

# Foreword

## Early Harvest?

Over the last two years, our company has accelerated its effort to embed Integrated and SDGs Thinking and as a result of this, we effected a number of changes in the organisation to transform our business model focus from “Short-Term Profitability” to “Long-Term Value Creation”. We started the thinking process in 2015 and set in motion a number of actions that saw us terminate lines of business while opening new ones in 2016/2017. As long-term in our business is defined as five years, we have geared ourselves for a transformation based on quantitative results by 2021. However, we are satisfied that we are already seeing early results based on the factors described below.



# 1

Net Profit as well as margins are on the rise. For the first time in our history, **Profit before Tax reached MUR 29Mn**, led by our IT Business. Moreover, both our Fintech and Smart City startups are profitable in their first full year of operations which makes us one of the few in the world, a testament to the robustness of our business plans.

# 2

After the PwC Corporate Reporting Awards, we have been selected by ACCA Global as a case study in Integrated Reporting. Furthermore, we were the first African company to have been nominated by ICAEW/A4S/Deloitte in two categories for the Finance for the Future 2018 Awards, namely: Embedding an Integrated Approach and Innovative Project. Finally, we were also nominated for “Companies to Inspire Africa 2018” published by the London Stock Exchange. The selection process of these global institutions reinforces the effectiveness of our ecosystem.



# 3

Our Fintech and Smart City platforms are now live as well as some of our applications in a number of countries. The teams are now expanding on two fronts: Technological and Geographical, in Africa and also Asia. Their clients are now great references especially as they include regional and global banks and asset owners.

At Anglo African, we have also realised that due to the size of our company, it is difficult to create regional or lasting impact based on our internal actions. However, we believe that through our Decentralised Value Creation, the external impact of our subsidiaries can and are having a regional impact. In particular, our focus on Integrated and SDGs Thinking are already adding to our broad value creation, as recognised by respected global institutions.

Consolidation is now key to our company as any period of transition, especially as deep as the one we have gone through over the last 18 months [Business Model, People, Mindset, Markets, Etc ...], is bound to generate instability. The new management team is now busy pushing ahead full steam while at the same time remaining vigilant to any risk in order to maintain our projected profitability trend, with 20% PAT Efficiency by FY2021 being the litmus test!

Our future is in Decentralised Value Creation; once our subsidiaries embrace Integrated Thinking in an inclusive way, connecting all the different capitals that are important for their businesses; improve or terminate business activities so that the value created in the medium- to long-term is in line with our vision, with SDGs embedded, we will have a bright future... We are confident about this as the future is all we've got!

# I About this Report

## Introduction

This is the fourth Integrated Report of Anglo African Investments Ltd (hereafter referred to as 'Anglo African' or 'the Group'). We continue to benchmark ourselves against best global practices in the corporate reporting space. In preparing this report, we have been inspired by a number of standards such as the King Code IV for Corporate Governance, and non-financial reporting such as Sustainable Development Goals (SDGs) of the United Nations.

## Reporting to stakeholders

This integrated report is our primary report and serves to cater for the diverse range of stakeholders with varied information needs. We provide a range of communication aimed at addressing our stakeholders' requirements.

## Materiality

This integrated report chooses to focus on material developments and matters, and provides pertinent related financial and non-financial performance indicators that are relevant to a wide cross-section of stakeholders.

## UN Sustainable Development Goals (SDGs)

Anglo African is committed to playing its role, as a private sector company, in the attainment of these goals. During the course of the year, we have reviewed our selection to the following nine SDGs: #1, 4, 5, 8, 9, 10, 11, 12, 17. We have summarised our actions in each of these SDGs at the start of each chapter on pages 7, 17, 29, 39, 47, 55. Our approach for delivering on these goals is reviewed throughout this report and in the SDGs Mapping section of "Our Strategy" chapter.

## Scope and Boundary

The 2018 annual integrated report covers the period 1<sup>st</sup> July 2017 to 30<sup>th</sup> June 2018. Any material event after this date and up to the Group's Board of directors' (Board) approval on 21<sup>st</sup> September 2018 has also been included. The integrated report discusses our operations in Mauritius, Africa and India, the geographic regions in which we operate. Our annual financial statements are prepared in accordance with IFRS.

## Integrated Thinking

Over the last 3 years we have re-examined our business model, especially its use of financial, human, relationship, technological and intellectual capitals and how they interact with each other, how we generate revenue, what drives our profit and how much value we create across our different capitals.

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, and align with our strategic objectives. This has effectively enabled us to move our focus from a "Short-Term Profitability" business model to a "Long-Term Value Creation" one.

## Looking Forward

In each of our Integrated Reports, we dedicate a part of our thinking process to the long-term value-add, how our industry would look like, and our place therein. The next five years will be intensely disruptive. The theme of this Integrated Report is Integrated Thinking, Sustainable Development and Value Creation.

In this respect, we have worked on connectivity between our Integrated Thinking described earlier, Sustainable Development Goals and Long-Term Value Creation across our five capitals. Our future is now closely knitted to our businesses that are reviewed quarterly to ensure alignment with our Business Model, Strategies, UN SDGs and our five Capitals.