest income	664,684	308,068	1,128,645	740,347
	2,818,513	557,818	19,128,645	15,740,515

# Notes to the Financial Statements |

## 17. ADMINISTRATIVE AND OTHER EXPENSES

	The Group		The Company	
	2016 Rs	2015 Rs	2016 Rs	2015 Rs
Depreciation	5,884,788	3,896,291	-	-
Staff costs	37,808,014	40,983,153	-	-
Allowance for credit losses	861,839	1,054,164	-	-
Others	16,730,151	15,030,678	1,084,723	338,213
	61,284,792	60,964,285	1,084,723	338,213

## 18. FINANCE COSTS

	The Group		The Company	
	2016 Rs	2015 Rs	2016 Rs	2015 Rs
Interest on bank overdraft	54,468	42,343	-	-
Interest on current account	-	-	3,764	-
Interest on finance leases	322,394	276,741	-	-
	376,862	319,084	3,764	-

## 19. CURRENT TAX LIABILITIES

	The Group		The Company	
	2016 Rs	2015 Rs	2016 Rs	2015 Rs
(a) Statement of financial position				
At July 1, tax liabilities	2,569,455	926,534	108,665	-
At July 1, tax receivable	(1,141,218)	-	-	-
Translation	(545)	-	-	-
Underprovision in prior years	-	19,753	-	-
Income tax provision for the year	4,713,512	3,934,622	172,800	108,665
Income tax paid	(3,903,004)	(3,538,739)	(204,653)	-
Provision for tax assessments	339,000	-	-	-
Transfer to tax receivable	-	1,227,285	-	-
At June 30,	2,577,200	2,569,455	76,812	108,665
(b) Statement of comprehensive income				
Income tax provision for the year	4,713,512	3,934,622	172,800	108,665
Under provision in prior years	-	19,753	-	-
Deferred tax (note 6)	225,866	526,959	-	-
Provision for tax assessments	339,000	-	-	-
	5,278,378	4,481,334	172,800	108,665

# Notes to the Financial Statements |

## 20. NOTES TO THE STATEMENTS OF CASH FLOWS

	The Group		The Company	
	2016 Rs	2015 Rs	2016 Rs	2015 Rs
<b>(a) Cash generated from operations</b>				
Profit before tax	23,630,961	22,239,973	18,031,016	15,402,302
Adjustments for:				
Depreciation on plant and equipment	5,884,788	3,896,291	-	-
Dividend income	-	-	(18,000,000)	(15,000,000)
Interest income	(664,684)	(308,068)	(1,128,645)	(740,347)
Interest expense	376,862	319,084	-	-
Retirement benefit obligation	640,772	(26,221)	-	-
Profit on disposal of plant and equipment	(525,759)	(1,996)	-	(168)
Allowance for credit losses	861,839	1,054,164	-	-
Provision for write down of inventories	775	(325,553)	-	-
Exchange difference	(136,633)	268,648	-	-
	30,068,921	27,116,322	(1,097,629)	(338,213)
<b>Changes in working capital:</b>				
Inventories	14,730,789	(12,860,370)	-	-
Trade and other receivables	30,698,161	(21,512,072)	(768,656)	(14,990,087)
Trade and other payables	(43,760,123)	35,087,513	43,155	(412,440)
<b>Cash generated from/(used in) operations</b>	<b>31,737,748</b>	<b>27,831,393</b>	<b>(1,823,130)</b>	<b>(15,740,740)</b>

# Notes to the Financial Statements |

## 21. RELATED PARTY TRANSACTIONS

Transactions between the Company and its subsidiaries, which are related parties of the Company have been eliminated on consolidation and are not disclosed in this note.

Details of transactions between the Group and other related parties and outstanding balances due from/to related parties are disclosed below:

The Group	Directors and Key Management personnel		Directors and Key Management personnel	
	Shareholder	Shareholder	Shareholder	Shareholder
	2016 Rs	2016 Rs	2015 Rs	2015 Rs
Amount due to related parties	-	(1,053,469)	-	(11,993,968)
Amount due from related parties	-	-	-	34,903
Remuneration	7,136,113	-	9,345,694	-

The Company	Subsidiaries		Subsidiaries	
	Shareholder	Shareholder	Shareholder	Shareholder
	2016 Rs	2016 Rs	2015 Rs	2015 Rs
Investment in shares	5,957,575	-	601,000	-
Amount due to related parties	(100,000)	-	-	-
Amount due from related parties	15,758,743	-	14,990,087	-
Dividend and interest income	19,128,645	-	15,740,347	-
Gain on disposal of investment	-	-	168	-

The sales to and purchases from related parties are made at normal market prices. Outstanding balances at year end are unsecured, with no fixed terms of repayment. In the Company, amounts due from related parties bear interest at the rate of 9% per annum.

For the year ended June 30, 2016, the Group and the Company have not recorded any impairment of receivables relating to amount owed by related parties. The assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

In June 2015, after receiving the relevant regulatory approval, Anglo African Madagascar SARL (AAM) has effected a capital reduction of Rs 4,945,908 to reduce its accumulated retained loss. The investment held by Anglo African Ltd in AAM has been written off accordingly.

# Notes to the Financial Statements |

## 22. FINANCIAL RISK MANAGEMENT

### 22.1 Financial risk factors

The Group's and the Company's activities are exposed to a variety of financial risks, including:

- Credit risk;
- Interest rate risk;
- Foreign exchange risk; and
- Liquidity risk.

The Group's and the Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's and the Company's financial performance.

### 22.2 Significant accounting policies

Details of the significant accounting policies in respect of financial asset, financial liability and equity instrument as well as the basis on which income and expenses are recognised, is disclosed in note 2 to the financial statements.

### 22.3 Capital risk management

The Group's and the Company's objectives when managing capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders by pricing products and services commensurate with the level of risk.

The Group and the Company set the amount of capital in proportion to risk. The Group and the Company manage the capital structure and make adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The capital structure of the Group and the Company consist of debt and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings as disclosed in the Statements of changes in equity.

The Group's and the Company's policy is to monitor the gearing ratio in order to secure access to finance at a reasonable cost. The gearing ratio at the year end was as follows:

	The Group		The Company	
	2016 Rs	2015 Rs	2016 Rs	2015 Rs
Total debt	3,800,141	2,974,695	-	-
Equity	77,974,239	59,675,059	33,074,623	15,216,407
Debt to equity ratio	5%	5%	0%	0%

# Notes to the Financial Statements |

## 22. FINANCIAL RISK MANAGEMENT (cont'd)

### 22.4 Financial risk management

The Group centralised finance function manages the Group's exposure to credit risk, market risk and liquidity risk.

#### Categories of financial instruments

	The Group		The Company	
	2016 Rs	2015 Rs	2016 Rs	2015 Rs
<b>Financial assets</b>				
Loan and receivables (including cash and cash equivalents)	104,773,329	111,233,497	27,503,460	14,990,517
<b>Financial liabilities</b>				
At amortised cost	28,180,034	81,069,568	309,600	266,445

### 22.5 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group/Company.

The Group's credit risk is primarily attributable to their trade receivables. The amounts presented in the statement of financial position are net of allowance for credit losses, estimated by the management based on prior experience. The Group have policies in place to ensure that sales of products and services are made to customers with an appropriate credit history.

The amount and ageing of impaired advances is disclosed in note 9 to the accounts. Provision has been made for any losses estimated from non-performance by these counterparties.

### 22.6 (a) Interest rate risk

The Group's borrowings, which relate mainly to financial leases, are at fixed rate of interest. The Group is exposed to interest rate risk on its overdraft facilities with the bank, which is at floating rate of interest.

# Notes to the Financial Statements |

## 22. FINANCIAL RISK MANAGEMENT (cont'd)

### 22.6 (b) Foreign exchange risk

All the Company's transactions are denominated in Mauritian rupees and it is hence not exposed to foreign exchange risk.

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US dollars.

The Group's dealings in foreign currency purchases is managed by seeking the best rates. Fluctuations arising on purchase transactions are partly offset by sales transactions, effected in US dollars as a natural hedge. The Group also has positions in Malagasy Ariary (MGA), Zambian Kwacha (ZMW) and Rwanda Francs (RWF), which are the local currency of its subsidiaries.

The currency profile of the financial assets and financial liabilities is summarised below.

	The Group		The Group	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
	2016 Rs	2016 Rs	2015 Rs	2015 Rs
<b>Currency</b>				
Mauritian rupee	51,306,978	19,297,889	70,270,120	37,512,835
United States dollars (USD)	49,925,932	6,632,568	35,063,756	41,771,720
Others	3,540,419	2,249,577	5,899,621	1,785,013
	104,773,329	28,180,034	111,233,497	81,069,568

A sensitivity analysis, including only outstanding USD denominated monetary items and adjusting their translation at the period end for a 5% change in foreign currency rates, indicates that if the USD strengthens 5% against the Mauritian rupee, the Company will incur a gain on exchange of Rs2,164,668 (2015: loss of Rs 335,398).

There would be an equal and opposite impact on the profit and other equity where the USD weakens 5% against the Mauritian Rupee.

The profit or loss is mainly attributed to the exposure outstanding on receivables and payables and bank balances at year end.

# Notes to the Financial Statements |

## 22. FINANCIAL RISK MANAGEMENT (Continued)

### 22.7 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. Management monitors rolling forecasts of the Group's and the Company's liquidity reserve on the basis of expected cash flows.

The table below analyses the Group's and the Company's remaining contractual maturity for its financial liabilities. The undiscounted cash flows are analysed into relevant maturity groupings based on the earliest date on which the Group and the Company can be required to pay them. The table includes both interest and principal cash flows.

	Less than 1 year Rs	Between 1 and 2 years Rs	Over 2 years to 5 years Rs	Over 5 years Rs
<b>The Group</b>				
<b>At June 30, 2016</b>				
Trade and other payables	34,334,750	-	-	-
Borrowings	1,467,292	1,248,304	1,586,210	-
	35,802,042	1,248,304	1,586,210	-
<b>At June 30, 2015</b>				
Trade and other payables	78,094,873	-	-	-
Borrowings	1,136,367	1,111,999	1,119,622	-
	79,231,240	1,111,999	1,119,622	-
<b>The Company</b>				
<b>At June 30, 2016</b>				
Trade and other payables	309,600	-	-	-
	309,600	-	-	-
<b>At June 30, 2015</b>				
Trade and other payables	266,445	-	-	-
	266,445	-	-	-

## 23. CONTINGENT LIABILITY

At June 30, 2016, the Group and the Company had contingent liabilities in respect of guarantees arising in the ordinary course of business from which it is anticipated that no material liabilities would arise. The Group and the Company had given guarantees in the ordinary course of business, amounting to Rs 7,338,661 (2015: Rs 8,492,672) to third parties.

## 24. CAPITAL COMMITMENTS

At June 30, 2016, the Company had no capital commitments (2015: Nil).

## 25. FINANCIAL SUMMARY

The Group	2016 Rs	2015 Rs	2014 Rs	2013 Rs
Shareholders fund	77,974,239	59,675,059	41,690,862	33,695,070
Revenue	291,867,891	339,137,740	259,433,390	178,212,413
Profit after tax	18,352,583	17,758,639	7,257,725	7,016,506
Earnings per share	1,835	1,776	726	702

# Subsidiaries and Directorships |

Subsidiaries	Directors
Anglo African Consulting Ltd	Mr Sanjeev Vinod Manrakhan Mr Mohammad Ali Jamalooddeen Mr Jessen Valaythen
Anglo African International Ltd	Mr Sanjeev Vinod Manrakhan Mr Ali Mohammad Jamalooddeen
Anglo African Ltd	Mr Sanjeev Vinod Manrakhan Mr Ali Mohammad Jamalooddeen
Anglo African Systems Ltd	Mr Sanjeev Vinod Manrakhan Mr Ali Mohammad Jamalooddeen Mr Jumbraj Khulputeea Mr Asvin Cully
Anglo African Telecommunications Ltd	Mr Sanjeev Vinod Manrakhan Mr Ali Mohammad Jamalooddeen
MobiMEA Ltd	Mr Sanjeev Vinod Manrakhan Mr Ali Mohammad Jamalooddeen
Anglo African Labs Ltd	Mr Sanjeev Vinod Manrakhan
Anglo African Madagascar SARL	Mr Sanjeev Vinod Manrakhan Mr Devendra Curpen
Anglo African Rwanda Ltd	Mr Sanjeev Vinod Manrakhan Mr Ali Mohammad Jamalooddeen
Anglo African Zimbabwe (Private) Ltd	Mr Sanjeev Vinod Manrakhan Mr Ali Mohammad Jamalooddeen Mr Jonas Jonga
Anglo African Zambia Limited	Mr Jumbraj Khulputeea Mr Ali Mohammad Jamalooddeen Ms Cesthwayo Mapala Ms Mwaka Nakazwe

# Corporate Information |

## Anglo African Investments Limited

BRN : C12111323

### Registered Address

6 Royal Road Coromandel  
Mauritius

### Company Secretary

#### Aardra Secretarial Services Ltd

St James Court  
St Denis Street  
Port Louis

### Group External Auditor

#### De Chazal and Associates

Chartered Certified Accountant  
St James Court  
St Denis Street  
Port Louis

### Main Bankers

#### The Mauritius Commercial Bank Ltd

9-15, Sir, William Newton Street,  
Port Louis, Republic of Mauritius

#### SBM (Bank) Mauritius Ltd

1 Queen Elizabeth II Avenue  
Port Louis, Republic of Mauritius

#### ABC Banking Corporation Ltd

Weal House  
Duke of Edinburgh Avenue  
Place d'Armes  
Port Louis, Republic of Mauritius

#### Stanbic Bank Zambia Limited

Stanbic House  
Plot No 2375  
Addis Ababa Drive  
Lusaka  
Zambia

#### Stanbic bank Zimbabwe Ltd

77, Parklane, SSC Building,  
Cnr J Nyerere/Sam Nujoma,  
Harare, Zimbabwe

#### Access Bank Rwanda

3rd floor UTC Building  
Kigali, Rwanda

### Our Contact

Website: <http://angloafrican.com>  
Email: [info@angloenterprises.com](mailto:info@angloenterprises.com)  
Tel: (+230) 233 1636

## Local Subsidiaries

6 Royal Road Coromandel  
Mauritius

### Anglo African Ltd

VAT Reg: VAT20252665  
BRN No: C07045234

### Anglo African Systems Ltd

VAT Reg: VAT20514974  
BRN No: C09089547

### Anglo African Telecommunications Ltd

Vat Reg: VAT20398815  
BRN No: C07074512

### Anglo African Consulting Ltd

VAT Reg: VAT20315596  
BRN No: C07055402

### Anglo African International Ltd

VAT Reg: VAT27110540  
BRN No: C11105015

### Mobimea Ltd

VAT Reg: VAT20534047  
BRN No: C10092328

## Foreign Subsidiaries

### Anglo African Madagascar SARM

RCS: 2007B01075  
NIF: 3000346603  
L'immeuble Aro Ampefiloha - 4ème étage  
Antananarivo  
Madagascar

### Anglo African Rwanda Ltd

NIF: 103142464  
c/o BDO, East Africa Rwanda,  
OMEGA House, 3rd Floor, Peage Road,  
Kigali, Rwanda

### Anglo African Zimbabwe (Private) Limited

BPN: 200151286  
VAT: 10065610  
c/o BDO Tax & Advisory Services,  
Kudenga House, 3 Baines Avenue,  
Harare, Zimbabwe

### Anglo African Zambia Limited

TPIN: 1003307898  
2nd floor Saturnia House, plot 6392  
Dunduzha Chisidza Crescent, Longacres,  
Lusaka, Zambia

# Glossary |

## A

### AI

#### Artificial Intelligence

Artificial intelligence (AI) is intelligence exhibited by machines. In computer science, an ideal “intelligent” machine is a flexible rational agent that perceives its environment and takes actions that maximise its chance of success at some goal.

## B

### Backup

In computing, the phrase backup means to copy files to a second medium (a disk or tape) as a precaution in case the first medium fails. One of the cardinal rules in using computers is back up your files regularly.

### Blockchain

Blockchain is a distributed database that maintains a continuously-growing list of records called blocks. Each block contains a timestamp and a link to a previous block. The data in a block cannot be altered retrospectively. Blockchains are an example of a distributed computing system with high byzantine fault tolerance

## C

### Cloud Computing

Cloud computing is defined as a type of computing that relies on sharing computing resources rather than having local servers or personal devices to handle applications. Cloud computing is comparable to grid computing, a type of computing where unused processing cycles of all computers in a network are harnessed to solve problems too intensive for any stand-alone machine.

### CRM

#### Customer Relationship Management

An approach to managing a company’s interaction with current and future customers. It often involves using technology to organise, automate, and synchronise sales, marketing, customer service, and technical support.

## D

### DataCom

#### Data Communication

Data communication incorporates several techniques and technologies with the primary objective of enabling any form of electronic communication. These technologies include telecommunications, computer networking and radio/satellite communication.

### DMA

#### Disclosure on Management Approach

The Disclosure on Management Approach (DMA) provides narrative information on how an organisation identifies, analyzes and responds to its actual and potential material economic, environmental and social impacts.

## E

### ERP

#### Enterprise Resource Planning

Enterprise resource planning (ERP) is business process management software that allows an organisation to use a system of integrated many back office functions related to technology, services and human resources.

## G

### Gartner

Gartner is the world’s leading information technology research and advisory company and is based in Stamford, CT.

### GRI - G4

#### Global Reporting Initiative G4

The Global Reporting Initiative (known as GRI) is an international independent standards organisation that helps businesses, governments and other organisations understand and communicate their impacts on issues such as climate change, human rights and corruption.

G4 is designed to be universally applicable to all organisations, large and small, across the world. The features of G4 - to make the Guidelines easier to use, both for experienced reporters and for those new to sustainability reporting from any sector - are supported by other GRI materials and services.

## I

### ICGN

#### International Corporate Governance Network

The International Corporate Governance Network (ICGN) is a non-profit body dedicated to raising standards of corporate governance worldwide. ICGN membership includes over 500 institutional investors, business leaders, policy makers, and professional advisers spread across 50 countries.

### IFRS

#### International Financial Reporting Standards

It is a single set of accounting standards, developed and maintained by the International Accounting Standards Board with the intention of those standards being capable of being applied on a globally consistent basis—by developed, emerging and developing economies—thus providing investors and other users of financial statements with the ability to compare the financial performance of publicly listed companies on a like-for-like basis with their international peers.

### IIoT

#### Industrial Internet of Things

The Industrial Internet of Things (IIoT) is the use of Internet of Things (IoT) technologies in manufacturing. Also known as the Industrial Internet, IIoT incorporates machine learning and big data technology, harnessing the sensor data, machine-to-machine (M2M) communication and automation technologies that have existed in industrial settings for years.

# Glossary |

## IIRC

### International Integrated Reporting Council

The International Integrated Reporting Council (IIRC) is a global coalition of regulators, investors, companies, standard setters, the accounting profession and NGOs. The coalition promotes communication about value creation as the next step in the evolution of corporate reporting.

## IP Harvesting

This is a process designed to collect the specific and sometimes unique ways that Anglo African does things, so that these are well documented and can be replicated. The process also involves registering any Intellectual Property to safeguard the Company's innovations.

## ISO 9001

This standard is based on a number of quality management principles including a strong customer focus, the motivation and implication of top management, the process approach and continual improvement.

## ISO 27001

ISO 27001 (formally known as ISO/IEC 27001:2005) is a specification for an information security management system (ISMS). An ISMS is a framework of policies and procedures that includes all legal, physical and technical controls involved in an organisation's information risk management processes.

## IT Security

The protection of information systems from theft or damage to the hardware, the software, and to the information on them, as well as from disruption or misdirection of the services they provide.

## K

### King IV Code

The King IV code focuses on the concept of stakeholder inclusivity and highlights that organisations are not merely responsible for the economic bottom line but critically need to consider the societal and environmental impacts and outcomes of their operations.

## M

### Middleware

Middleware is a general term for software that serves to "glue together" separate, often complex and already existing, programs. Some software components that are frequently connected with middleware include enterprise applications and Web services.

## S

### Servers

A server is a computer program or a machine capable of accepting requests from clients and responding to them. Their purpose may be to share data or hardware and software resources among clients.

## SOC

### Security Operations Centre

A security operations center (SOC) is a centralised unit that deals with security issues on an organisational and technical level. A SOC within a building or facility is a central location from where staff supervises the site, using data processing technology.

## Sustainable development Goals (SDGs)

The Sustainable Development Goals (SDGs), also known as Global Goals and Agenda 2030, are an inter-governmentally agreed set of targets relating to international development. These 17 interconnected Goals build on the successes of the Millennium Development Goals, while including new areas such as climate change, economic inequality, innovation, sustainable consumption, peace and justice, among other priorities.

## U

### UC

#### Unified Communication

Unified Communication (UC) refers is the integration of real-time, enterprise, communication services such as instant messaging (chat), presence information, voice (including IP telephony), mobility features (including extension mobility and single number reach), audio, web and video.

### UI/UX

#### User Interface/ User Experience

UI refers to the aggregation of approaches and elements that allow the user to interact with a system., User Experience Design (UXD or UED or XD) is the process of enhancing user satisfaction by improving the usability, accessibility, and pleasure provided in the interaction between the user and the product.

## V

### Virtualisation

In computing, virtualisation refers to the act of creating a virtual (rather than actual) version of something, including virtual computer hardware platforms, operating systems, storage devices and computer network resources.



