

ANNUAL
REPORT
2019

AXIAN
LET'S GROW TOGETHER

MORE THAN A LAND OF OPPORTUNITY

Our Africa is about men, women and children who want a good life, and the hope that the future is full of possibilities.

Our purpose: a lasting positive impact on the day-to-day lives of the people of Africa.

With courage and passion, Axian is committed to maximizing our positive impact on the day-to-day lives of all Africans.

Let's Grow Together

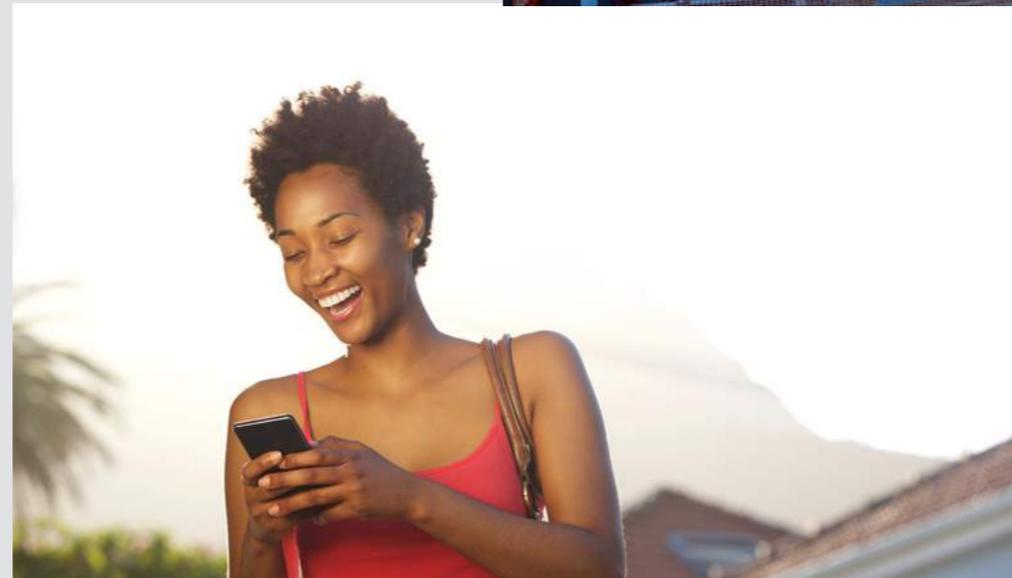


OUR IMPACT IN NUMBERS



10 000m²
dedicated to **entrepreneurs and innovation.**

10 000 Km
of **fiber-optic cable** installed across
Madagascar



13 414
enrolled students



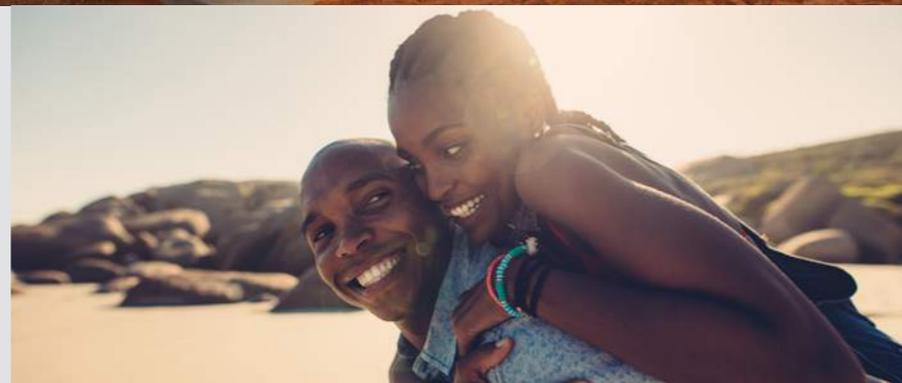
15 Millions
mobile users across
Africa and the Indian Ocean

5200

people connected to solar power
across 20 isolated villages



49 700
hours of training
delivered in 2019



INTERVIEW DES CEO'S

Axian is a Pan-African group with a diverse portfolio of brands in the telecom, energy, financial-services, open-innovation and real-estate sectors. We aim to become the first company that Africans think of when addressing positive impact and corporate social responsibility.

Hassanein and Amin Hiridjee, our CEOs, share their thoughts and insights on our 2019.

WHAT CONCLUSIONS CAN AXIAN DRAW FROM OUR YEAR 2019?

2019 saw the group grow very quickly and our **Pan-African ambitions are now a reality**. This year, we saw two major events that highlight this: first, we launched **Free in Senegal** this year, following the rebranding of Tigo, a telco which we had acquired in 2018. Last but not least, we acquired Togo's historical telecom-operator, **Togocom**. It goes without saying that throughout this period, we have maintained our will to give all people in our area of operations the **latest technology**; to continue to strive for digital inclusion for all and to support digital transformations that make African countries more competitive in the global economy. In 2019, our vision for **positive impact** is taking shape, and will continue to do so with the founding of our **Impact Management** team and its formulation of appropriate strategies. Its strategic guidance will ensure that we maintain our Group's ascent on issues of ethics, corporate social responsibility and our environment.

We should also take special note of the launch of our company, **WeLight**, and our taking part in the **Volobe Hydroelectric Project**. These two projects are perfect examples of the vision we continue to pursue.

WOULD YOU SHARE BEST PRACTICES THAT WOULD HELP PEOPLE BUILD THEIR SKILLSET?

We have to create opportunities for ourselves while developing **innovative and accessible solutions** across all industries that we operate in. We also have to surround ourselves with forward-thinking and driven people, whether they form part of our teams or become **partners** who share our commitment and complement our skills. CGHV is a cogent example of this: our partners for this ground-breaking project include experts in project finance, namely Africa 50, as well as infrastructure experts Colas, who have been present in Madagascar for over 70 years.

It is also very important for us all to be **resilient**. To be able to work fast, and yet with skill, passion and inspiration. Our teams in the energy, finance, telecom, real-estate and open-innovation sectors are formidable in this respect: they know how to anticipate the future needs of our markets, and innovate to meet emerging demands of the communities we serve. This mentality helped us when everything was new to us when we arrived in Togo, or when we began creating a start-up incubator in Madagascar. We are always learning and adapting as we take on new challenges, and that mentality is one of our greatest assets.

WHAT ARE THE DRIVING FORCES OF ECONOMIC DEVELOPMENT FOR AXIAN AND FOR AFRICA?

Africa is a land steeped in **innovation and new opportunity**. As a Malagasy group, we believe in **growth that is shared**—shared with the countries that we operate in, and shared with the millions of clients who trust our products and services. We also wish to deploy the latest innovations and emerging technologies faster and more widely; and one day, enable Africa's "digital revolution" to tackle the biggest challenges that developing countries are facing.

The scale of our presence in the telecom sector demonstrates our active role in the **continent's digitalisation** and the overall push to improve telecom infrastructure across Africa. Every country that we operate in enjoys reliable access to 4G networks, and yet we continue to improve our own networks so that they can support the eventual implementation of big data and artificial intelligence (AI). Just as it should, the synergies between our telecom, energy and finance clusters allow us to be **innovative** in a way that maximizes inclusion on many levels.

HOW DO YOU ALLOW EACH PERSON AT AXIAN TO BE A PART OF YOUR MISSION?

The Axian Group is, first and foremost, about **men and women** who want to give their communities better products and services. We are very proud of the **4,900 people** across 5 different countries for the level of commitment they continue to show. We want Axian to be an inspiration for today's youth by attracting the best talent in Africa. Continuous skill-building is a crucial part of our people's careers, and we have a responsibility to ensure that their jobs are gateways to personal and professional fulfilment. Personally, I hope that we can contribute to Axian's people's **wellbeing**, and key to that is that Axian continues to strive for fairer, more respectful HR policies. To me, that is the key to responding with **resilience and precision** to the challenges we all face. I also believe that making our own trainings and education for staff across the entire group would be a ground-breaking avenue for us to explore.

WHAT WILL THE AXIAN GROUP AND ITS MARKET'S BIGGEST CHALLENGES BE IN THE FUTURE?

Our challenges always revolve around how we can **transform African economies**. I am convinced that our response to challenges of the future will rely on our subsidiaries having greater **digital capabilities**. Whether that pertains to digital space, where we are breaking new ground, especially in telecom where we plan to improve connectivity by introducing **5G to Madagascar and Togo**; whether it pertains to finance with the upsurge of **FinTech** across Africa; or pertains to energy and **access to clean, affordable electricity** to drive the development of all other economic activities. Tomorrow's challenges are already upon us today and we are determined to address them successfully.

“As a Malagasy group, we believed in shared, inclusive growth”



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FINANCIAL POSITION 2019

WeLight electrifies the villages Mahavanona and Ambatoharanana.



**A DRIVING FORCE
FOR GROWTH**

KEY FIGURES

TURNOVER



+4900 EMPLOYEES



Leaders

in our respective fields.

Innovative

use and synergy of our skillsets.

Impactful

agents of growth in Madagascar, Africa and the Indian Ocean.



Malagasy bank for digital services

Telecom operator in the Indian Ocean

Network of fuel stations in Madagascar.

Distributor of refined petroleum products in Madagascar.

The fastest internet connections in Africa.

High-end/luxury homes and office spaces.

Mobile-money platform in the Indian Ocean.

HIGHLIGHTS

2019

Février

MVOLA, THE FIRST-EVER MOBILE-MONEY PLATFORM IN MADAGASCAR

MVola announces its status as the first “e-money enterprise” (EME) in Madagascar. Originally launched in 2010, MVola is the first-ever company in Madagascar to leverage the concept of mobile money. A perfect convergence between technology and finance (which made it the first-ever fintech company in Madagascar), MVola’s features and services have since readily adapted to the Malagasy people’s day-to-day needs. As the first-ever company of its kind in Madagascar, MVola is a leader and a pioneer in the field of mobile money.

« MVola’s status as the first-ever mobile-money enterprise in Madagascar will help it bring cutting-edge financial solutions to market more effectively. Furthermore, the field of mobile-money is moving at a very fast pace in Madagascar. Promoting the use of digital payment solutions like MVola precipitate the coming of cashless marketplaces that offer easier, faster and safer transactions. »

Matthieu MACE,
Managing Director of MVola.



HIGHLIGHTS

Mai

JEUNE AFRIQUE: HASSANEIN HIRIDJEE JOINS AFRICA'S TOP 100 CEOS

Jeune Afrique publishes its first-ever ranking of Africa's top 100 CEOs and Mr. Hassanein Hiridjee, the Axian Group CEO, is ranked as the 99th most influential person on the continent.

Axian announces the creation of its Impact Management team. Our group considers that today, modern companies' responsibilities as contributors to the economy include ensuring that their actions have a sustainable positive impact on their markets. To ensure that positive impact is always an essential part of our actions, last year, the Axian Group created its own Impact Management team to quantify, study and expand each of our brands' impact thanks to a proprietary impact scoring system.

We are trying to understand the impact that our activities have on our communities by analysing it so that our actions precipitate long-term benefits. Our scoring system will allow us to communicate transparently with our shareholders and our 4,900+ employees across all of Africa.

« To me, positive impact must be the guiding force behind whatever we do. It must make possible digital, energy and financial inclusion by creating positive advancements in economic sectors with high growth potential. » Hassanein Hiridjee, Axian Group CEO

Juin

AXIAN ANNOUNCES THE OPENING OF NEXTA, THE LARGEST STARTUP INCUBATOR AND COWORKING SPACE IN THE INDIAN OCEAN

Axian launches NextA, the first-ever private regional incubator for youth and entrepreneurs. Born out of our desire to support deserving projects of all sizes in any sector, NextA aims to provide critical assistance to the continent's entrepreneurial community. As part of its novel strategy in Madagascar, NextA acts as a point of confluence for Malagasy innovation so as to empower the country's entrepreneurial community.

« Our mission here at NextA is to help entrepreneurs grow their ventures. Using our platform, entrepreneurs can achieve long-term growth for their companies, and gear their actions towards innovation and positive impact. » Carole Rakotondraibe, NextA Manager



Août

BNI MADAGASCAR LAUNCHES KRED, ITS 100% DIGITAL MICROFINANCE SERVICE FOR SMES AND MICRO-ENTERPRISES

As a continuation of its commitment to financial inclusion, Madagascar's top-ranked bank confirms its wish to evolve with the country's socio-economic context. KRED is created and developed within the Axian Group to expand access to financial services for the Malagasy people. Thanks to its partnership with MVola, Axian's mobile money platform, KRED is deploying a unique concept in Africa: a "100% digital" microfinance provider that gives its clients access to finance even in isolated regions.



« For the first time in Africa, we have a 100% digital microfinance provider. » Hassanein Hiridjee, Axian Group CEO



LAUNCH OF WELIGHT, A MAJOR PLAYER IN RURAL ELECTRIFICATION ACROSS MADAGASCAR AND AFRICA

The Axian Group and its longstanding partners Groupe Sagemcom launch WeLight, a key player in bringing renewable electricity to remote areas across Madagascar and Sub-Saharan Africa. WeLight makes this possible by installing autonomous electrical micro-grids to give isolated settlements a reliable access to energy.

« To facilitate access to energy for people who live in remote areas is one thing, but giving them a renewable source of affordable, reliable and eco-friendly energy is another. With WeLight, we wanted to respond to this challenge to give effective support to the long-term development of remote areas in Madagascar and the continent » Véronique Perdigon, WeLight Director

HIGHLIGHTS

Octobre

JOVENA, AFRICA50, COLAS AND SN POWER COMMIT TO BUILDING THE VOLOBE HYDROELECTRIC PLANT IN MADAGASCAR

Jovena, part of the Axian Group, signs a shareholding agreement with Africa50, COLAS and SN Power. The project is part of a 35-year concession agreement to design, build and operate a 120 MW power station on the Ivondro river, 40 km west of Toamasina, Madagascar's second-largest city. The project also includes installing more transmission lines, and rehabilitating access roads and infrastructure for neighbouring villages. The Volobe hydroelectric plant will grant over 2 million Malagasy access to clean and affordable energy.

"Together, we are setting for ourselves a novel goal of giving the entire country access to electricity whilst remaining eco-friendly; and we are doing so by providing clean, reliable and affordable electricity to our communities."

Hassanein Hiridjee, Axian Group CEO

TIGO, AXIAN AND NJJ CAPITAL'S TELECOM OPERATOR IN SENEGAL, RENAMED "FREE"

In 2018, Axian acquires Tigo, a Senegalese telecom operator, with the goal of making it a leader in the country's telecom sector and a key partner of Senegal's economic and digital growth. This year, the consortium comprised of Teyliom, NJJ Capital and Axian announces the rebranding of Tigo to revolutionize Senegal. The rebranding, combined with a licensing agreement with French operator "Free," will bring much-needed disruption to Senegal's telecom market. Free will offer a new 4G+ network in Dakar and most regional capitals but will also launch Free Money, a Senegalese mobile-money platform that is based on Axian's MoMo.

« To become Free is to respond to a goal that is dear to us: to expand access to telecom, internet and digital services everywhere we operate. This vision is what will make Free into an operator that can make the Senegalese market more competitive and unlock more value for the Senegalese people. » Mamadou Mbengue, Free Senegal Managing Director.



GREEN ENERGY SOLUTIONS CONFIRMS DEPLOYMENT OF HYBRID POWERPLANTS IN 4 MALAGASY CITIES

Green Energy Solutions, Axian's renewable-energy development company, signs a Memorandum of Understanding with the Malagasy Ministry of Water, Energy and Hydrocarbons, and JIRAMA to build hybrid power plants in 4 cities, namely Morondava, Sambava, Antalaha and Vohemar. Our goal here is to alleviate power-grid deficiencies that hamper many Malagasy communities day-to-day lives. Being more sustainable and reliable, the hybrid energy-production solutions deployed allow Axian to accelerate Madagascar's transition to renewable energy, energy inclusion for all and cost reductions leading to more affordable electricity.



Novembre

TOGOCOM, TOGÓ'S NATIONAL TELECOM PROVIDER, JOINS AXIAN

Axian formally enters the shareholding of Togó's national operator, Togocom, alongside our partners Emerging Capital Partners (ECP). Together, both companies hold a joint majority in the Togolese operator with 51% of all shares. As majority shareholders, the Axian-ECP consortium acquires the fixed and mobile telecom licenses and commits to investing over 160 billion Francs CFA to improve and expand coverage and to install fiber-optic infrastructure in the country. The Pan-African Axian group thus continues to advocate for digital inclusion, and Togocom brings 1,144 new people into Axian; all dedicated to upholding Axian's vision and giving the Togolese people better service.

"Our goal is to make Togocom, Togó's telecom operator, a market leader in Togo and give the Togolese people quality access to the digital world." Paulin Alazard, Togocom Managing Director



Décembre

2020

BNI CELEBRATES ITS 100-YEAR ANNIVERSARY

Madagascar's oldest bank in existence celebrates its 100-year anniversary. Founded in 1919, BNI has shown tremendous resilience in its ability to evolve alongside Malagasy society to address their needs.

Congratulations to our people at BNI MADAGASCAR, who celebrated the historic bank's 100 years in existence.



HASSANEIN HIRIDJEE AMONG THE PANELISTS AT THE ROYAUMONT CONFERENCE

The Axian Group CEO joined the conference that was presided by Jean-Dominique Senard and attended by a long list of eminent participants in the Royaumont interview conference. Asked about socially-responsible capitalism, Mr. Hiridjee expressed his views, alongside Father Pedro, on opportunities and challenges to inclusive and socially-responsible development and growth.



KRED is Axian and BNI's new 100%-digital microfinance platform; a platform that is dedicated to micro-enterprises and SMÉs.

OUR IDENTITY

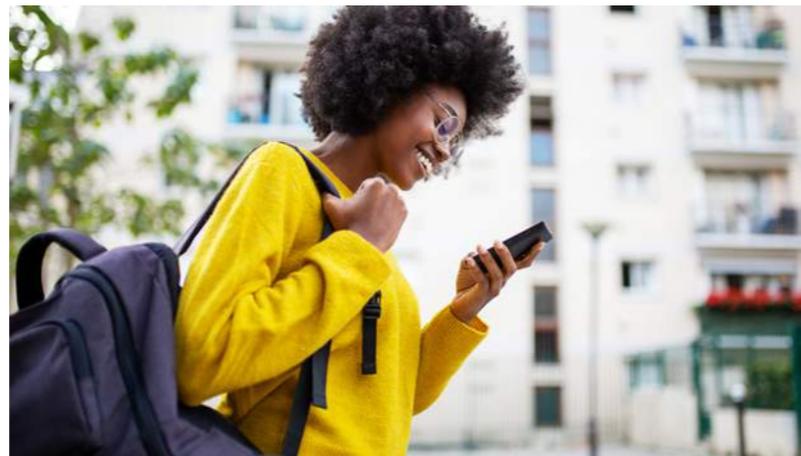


AXIAN HISTORY



1995

Led by a new generation of modern, professional and daring managers, the group **enters the real estate domain** with the creation of First Immo.



2006 - 2011

Telma Mobile launches in 2006. In 2010, MVola, the **first African mobile-money platform** is launched in Madagascar. TowerCo of Madagascar (TOM) is created.



2015

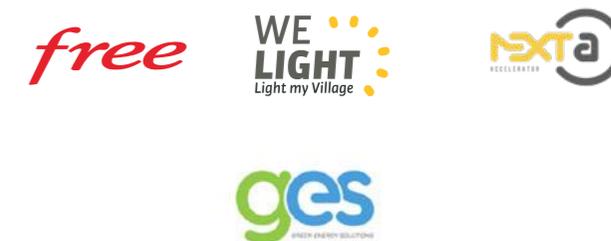
Our group grows overseas, as we acquire Outremer Telecom Reunion and Mayotte mobile operations with partners Iliad Group, which are then rebranded to Telecom Reunion Mayotte (TRM). Axian becomes a licensed telecom operator in Comoros via Telco SA, a joint-venture with Telco SA, a joint-venture with NJJ Capital, Iliad and Xavier Niels investment holding company.

2018

In May 2018, Axian, alongside groups Teyliom and NJJ, acquires Senegalese Telecom operator Sentel/Tigo, **allowing Axian to establish a foothold in continental Africa**. The company is rebranded in 2019, and becomes Free Senegal.

In September 2017, Axian and the Sagemcom group launch **WeLight, a joint-venture dedicated to rural electrification of isolated settlements across Madagascar and mainland Africa**.

In 2018, Axian launches Green Energy Solutions (GES), a joint-venture between Jovena and GreenYellow. In 2018, NextA, Madagascar's **first-ever incubator for startups, is launched**.



2001 - 2004

The group **enters the energy market** with Électricité de Madagascar (EDM) and purchases equity in JOVENA in 2004. That same year, AXIAN acquires Telma to propel it into the telecom market.



2013 - 2014

Axian **integrates financial services** into its portfolio with the creation of Indian Ocean Risk Solutions (IORS) in 2013 and the acquisition of BNI Madagascar, a Malagasy Bank, alongside our partner Ciel Group Ltd.



2017

Axian develops its own IT service company, AITS, to push forward the group's digital projects. AITS gains a significant boost from our acquisition of Natapsys, an app-development company. AITS-NETAPSYS is renamed PULSE in 2019.

In 2017, **Axian also launches its in-house corporate training academy**, Axian Training Center and its **customer-support company and call-center**, Connecteo.



2019

Axian and our partner Emerging Capital Partners acquire the Togocom/Togocel Group, Togo's formerly state-owned telecom operator.



Groupe Togocom



A VISION

We are making impactful commitments to continue our ascent.

“ To make our group the standard bearers for **positive impact on African’s day-to-day lives**. And we do so by championing digital, financial and energy inclusion. ”

Our achievements embody the commitment that our group must strive to fulfil today: as consequential economic actors, we must ensure that our actions generate a significant positive impact.



“ It is outdated to imagine a company that only cares about profitability. Companies that are stuck in this thought must repurpose their actions towards longer-term growth that transcends financial metrics. Our institutions must nurture such a philosophy, because it aligns with the essence of African tradition: legacy, and what we give our future generations. ”

Hassanein Hiridjee
CEO



WE WANT OUR AFRICA TO BE MORE JUST AND MORE INCLUSIVE

Every day, we act so that our actions have a greater purpose: beyond **economic impact**, we want to have a **social and environmental impact** that improves people’s lives. We do this so that our **actions on the African continent** have a greater purpose.



CONCRETE, POSITIVE IMPACT: THE HEART OF OUR CORPORATE STRATEGY

Positive impact must guide our actions:

- We always seek to be a **positive contributor** to economic sectors with high growth potential.
- We want to understand, **optimise and expand the positive impact** that our activities generate while gearing our actions towards long-term shared growth.
- We want to be **environmentally-conscientious**: to bring forth a sustainable and innovative future for all.
- We partake in improving lives by making decisions, products and services that are **affordable, accessible, safe and reliable**.



TO SHARE THE VALUE THAT WE CREATE

We commit today so that tomorrow, all are **connected** to their loved ones and the rest of the world; **secure financial services** and clean, **affordable energy**.

To **grow together**, we help shine a light on our Africa’s potential.

A VISION

1

AXIAN CHAMPIONS

Connecting the most isolated communities to the world via actions that promote **digital and energy inclusion** for those people who live far from all loci of economic activities; **financial inclusion** by popularising **mobile money and expanding access to banking** and financial services for all, and the open exchange of knowledge and skills.

AXIAN HELPS

Make business ideas a reality for **entrepreneurs** with ideas that can benefit their communities, enterprising youths with **promising business** plans and **women** who seek new opportunities and financial autonomy as entrepreneurs.

3

2

AXIAN SUPPORTS

Creating a **middle class** with the means to consume and invest comfortably, expanding the **formal business sector** and making it accessible to **micro-enterprises** and **SMEs**, as well as the most vulnerable members of our communities via the actions of our **Corporate Foundation**.

To **modernising services and infrastructure** that are available in the telecom, banking, energy and real-estate sectors.

To the **creation of jobs** and **upskilling of the people** who live in developing countries, to **shining a light on modern African art** and the rehabilitation of our shared historical and cultural heritage thanks to the actions of the **H Foundation**.

4

AXIAN CONTRIBUTES

FUNDAMENTAL VALUES

that guide our people everyday and ensure that our growth continues

PASSION

To exceed the expectations of our clients, our partners and our own people.

INNOVATION

To find innovative approaches and solutions to the arising needs of our communities.

COURAGE

To bring out the potential of the countries we operate in by leveraging new, sometimes unexpected, opportunities.

COMMITMENT

To championing fair, inclusive growth across our Africa.

MVola has added many services and features since its inception so as to address the Malagasy people's evolving needs.

OUR
BRANDS



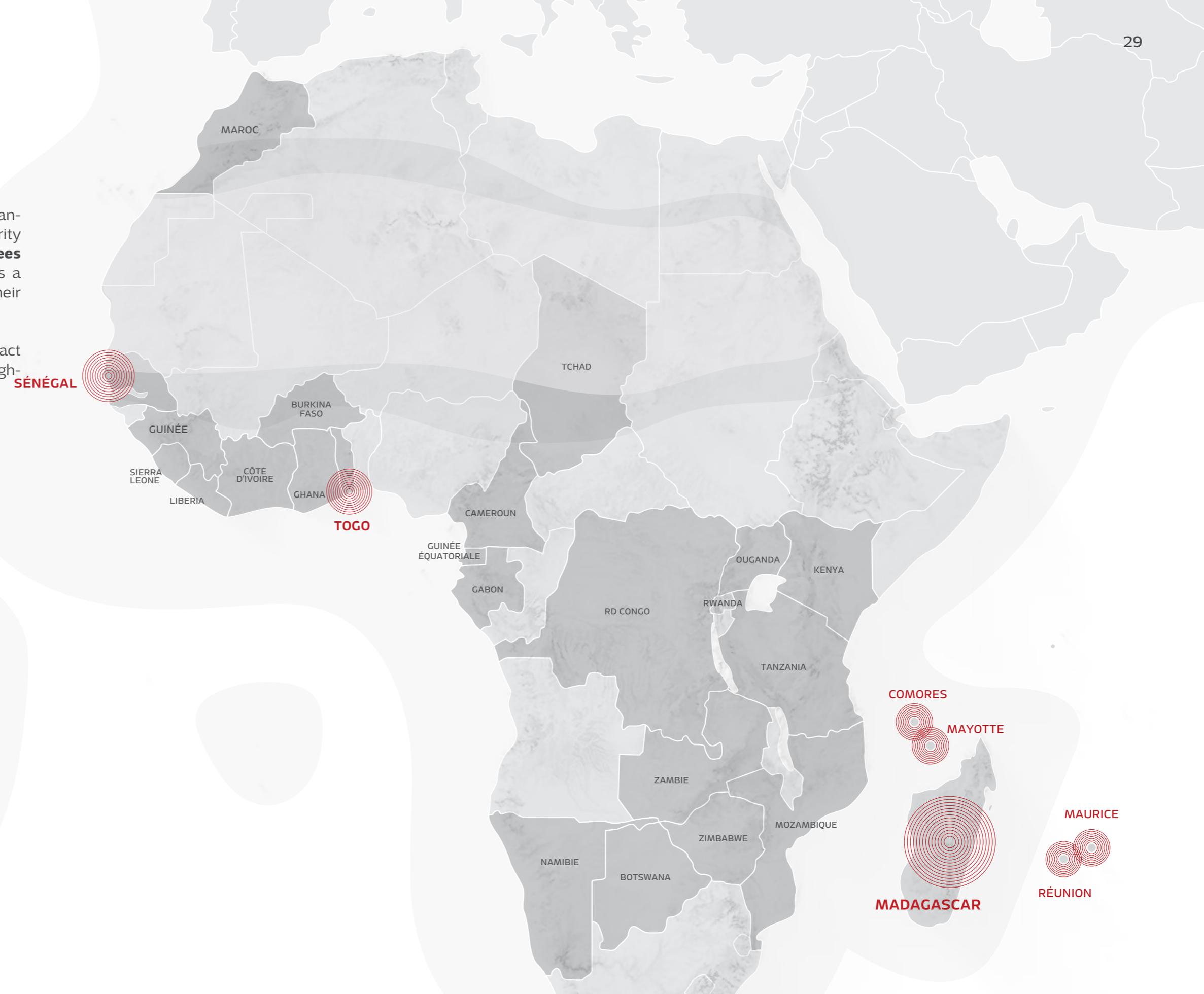
A PANAFRICAN VISION

AXIAN is positioning itself to become a first-rate pan-African investor that emphasizes shared prosperity across the continent. With over **4,900 employees** across Africa and the Indian Ocean, our group is a proactive partner for developing countries and their economic growth.

AXIAN is spreading its commitment to positive impact across Africa by pledging capital to several high-profile impact-investment funds.

GLOSSARY

- DIRECT INVESTMENTS
- ◎ INDIRECT INVESTMENTS



A DIVERSE RANGE OF ACTIVITIES

5 clusters comprised of 25 subsidiaries.



LET'S ACCESS FINANCE

(FINANCIAL SERVICES)

To offer innovative solutions and financial services that are adapted to Malagasy people's ever-changing needs to make their lives easier while helping them build their future.



LET'S CONNECT

(TELECOMS)

To give companies substantive backing via access to cutting-edge technology and the latest innovations while connecting all people to their loved ones and the world.



LET'S RENEW ENERGY

(ENERGY)

To create energy solutions that allow for scalable production while remaining clean, sustainable and accessible to all.



LET'S BUILD

(REAL ESTATE)

To build residential and corporate office spaces that maximize people's wellbeing while meeting the highest international standards.



LET'S CREATE

(OPEN INNOVATION & FINTECH)

To keep pace with and lead by example as we evolve our markets' digital capacities to make them more inclusive and innovative.





LET'S ACCESS FINANCE



In developing countries, the economy has a large component of informal businesses and access to basic banking/financial services such as domestic savings, credit facilities and insurance is limited. Cultural, geographic and financial barriers to entry present the greatest challenge to our push for more financially-inclusive economies. Thanks to many innovative strides, Axian is now a key player in the larger goal of making banking and finance accessible to all.

BRANDS



Hassane Muhieddine
CEO, Finance Cluster

« We want to be full-hearted contributors to this sector's growth, as it will invariably play a key role in economic growth and development. »

1. OFFERING CLIENTS PRODUCTS AND SERVICES THAT RESPOND TO THEIR NEEDS

In June 2014, AXIAN acquired a controlling interest of 51% in **BNI MADAGASCAR** alongside longstanding our partners CIEL Group Ltd. The bank was formerly owned by the group Crédit Agricole.

BNI Madagascar is rated the top-ranked Malagasy bank for its rapidly-evolving **digital banking experience**. The investments it has made as part of the CAP Leader 2020 plan will make BNI the bank with **the largest branch network** across Madagascar. Axian and its first-rate financial partner chose early on to pursue a bold strategy to develop our bank by expanding **access to banking services**, supporting entrepreneurs and being proactively involved in our clients' growth, even overseas.

As a universal bank, BNI MADAGASCAR wishes to promote **financial inclusion** by offering innovative savings and loans schemes that are tailored to the needs of our clients.

Key Figures :

93 BNI MADAGASCAR branches across the country

121 ATMs

2. PUSHING INNOVATION IN MOBILE MONEY AND MOBILE FINANCIAL SERVICES

Telma has been developing its own **mobile-money service** since 2010. Even though it is the first of its kind in Madagascar, Axian drew on its experience in the telecom and banking sectors to create a viable structure for MVola—one that is effective and makes mobile banking accessible to all.

This banking service is accessible via any mobile phone, and allows users to deposit, **transfer and withdraw money**, and to make instant secure payments for bills and purchases. Today MVola is positioning itself to become an alternative financial platform to make banking services more widely available. Axian is now using intragroup collaboration and knowledge-sharing to replicate this distinct model in Togo with **T-Money**; a clear sign of our commitment to Africa-wide financial inclusion.

In partnership with BNI MADAGASCAR, Telma successfully launches **MVola Avance** in November 2017. This new service allows MVola users to obtain instant micro-loans or set up savings schemes with ease. In ten months, we have so far seen over **200,000 new clients** and over a million new loans.

In 2019, Axian **launches KRED**. It becomes a dematerialised, **100%-digital** micro-credit arm of **BNI MADAGASCAR**. Developed by several parts of our group working together, KRED aims to meet the growing finance needs for VSEs and SMEs in the country, particularly in **remote areas**. Its processes are entirely dematerialized and its salespeople are all nomadic.

Key Figures :

1^{ÈRE} mobile-money platform in Madagascar

15 000 Mvola outlets throughout the country

5,1 Millions Mvola clients

194 Millions mobile-money transactions per year (Mvola & T-Money combined)

LET'S ACCESS FINANCE



4. CORPORATE INSURANCE AND RISK MANAGEMENT

Axian aims to simplify and broaden access to **insurance solutions** for companies that operate in Madagascar. Indian Ocean Risk Solutions is an insurance-brokerage and management consulting business that was founded in 2013. IORS lends its clients reliable support as management consultants by helping them **optimize** their bank guarantees or futureproof their corporate management.

3. AFRICAN DEVELOPMENT AND INVESTMENTS

In order to support economic **development and diversify** its own portfolio, AXIAN's Venture Investment Ltd allows our group to invest in **impact-investment funds**, or funds that make investment choices that are also based on extra-financial returns such as social and environmental impact. Since 2017, Axian has joined **4 such funds**, namely Adenia Capital IV, ECP IV, Partech Africa, AMETIS and MIARAKAP, the first ever investment fund to be dedicated solely to Malagasy SMEs and VSEs.

NEXT STEPS AND ONGOING PROJECTS

The finance cluster continues to strive for **financial inclusion** by hastening the emergence of **innovative digital solutions**. MVola is planning to launch the first **VISA International Card** ever made that requires no bank account so that Malagasy people can enjoy secure and affordable financial services. BNI MADAGASCAR aims to pass the milestone of having **100 branches** open throughout the country, of which **40% will be fully solar-powered** to spur on Madagascar's energy transition. The Malagasy bank is also creating its service "**Alefa Madagascar**", which will allow people to open bank accounts online. The finance cluster's future projects will precipitate our society's digital revolution and advance financial inclusion via **digital means**.





LET'S CONNECT



Axian is a key player in Africa and the Indian Ocean's telecom industry. This sector's contribution to economic development and quality-of-life improvements over recent years is undisputed, and our group continually ensures that drawing on that spirit, we maintain our momentum while making our products and services more attractive and more accessible for our clients.

BRANDS



Stéphane OUDIN
CEO, Telecom Cluster

« It is now basically an inalienable human right to be connected to digital space. We are committed to offering the latest digital innovation to connect ever-more people to their loved ones and the world, and make everyone a citizen of the digital realm. »

1. BUILDING TELECOM INFRASTRUCTURE FOR ECONOMIC GROWTH

Axian invests so as to maintain **operational control of the infrastructure** that our internet and mobile **networks** rely on. This capacity allows us to expand our networks to cover even the **most isolated** portions of the countries where we operate. Today, AXIAN is Madagascar's biggest investor in **telecom infrastructure as well as underwater cables**.

AXIAN is responsible for all of Madagascar having access to **4G** technology. Our group is one of the main partners in the **EASSy** consortium, which brought about the installation of an underwater cable that has proven crucial to **economic growth** for several countries in Eastern Africa.

The acquisition of **Free Senegal** by a consortium comprised of AXIAN, Teyliom and NJJ Capital has allows us to deploy the **fastest and most extensive 4G network** in Africa. To date, in Togo, the **Togocom group has installed 1,500 km** of fiber-optic cable and given **40% of all Togolese people** access to 4G networks; and boasting an ambitious strategy for the next seven years, Togocom aims to make Togo's **high-speed internet the fastest in the region even as it fosters financial inclusion** and better access to technology for consumers and businesses. This will be done via investments worth 245 million Euros (160 billion FCFA) to install critical telecom infrastructure and futureproof Togocom's mobile and internet networks. This will improve international connectivity and make the mobile and internet network coverage more comprehensive.



Key Figures:

- Top ranked telecom operator in Madagascar and Togo
- 10 000 km of terrestrial fiber-optic cable installed in Madagascar
- 40% of all Togolese people covered by 4G network in Togo

2. PERPETUAL DEPLOYMENT AND MAINTENANCE OF TELECOM EQUIPMENT

Installing and maintaining **telecom infrastructure** are critical tasks for maintaining our operations in the telecoms sector. Axian espouses **vertical integration** of all critical tasks and responsibilities to maximize its **services' quality**. Telecom towers in Madagascar, Comoros, Reunion, Mayotte, Senegal and Togo are the object of close attention: AXIAN continually implements measures to keep the sites secure and the towers in working condition. In Madagascar, our infrastructure plays host to **4 telecom operators** who have made telecom equipment more widely available.

Key Figures:

- 3400 telecom towers across all our operations

LET'S CONNECT

3. SPREADING MOBILE AND INTERNET NETWORKS FOR GREATER DIGITAL INCLUSION

The mobile networks currently in use by AXIAN's telecom brands are **cutting edge**, and the choices on underlying technology and business strategy emphasise that access to telecom networks is critical to the economic development of isolated communities.

Telma and TowerCo of Madagascar (TOM)'s many projects contributed significantly to Madagascar's economic and social development. **Job creation** thanks to the call center's inauguration; financial inclusion thanks to the advent of mobile money, which already has over **5.1 million users**; **fiber-optic internet** for all Malagasy universities (thus allowing for the dematerialisation of administrative procedures and the digitalisation of learning materials)... so many achievements, all in the name of generating a **positive impact** on our communities.

Today, many countries across Africa benefit from a **globalised digital economy**. Recent studies done actually show that very high-speed internet in Madagascar is faster than some of the faster internet speeds in Europe. AXIAN has made this cutting-edge internet capacity available to communities across Africa and the Indian Ocean.

Buying the telco Only in Reunion and Mayotte alongside our longstanding financial partners Iliad was the first step in our **international expansion**. Today, Telecom Reunion-Mayotte (TRM) is a first-rate telecom operator in both markets, operating as Free in Reunion and Only Istawi in Mayotte. Today, TRM aims to respond to its communities **improve access** to technology in both islands by bringing the latest innovations and technology to market at competitive, accessible prices.

The acquisition of a license to operate in the Comoros Islands and the resulting creation of Telco SA in 2016 are a further milestone in our expansion overseas.

Axian continues its expansion into mainland Africa with the acquisition of Tigo Senegal alongside partners NJJ Capital and the Senegalese group Teyliom. In 2019, Tigo becomes **Free Senegal** after an intensive rebranding. AXIAN contributes to the joint effort to make Free Senegal the telecom **operator of choice** with its expertise in building, operating, maintaining and expanding mobile, internet and fixed-phone networks. Already being one of the largest telecom operators in the country, Free Senegal already has over 4 million users as of EOY 2019.

Seeking to maintain its momentum, the AXIAN Group and partners Emerging Capital Partners (ECP) acquire a joint majority

in the Togocom Group, the historical telecom operator in Togo at the time. As a result, Togocom begins offering cutting-edge technology to support Togo's **digital revolution** (including easy-access platforms for content creators; e-admin solutions; consolidated communication tools for large enterprises and IoT support for the 5G network) and now continually strives to meet the most demanding **international standards** for their service, including network cover, internet speeds, client-service efficacy and the availability of products and services.

Chiffres clés :

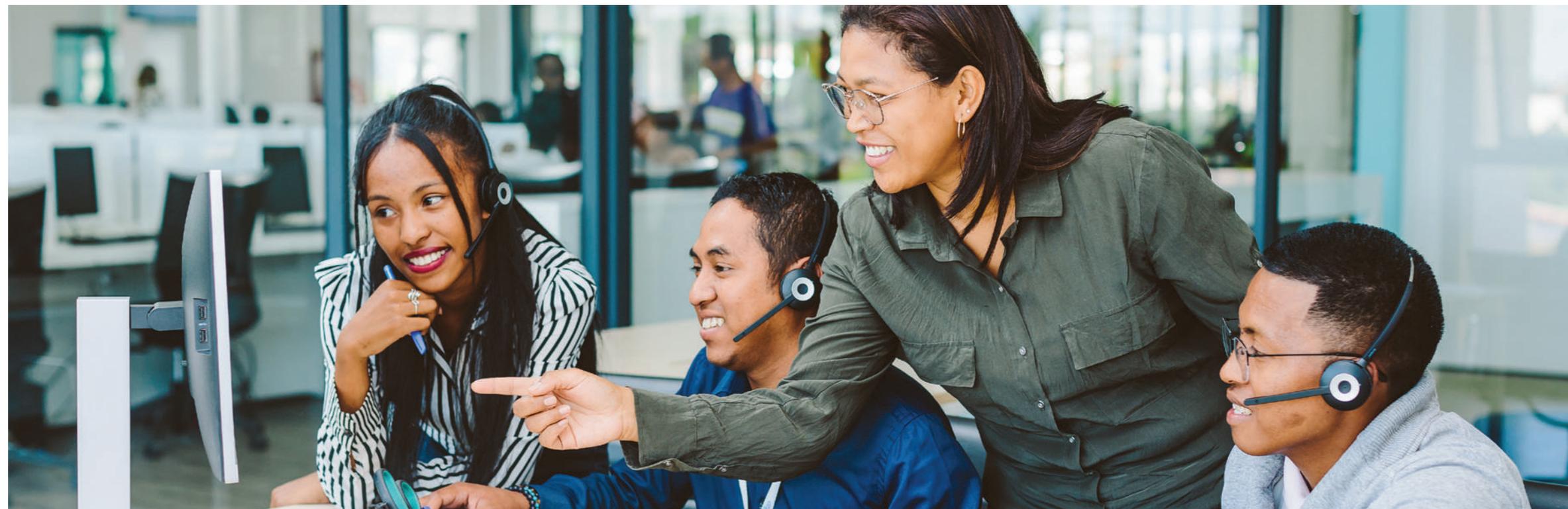
100% of all universities in Madagascar now enjoy access to fiber-optic internet thanks to Telma

15 millions Axian mobile subscribers

FUTURE AND ONGOING PROJECTS

To champion digital inclusion and redefining how society leverages technology are our cluster's main priorities.

After making access to 4G possible in Madagascar and across the Indian Ocean, AXIAN aims to make Madagascar one of the first countries to enjoy the benefits of commercial-scale 5G. Bolstered by the arrivals of Free Senegal and Togocom, our cluster continues to thrive in Madagascar, notably with the introduction of MBalik at the beginning of the year. Free Senegal aims to unlock more possibilities for growth for businesses, and will do so by launching Free Business. AXIAN itself plans to continue to invest in durable critical infrastructure with the METISS and 2Africa underwater cables in 2020, so as to improve its telecom networks across the Indian Ocean and Africa.





LET'S RENEW ENERGY



As a key player in Madagascar's energy sector, the AXIAN Group develops sustainable energy solutions and strives to demonstrate that innovation pertaining to renewable energy holds many opportunities that, as of yet, remain unexplored.

This sector drives economic and social development in developing countries. AXIAN's energy brands are united in their effort to connect, supply and distribute clean, affordable and reliable electricity across Madagascar.

BRANDS



Benjamin Memmi
CEO Energy Cluster

« We are proud that AXIAN's entire portfolio of energy projects demonstrates our determination to supply clean and affordable energy. Renewable energy is one of our main focuses so that we can help achieve economic and policy objectives across Madagascar and Africa.»

OUR BRANDS UNITED BY A SINGLE PURPOSE

AXIAN's energy-cluster brands all pursue a common purpose: to make **energy accessible** to all using products and services that are suited to our communities' everyday needs. Together, they offer an array of means to access energy that covers the needs of the many by **producing and distributing electricity, distributing hydrocarbons** and the propagating the use of **hydroelectric, solar and hybrid energy**.

1. DISTRIBUTING PETROLEUM PRODUCTS

The effective **distribution of petroleum products** across Madagascar is crucial to the smooth running of the country's economy. Our brand **Jovena**, the country's leading petroleum-product distribution company, ensures that both Madagascar's consumer market and major industrial projects have access petroleum products via its network of fuel stations. This includes energy centrals owned by the country's power utility company, JIRAMA. Jovena has a network of **96 state-of-the-art fuel stations** across Madagascar, thus helping **connect remote areas** to all of Madagascar and reinforcing **intranational interlinkage** across the whole country.

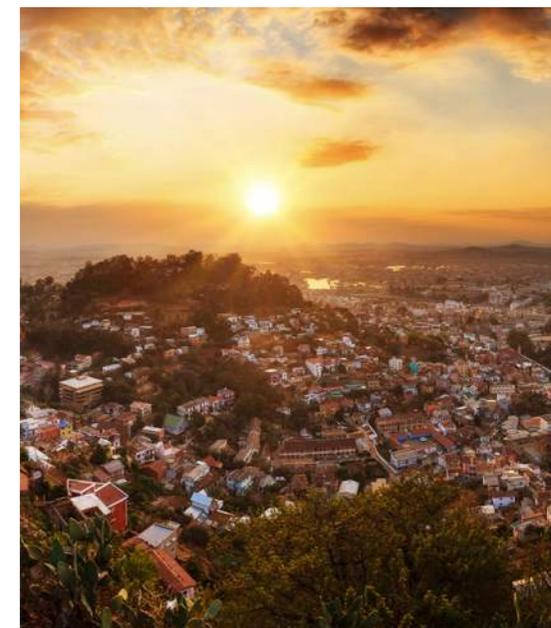
| Chiffres clés : |
|---|
| 1st petroleum-product distribution company in Madagascar |
| 35 % market share in the fuel-distribution market |
| 76 MW produce with the new thermal power station |
| 96 Jovena fuel stations across Madagascar |

2. ENABLING THE ENERGY TRANSITION WITH SUSTAINABLE, AFFORDABLE ENERGY

AXIAN has been able to take the lead in the **energy transition** very quickly and early. Today, our group stands out for its dynamism in the energy and **renewable-energy** sectors in Madagascar. Our group is committed to large-scale projects for **solar and hydroelectric energy production**. The power plant project led by **CGHV, "Hydro Volobe"**, in partnership with the Colas group, Africa 50 and SN Power will see become operational in 2023 and will deliver over **120 MW** of **clean, reliable and affordable electricity**.

AXIAN has partnered with **Green Yellow**, a subsidiary of the Casino Group that specializes in solar energy, to public production projects (construction of the region's **largest solar plant, worth about 20 MW, in Ambatolampy**) or private (power plants for industries and businesses and energy optimization contracts).

| Key Figures: |
|--|
| 120 MW to be delivered in 2023 via the Volobe Hydroelectric dam |
| 73 000 solar panels installed since 2018, amounting to 20 MW in Ambatolampy |



LET'S RENEW ENERGY

3. LEVERAGING SOLAR ENERGY TO ELECTRIFY ISOLATED RURAL AREAS

Early in its quest to electrify **remote communities**, AXIAN became aware that opening up rural areas in Madagascar depends greatly on the communities therein having access to electricity and telecoms. Geographical isolation, poverty and the lack of infrastructure are the three main barriers to the electrification of these areas.

To respond to these major barriers, AXIAN has invested in the search for **sustainable and affordable electrification solutions**. In partnership with Sagemcom, AXIAN created **WeLight**. WeLight is a company that aims to disseminate energy production solutions that are adapted to the environment and needs of specific isolated communities. Some of the technology we leverage for this includes **mini-grids, nano-grids and Solar Home Systems (SHS)**. WeLight, as a company, focuses on studies, assembly and management of all projects related to **rural electrification**. AXIAN aims that WeLight expands to oversee the development of similar projects in remote areas in Mali and Uganda in 2023.

Key Figures:

20 villages electrified across Madagascar

2500 people connected to electricity in 2019



4. HYBRID SOLUTIONS AS A RESPONSE TO EVOLVING ENERGY NEEDS

AXIAN contributes significantly to Madagascar's **energy transition**. Our group invests in cleaner solutions while maintaining strong requirements in terms of **performance and efficiency**. To make these solutions accessible more quickly, our brand **Green Energy Solution (GES)** designs alternative offers called "Hybrids". GES deploys and manages the maintenance of these solutions for companies in the commercial and industrial segments of our markets but also via its partnership with JIRAMA for the construction and operation of hybrid power plants in several cities across Madagascar.

Several **solar and hybrid sites** operated by the Group are currently active in the country. AXIAN engages in the research and deployment of electricity solutions and energy sources of the future to boost **sustainable development** specifically in Madagascar and the surrounding region.

It should be noted that AXIAN Headquarters are 100% powered by solar energy, making us the first Group in the Indian Ocean to achieve such a feat.

Key Figures:

Axian Headquarters **100% solar-powered**

Market leaders in Madagascar's energy sector

9 hours: average additional time with access to electricity in WeLight villages

FUTURE AND ONGOING PROJECTS

The cluster is accelerating its transformation to offer cleaner, more accessible energy. WeLight continues to expand and plans to connect 25 villages—more than 15,000 people in 2020! EDM will open 4 new solar-energy plants in the villages of Ambahita, Andalatanosy, Soamanitra and Tranoroa. As a clear demonstration of the synergy within our group, EDM and GES will support the American School of Antananarivo in its solarization at the technical and logistical levels. The refinancing of the largest photovoltaic power plant in the Indian Ocean, Ambatolampy, by AXIAN and its partners will take place during the year 2020. Finally, Jovena company continues to strengthen its network of fuel stations and infrastructure, so as to give the Malagasy people greater mobility within their own borders.





LET'S BUILD

Real estate was the first market that AXIAN entered into, with the creation of FIRST IMMO in 1995. AXIAN has since focused on building industrial, professional and residential spaces that meet the strictest international norms. As one of the most prominent players on Madagascar's real-estate market, AXIAN seeks to make Madagascar a more attractive destination for businesses, investors and people.

BRANDS



Teddy Hardy
Real Estate Cluster CEO

" It is our mission to ensure that people and businesses have access to the highest-quality real-estate in Madagascar. Our past and ongoing projects demonstrate this commitment to ensuring that our clients enjoy access to realty that meets the highest standards abroad and in Madagascar. "

A LEADING REAL ESTATE DEVELOPER

To attract the largest companies in the industrial or service sector as well as renowned international institutions and facilitate their settling in Madagascar, First Immo has to date successfully completed **four professional real estate projects**, two residential real estate sites and two facilities for commercial use. All of these projects meet **international standards** and offer best-in-class comfort and safety, and are **tailored to the needs of our clients**.

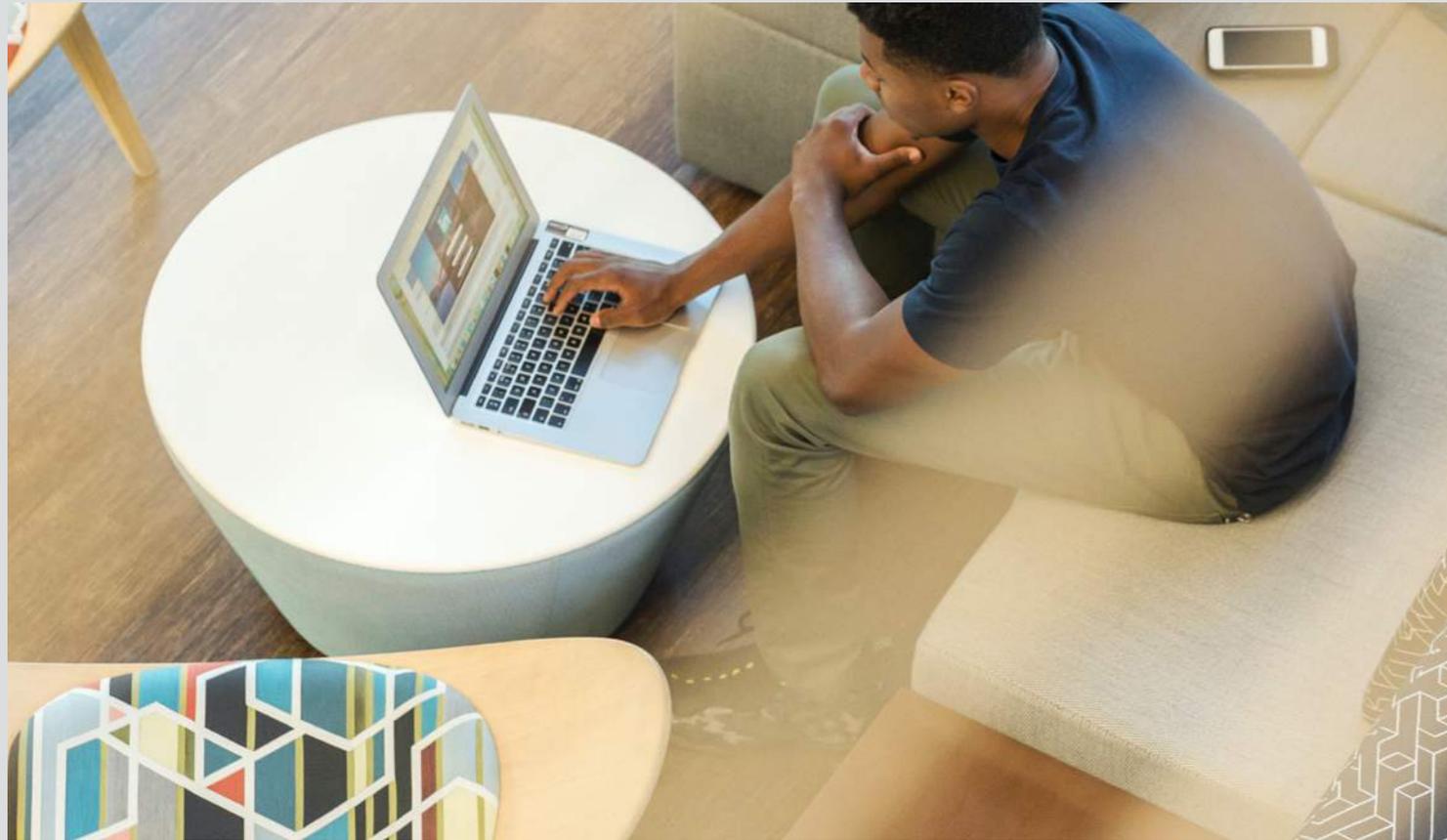
1. COMMERCIALISING RESOURCES FOR BUSINESSES

The **Galaxy** office complex and the **Futura** project are home to the largest **call centers in the country**. Galileo and the Smart shopping center have 40 stores in Tanjombato. Today, Antananarivo and its **free zones** are home to the No. 1 European outsourced CRM company, WebHelp, the information center of the United Nations, the American Center, Intelcia and Floréal ...

FUTURE AND ONGOING PROJECTS

Our cluster is harnessing its experience and its philosophy to build impactful new real-estate projects in Antananarivo and across Madagascar.

The food court in the Tana Shore complex and new buildings in the Park Alarobia complex are to commence in 2020. In response to our stakeholders' expectations and the highest international standards, we are laying the foundation for the development of high-quality real estate projects across the country.



LET'S CREATE

As the world marches on, AXIAN's innovation cluster leads our economy's digital transformation into a more inclusive, more innovative state. As a major proponent of this modernization across Madagascar and all of Africa, our Let's Create cluster is committed to elevating the digital world and the entrepreneurial community everywhere we operate.

BRANDS



Carole Rakotondrainibe
Executive Director Nexta

« At Axian, we act on the believe that far-reaching social evolution cannot happen without the upskilling and future proofing of our youth, digitalisation or addressing challenges with innovative thinking and solutions. Our Open Innovation cluster is the real-life manifestation of this belief, and yet we are just getting started. »

1. GOING DIGITAL: THE KEY TO DEVELOPMENT

Because our world marches forward relentlessly, AXIAN and its **Innovation cluster** support the **transformation** of our economy to make it more **inclusive and innovative**. PULSE assists companies in their digital transformation by offering tailored innovative solutions that are suited to their business model and operations. Thinking not only as a business but also as a leading source of support, the Innovation cluster will be responsible for supporting far-reaching, **transverse** innovation and supporting the various entities of the AXIAN Group. It will augment our **Big Data, Research & Development** capacity across all current and future clusters. The innovation cluster aims to become a noteworthy player in developing Africa by providing people and businesses with **innovative and impactful solutions** in all our sectors.

2. ACCELERATING AND TRANSFORMING AFRICAN BUSINESS

Each company helps **accelerate entrepreneurs and businesses** in its own way and on its own scale. The positive impact of our activities is measurable on a daily basis and it will be felt by generations to come. **NEXTA** is the first private regional incubator dedicated to young entrepreneurs. NEXTA is a unique concept that aims to streamline the entrepreneurial **ecosystem** into a collaborative space for young innovators and fledgling businesses grow. NextA is a hybrid space with a simple mission: to give birth to the future **champions of the Malagasy** economy. NextA thus wishes to participate in the emergence of a Malagasy startup nation. As current entrepreneurs are the harbingers of the creation of a more **inclusive economy**, AXIAN supports, through NextA, the emergence of a generation of passionate, daring, innovative Malagasy entrepreneurs.



FUTURE AND ONGOING PROJECTS

The cluster participates in the acceleration and transformation of entrepreneurs and businesses. After the launch of NextA, new projects are emerging that will allow young entrepreneurs on the Big Island to develop and benefit from its support. The first regional private platform for innovation is planning to develop its portfolio and participate in major innovation and entrepreneurship meetings both in Madagascar and abroad, notably with its leader, the startup Bondy. PULSE continues its adventure and plans to move to new premises in Tana Shore complex later this year.

PRESTIGIOUS PARTNERSHIPS

AXIAN works alongside prestigious partners for many of its projects. Our choice of technical and financial partners who share our vision of conducting activities that have a positive and sustainable impact on society:



NJJ CAPITAL



SAGEMCOM



CIEL LTD

Acquisition of BNI

MADAGASCAR
In 2014, AXIAN entered the banking market by purchasing the BNI MADAGASCAR bank with partners Ciel Ltd, a Mauritian group. Today, AXIAN is working hand in hand with our renowned partner to improve products and services

NJJ

Creation of Telco SA

In 2015, AXIAN and its partner NJJ Capital (holding company of Xavier Niel, CEO of Iliad) obtain the second telecom license to operate in Comoros. Telco SA is created by the two partners to stimulate competition in the island to the benefit of customers.

NJJ / TEYLIOM

Acquisition of Senegalese telco, Tigo Senegal

In 2018, NJJ and AXIAN are introduced to Yerim Sow, owner of the Teyliom Group, to work towards the acquisition of Tigo Senegal, a Senegalese telecom operator. The combination of three experts in the field of telecoms brings new technological expertise and thus new opportunities for Tigo to improve its services while lowering its production costs.

ILIAD

Acquisition of Telecom Reunion-Mayotte

In 2015, AXIAN partners with Iliad, a French telecom group founded by Xavier Niel, for the takeover of the Outremer Telecom (Only)'s mobile operations. Telecom Reunion Mayotte (TRM) now aims to become a regional leader and facilitate access to the latest technology at competitive, accessible prices— just as Telma did in Madagascar. The pooling of expertise by both AXIAN and Iliad Telecom has allowed for rapid prioritization of investments that are most crucial for developing the network network. TRM's involvement in the modernization of infrastructure and deployment of very high-speed internet on both islands from its onset are an example of bold, far-reaching impact.

SAGEMCOM

Creation of the WeLight Joint Venture.

In September 2018, AXIAN and Sagemcom created a joint venture called WeLight, a company that is dedicated to rural electrification, with a focus on remote areas around sub-Saharan Africa. Sagemcom is an AXIAN Group partner for many large-scale projects. Sagemcom works particularly with TowerCo (TOM).

NORFUND

Investment Partnership between Norfund and WeLight

In November 2018, WeLight and Norwegian development fund Norfund formalized an investment partnership aimed at improving access to clean, reliable and affordable electricity for remote areas and isolated communities. WeLight now benefits from the Norwegian fund's experience and backing to deploy energy-production solutions in places where they are most needed.

EMERGING CAPITAL PARTNERS

Acquisition of Togocom

In 2019, Axian partners with Emerging Capital Partners (ECP) to acquire a joint majority stake in Togo's incumbent telecom operator, the Togocom Group. The move is designed to maintain AXIAN's growth into mainland Africa and eventually make Togocom a major force in Africa's telecom and digital landscape.

AFRICA 50

Signed a Shareholding Agreement to Develop The Volobe Hydroelectric Plant in Madagascar.

In 2019 The AXIAN Group , via Jovena, Africa 50, SN Power and the Colas Group commit to co-developing the hydroelectric plant and entering into the shareholding of the Compagnie Generale Hydroelectricique de Volobe (CGHV), which will bear this project to completion. Africa50 is an investment platform that was created by African heads of state and the African Development Bank (ADB). Its mandate is to develop and invest in infrastructure projects with strong developmental impact through the mobilization of public and private funds, all by offering an attractive return to investors. As expert in development and project finance, Africa50 has made valuable contributions to this project.

SN POWER

Signed a Shareholding Agreement to Develop The Volobe Hydroelectric Plant in Madagascar.

In 2019 The AXIAN Group , via Jovena, Africa 50, SN Power and the Colas Group commit to co-developing the hydroelectric plant and entering into the shareholding of the Compagnie Generale Hydroelectricique de Volobe (CGHV), which will bear this project to completion. SN Power is a company that invests in clean and renewable energy on a commercial scale in developing countries emerging. Its main focus is hydroelectricity, whereby the company focuses on the acquisition, development, construction and operation of hydroelectric assets and currently operates through joint venture partnerships. So far, they operate hydroelectric power stations in the Philippines, Laos, Zambia, Uganda and Panama. As a key player in the hydroelectric sector, SN Power has brought to bear its technical know-how and operational experience with hydroelectricity on the Volobe project.

COLAS

Signed a Shareholding Agreement to Develop The Volobe Hydroelectric Plant in Madagascar.

In 2019 The AXIAN Group , via Jovena, Africa 50, SN Power and the Colas Group commit to co-developing the hydroelectric plant and entering into the shareholding of the Compagnie Generale Hydroelectricique de Volobe (CGHV), which will bear this project to completion. Colas is a subsidiary of the Bouygues group. Their mission is to promote infrastructure solutions for transport and mobility. Established in more than 50 countries across 5 continents via a network 800 operating units, Colas has been present at Madagascar for nearly 70 years old and participated in all major infrastructure projects across Madagascar. Colas is thus bringing to bear its experience in construction and building infrastructure across Madagascar to the project.

The official launch of the Indian Ocean's largest private incubator and coworking space: **NextA**

OUR COMMITMENTS



OUR PEOPLE : THE HEART OF OUR CORPORATE CULTURE

AXIAN has always positioned itself as a responsible employer who guarantees respect for the rights of its employees. Our group is committed to ensuring that people remain the heart of the company. AXIAN ensures that it creates a fulfilling work environment, enforces a fair and transparent human resources policy and continuously invests in improving the skills of men and women who allow the group to advance.

Our 4,900 employees professional fulfillment: the life blood of our group

AXIAN promotes the formation of diverse teams. Our group believes that it is through the sharing and pooling of experience and knowledge that innovation can prevail. This commitment translates into a successful employer brand strategy that attracts talent across Africa and beyond.

AXIAN is committed to:

- Guaranteeing equal opportunities for hiring.
- Investing in modern working tools.
- Ensuring the workplace safety of our employees.
- Practicing fair and transparent management/governance.
- Rewarding proactive effort and daring innovation.



4 900
EMPLOYEES



Wellbeing, our way

Today, AXIAN looks to the future by working daily to improve our people's wellbeing. However, to contribute to our communities' day-to-day lives through our activities, we know that our employees, who exert their professions with passion and daring, must themselves benefit from the best possible work conditions. We are attentive to the well-being of our employees and prioritize dialogue and listening to every opinion with compassion. Our governance model is evolving continuously to adapt to our employees' changing demands and expectations of our employees, customers and partners. Our model is resilient and flexible, and based on values that are above all human and respectful of diversity.



49 700
hours

OF TRAINING DELIVERED BY AXIAN TRAINING CENTER

Our commitment to constantly helping our people grow

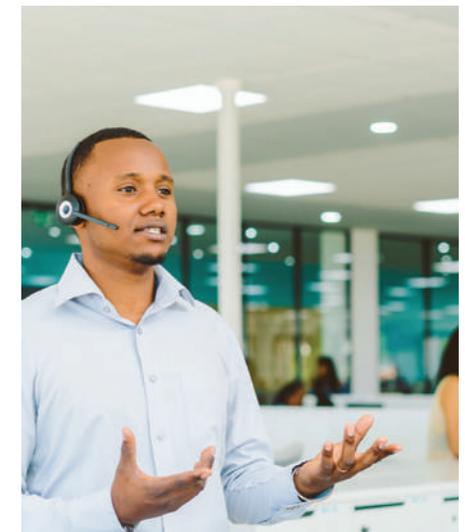
AXIAN continuously invests in its talents and has implemented numerous trainings related to its sectors of activities. Our "AXIAN Training Center" is a dedicated space for expert trainers to deliver these trainings. Its corporate culture emphasizes team management that is based on respect, trust and equity. In 2019, a total of 49,7000 hours of training was delivered to employees by AXIAN Training Center. AXIAN promotes internal mobility, the sharing of experiences and pooling of knowledge. Within our group, AXIAN

enshrines gender equality in our organizational and policy choices—a fact that is well-reflected in our HR policies. Men and women who have the same duties earn equal wages and equal access to new job opportunities. Today, AXIAN wants to go farther and increase the proportion of women in all boards of directors across our subsidiaries.

Axian intrapreneurship program: promoting intrapreneurship within axian

AXIAN and NextA, through their vision of nurturing future African champions, make every effort to support future value creators in their journey. A dedicated team of expert in their field supports the Group's employees wishing to undertake, promote or take part in initiatives and projects that can have a lasting positive impact on society-at-

large. AXIAN is committed to growing its activities in an inclusive manner, so that each AXIAN employee can represent the values of our group and bring forth the same determination to innovate and surpass oneself in all aspects of their life. Our intrapreneurship program allows our employees to present and execute impactful business ideas and benefit from tailored support.





OUR COMMITMENT TO EMPOWERING WOMEN IN THE ECONOMY AND SOCIETY

AXIAN is committed to promoting gender equality as an underlying value of the Malagasy economy and beyond. Even though as a private company, we do not enjoy the right to act directly on the regulatory environment, AXIAN strives for meaningful action that signals our advocacy for women's equality in the workplace. AXIAN works directly with the most affected by these inequalities: young girls from disadvantaged social strata. Through its corporate foundation, the group has developed education support programs and vocational trainings for young women. In the deployment of its entrepreneurship support program, AXIAN makes a point of encouraging more sustained female entrepreneurship.

“ Axian’s actions take aim to empower the women most harmed by systemic inequality: young women born in poverty. ”

OUR FOUNDATION & COMMITMENTS

The Telma Foundation has been working in the field since 2009 to support the most vulnerable portions of our communities, helping build a better future for themselves. It operates primarily via actions directed in the fields of education, health, environment, sustainable development and humanitarian aid. The Foundation relies on new technologies and services developed by Telma to promote the country's development and improve the living conditions of its people. The Computing for All program, initially implemented in partnership with Microsoft, is one such emblematic project. It allows elementary schools children and secondary schools to teach the use of digital tools through the provision of computers, broadband internet connections and educator training. Thanks to Telma's infrastructure and its presence throughout Malagasy territory, the Foundation is also involved in risk and disaster management (GRC) alongside Malagasy authorities.



THE TELMA SEKOLY PROGRAM



63 schools built in 18 regions of Madagascar, including 15 primary schools designed to withstand cyclones. In total, 10,200 children have benefited from the program to date. The Telma Foundation is not only involved in the development of TIC. One of its top priorities today is the building of schools. To compensate for the lack of accessibility to schools and hosting capacity, the Telma Foundation launched a program to build new primary-school structures across the country in partnership with local NGOs in 2015. The foundation also undertook the building of Basic Health Centers in many areas to remedy the lack of local health infrastructure.

67

schools built across Madagascar since 2015

13,414

students enrolled into Telma Sekoly

207

classrooms built and equipped

\$ 4 millions

investment in the program since 2015

THE IPT PROGRAM

63

Training Centers equipped with high-speed internet and computers

80,000

beneficiaries of the "Informatique Pour Tous" (Digital for All) program since 2013

42

telephones and prepaid budgets donated to Fitia, an NGO that combats gender-based violence



OUR COMMITMENT TO IMPACT-INVESTMENT

In recent years, AXIAN has shown a strong desire to act in the interest of empowering the African entrepreneurial fabric through its participation in dedicated development funds.

AXIAN joined the **Adenia Capital IV** investment fund in June 2017. This fund, launched in 2016 alongside DFIs, investors and institutions such as the African Development Bank and Proparco, pension funds; helps nurture medium-sized businesses whose activities help meet the evolving needs of African communities.



At the beginning of 2018, AXIAN invested in **Emerging Capital Partners (ECP)**, one of the largest and oldest private-equity funds and a specialist in African investment. This commitment has allowed us the title of partner to a major player in the economic development of Africa's private sector. Like AXIAN, the ECP fund shares the same desire to invest in the long term, to work for inclusive growth on the continent and support impactful innovative projects.

AXIAN is also very involved in the first-ever Malagasy impact-investment fund, **MIARAKAP**, which was founded in February 2018. This fund is dedicated to financing, offering guidance to and supporting SMEs and startups. It remains the first fund of its kind to emerge on the Big Island.

More recently, AXIAN joined the ranks of investors in the **Partech Africa** fund, a subsidiary of Partech Venture, which specializes in financial support for digital startups across the African continent. This newly-created fund has ambitious goals for propping up young African entrepreneurs. By investing in Partech Africa, AXIAN has once again iterated its vision of technology and solutions that are made by Africans for Africans.

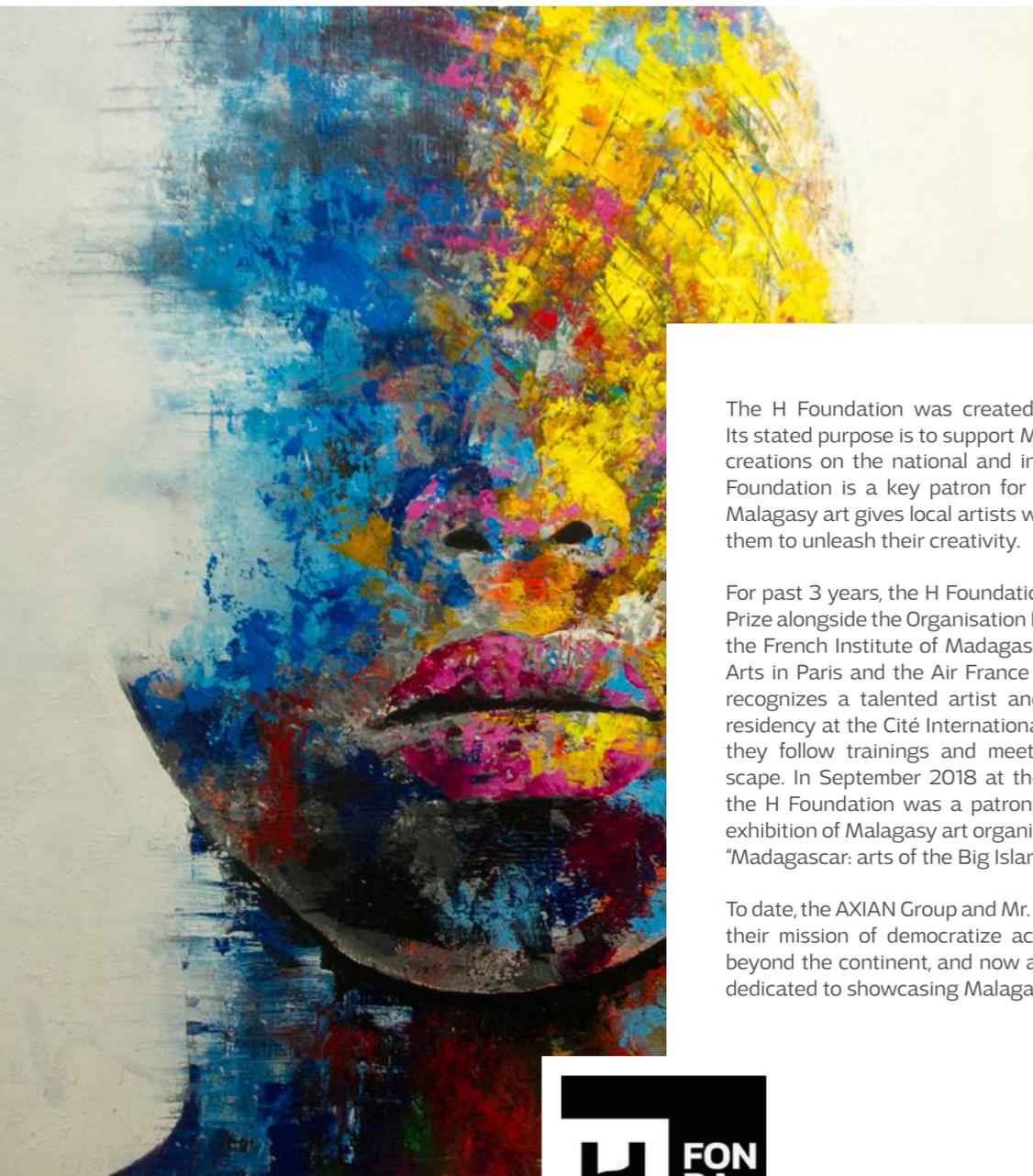


In November 2018, AXIAN signed an investment partnership between WeLight and Norway's development fund **Norfund**, thus showing that we still strives to improve the access of isolated rural populations to cheaper, more reliable and more affordable electricity.

AXIAN makes it a point to respect the investment principles of the World Bank and performance standards of the International Finance Corporation (IFC). In its pursuit of its African private-sector investment strategy, AXIAN has established financial partnerships with several development funds working for inclusive growth and economic development. As committed signatories of **United Nations' Global Compact**, we deal greatly with issues of Environmental, Social and Governance (ESG) in the managing of our portfolios.



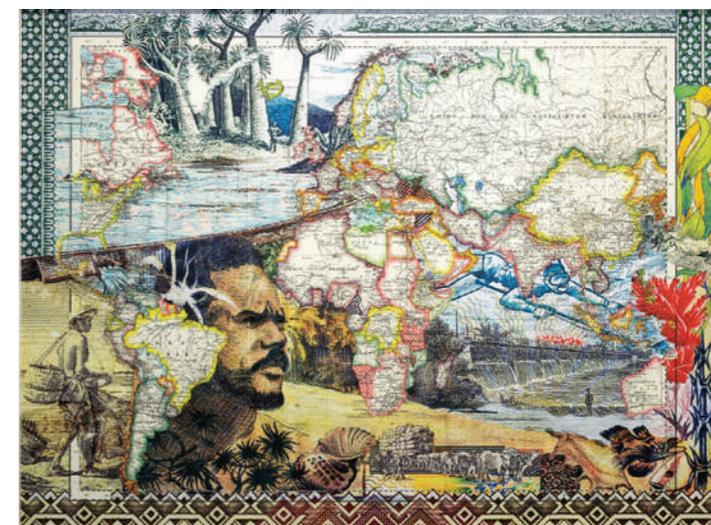
OUR PART IN MAKING ART MORE ACCESSIBLE ACROSS MADAGASCAR



The H Foundation was created by Hassanein Hiridjee in 2016. Its stated purpose is to support Malagasy artists and promote their creations on the national and international artistic scene. The H Foundation is a key patron for the emergence of contemporary Malagasy art gives local artists with the license and at platform for them to unleash their creativity.

For past 3 years, the H Foundation has co-sponsored the Paritana Prize alongside the Organisation Internationale de La Francophonie, the French Institute of Madagascar, of the Cité internationale des Arts in Paris and the Air France Foundation. Each year, this prize recognizes a talented artist and allows them to do a 3-month residency at the Cité Internationale des Arts in Paris, during which they follow trainings and meet professionals from the cultural scape. In September 2018 at the musée du quai Branly in Paris, the H Foundation was a patron alongside AXIAN in the first full exhibition of Malagasy art organized in Europe since 1946, themed: "Madagascar: arts of the Big Island".

To date, the AXIAN Group and Mr. Hassanein Hiridjee are continuing their mission of democratize access to African arts and culture beyond the continent, and now aim to open an art gallery in Paris dedicated to showcasing Malagasy and African artists.



AXIAN'S COMMITMENT TO THE UNITED NATIONS' GLOBAL COMPACT

Creating a positive impact is an inherent part of the AXIAN Group's approach. We sincerely believe in working towards sustainable development. We have responded resolutely to the challenge of fairer and more inclusive growth, and to demonstrate this conviction, we have joined the United Nations' Global Compact.

AXIAN IS COMMITTED TO SUSTAINABLE GROWTH

AXIAN is now fully mobilized to find the most innovative solutions to the harmful effects of its activities on the environment. Our group is aware of the importance of sustainable development to the planet's and future generations' wellbeing, and we are committed to mitigating these harmful effects as needed.

Within its various activities, AXIAN seeks to adopt innovative solutions that can replace production methods that are harmful to the environment. The guidelines of the group's internal and external CSR policies are strongly aligned with the 17 Sustainable Development Goals (SDGs) for Agenda 2030. We are aware of our success but also conscious of the challenges ahead, and our group regularly tackles new challenges. AXIAN transparently discloses its objectives aimed at reducing its consumption of raw materials, finding ways to minimize waste, to recycle and to recover part thereof.



OUR PART IN THE FIGHT AGAINST CORRUPTION

AXIAN works actively to preempt and identify any corrupt malpractice, such as embezzlement or fraud. Each of AXIAN's brands is held to a standard of irreproachable conduct that is steeped in honesty, integrity and ethics. The rejection of corruption is a logical part of our group having a positive impact on the economic progress of countries in which we operate. AXIAN ensures compliance of our operations with application laws and regulations of our host countries. In this framework, our group relies on a code of conduct that prohibits corruption, among other harmful practices. We strive to enforce its guidelines so that all employees comply with it, thus safeguarding our stakeholders and allowing us to create value in a legally and ethically upstanding manner.



"AXIAN considers education to be society's greatest weapon in the fight against child labour."



AXIAN'S COMMITMENT TO FIGHTING CHILD LABOUR

Even today, child labour remains a social issue in Madagascar and in other communities that AXIAN serves. We are strongly against such practices and we strongly condemn forced work in all its forms. Thanks to our corporate foundation, we strive to get children into schools even in the poorest and most isolated communities that we engage with. AXIAN considers education to be society's greatest weapon in the fight against child labour.

OUR COMMITMENT TO DIVERSITY

Axian is fully committed to the integration of physically-handicapped workers into our professional environment. We do wish to open more opportunities to people with disabilities, thus empowering them to tackle more responsibilities and increase their employability. Disabled peoples' commitment to professional life remains a barrier major to the employability of these people because of their typical social isolation and high dropout rate in Madagascar. To improve the professional adaptation of disabled workers, AXIAN also strives to introduce and revamp its people's mindset at work. Our group must indeed fight prejudice and allow job candidates to be treated equally during the recruitment process.





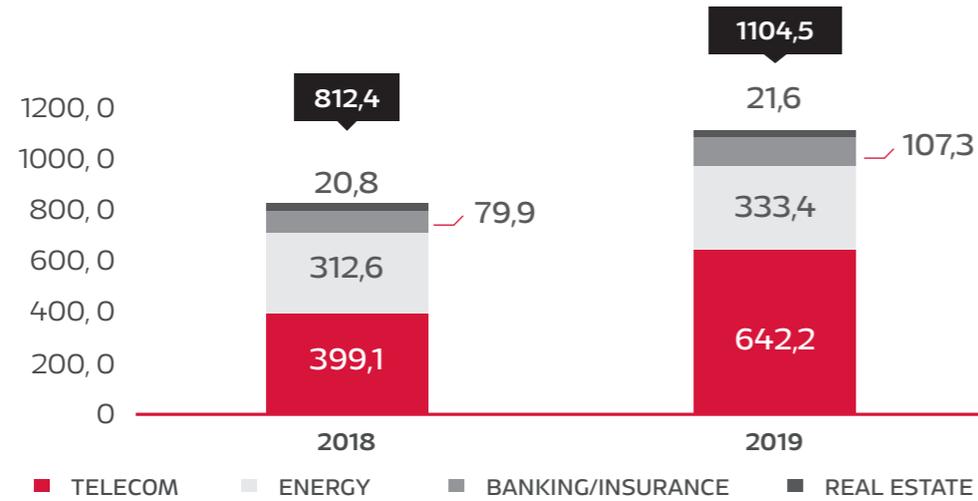
6 FINANCIAL STATEMENTS

REVENUE

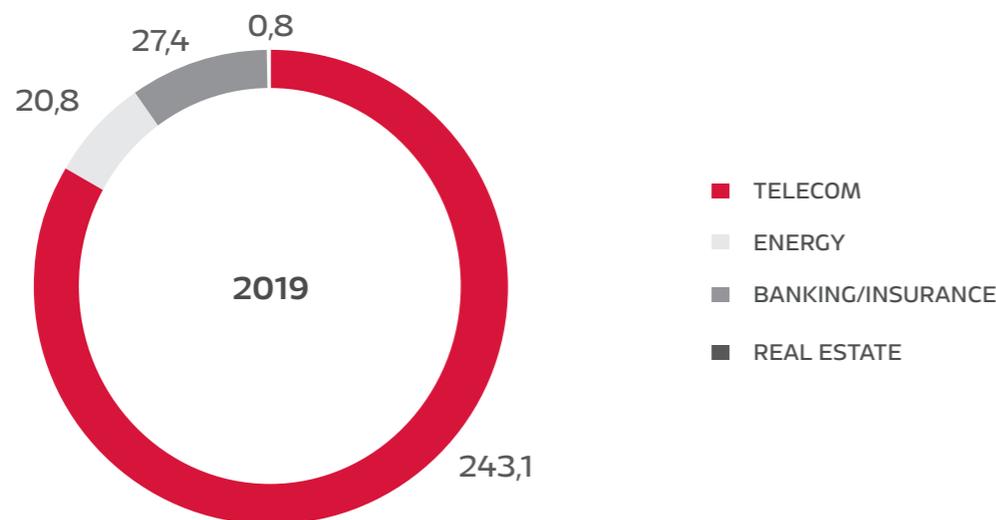
(INCLUDING TOGO FOR 2019)

Total Businesses - Non-Proportional to the group's shareholding

ANNUAL REVENUE BY CLUSTER \$M - AXIAN GROUP
(FIXED EXCHANGE RATE AT 3600 MGA/USD)



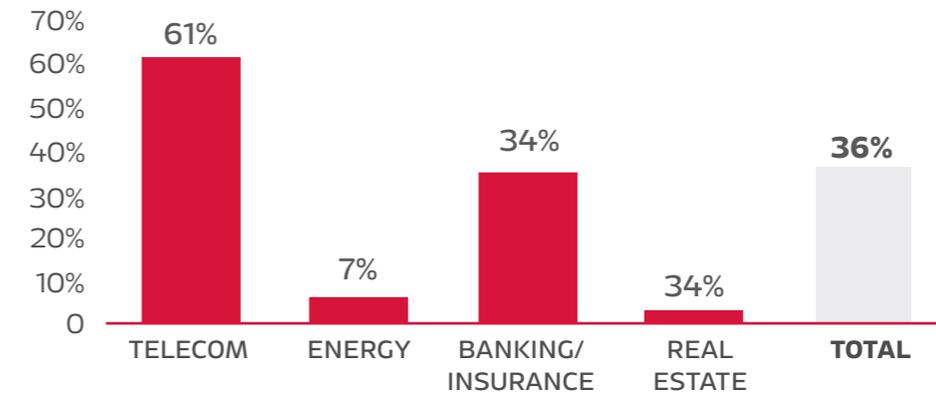
REVENUE GROWTH 2019 BY CLUSTER \$M
(FIXED EXCHANGE RATE AT 3600 MGA/USD)



CLIENTS/MARKETS

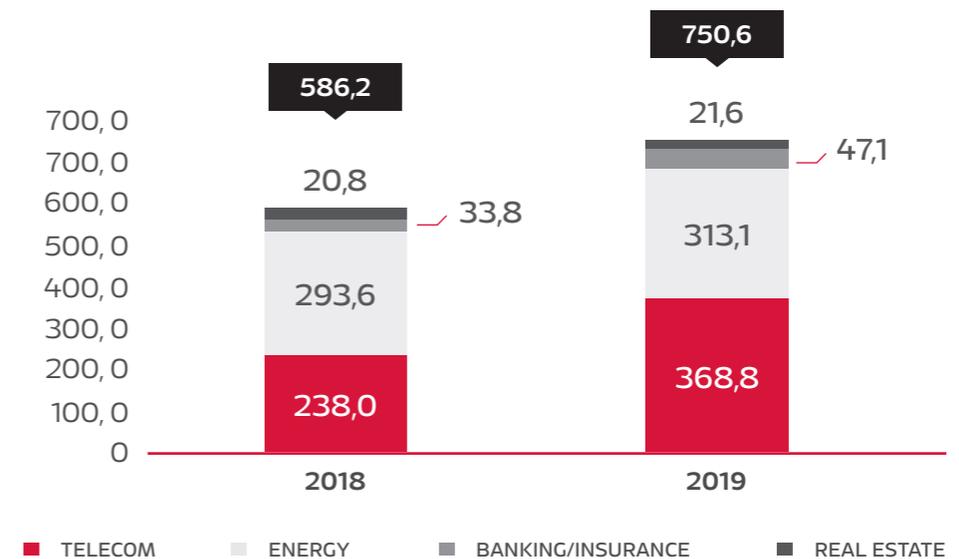
Total Businesses - Non-Proportional to the group's shareholding

REVENUE GROWTH 2019 BY CLUSTER



Proportional to the group's shareholding

ANNUAL REVENUE BY CLUSTER \$M - AXIAN GROUP
(FIXED EXCHANGE RATE AT 3600 MGA/USD)



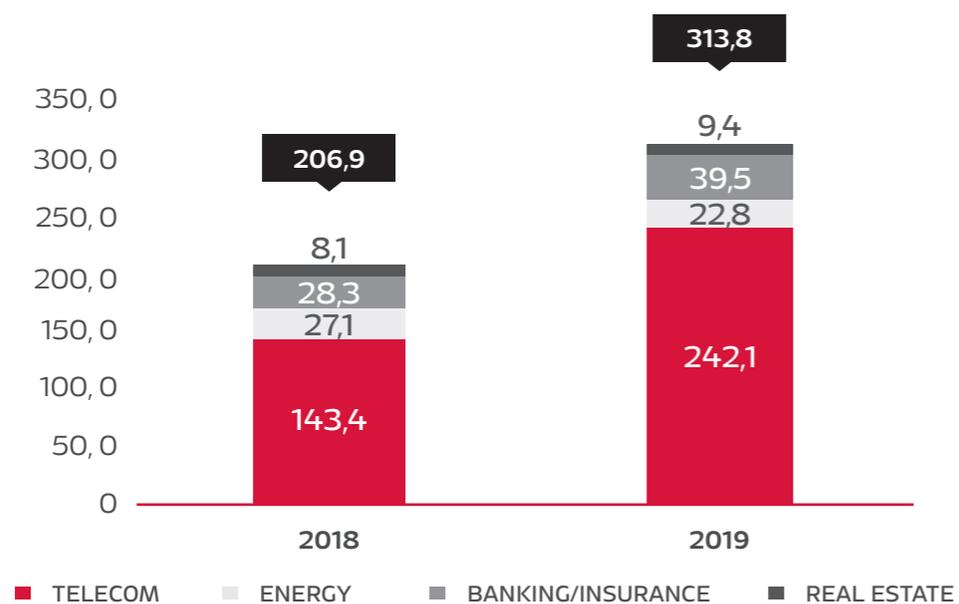
EBITDA AND NET PROFITS

(INCLUDING TOGO FOR 2019)

Total Businesses - Non-Proportional to the group's shareholding

EBITDA

EBITDA PER CLUSTER \$M - AXIAN GROUP
EBITDA PER CLUSTER \$M - AXIAN GROUP

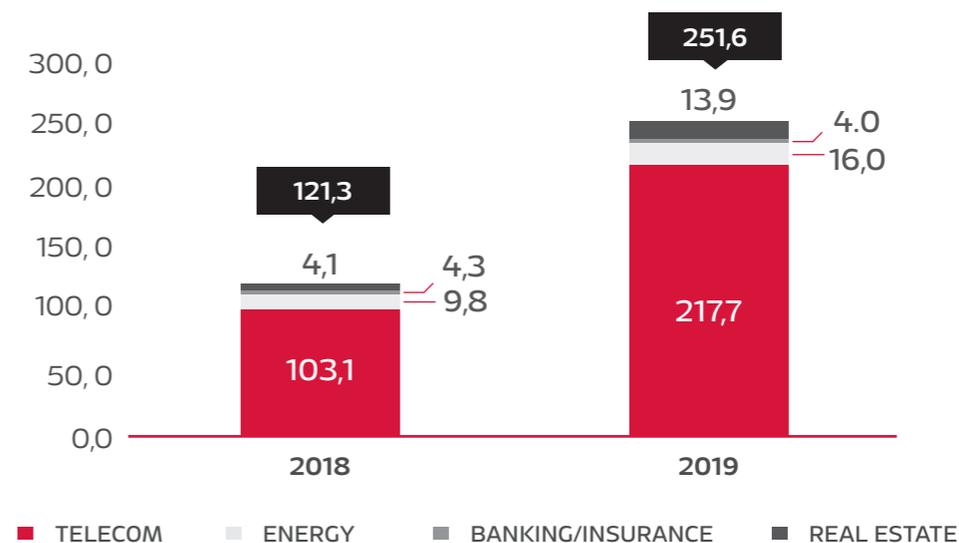


INVESTMENTS

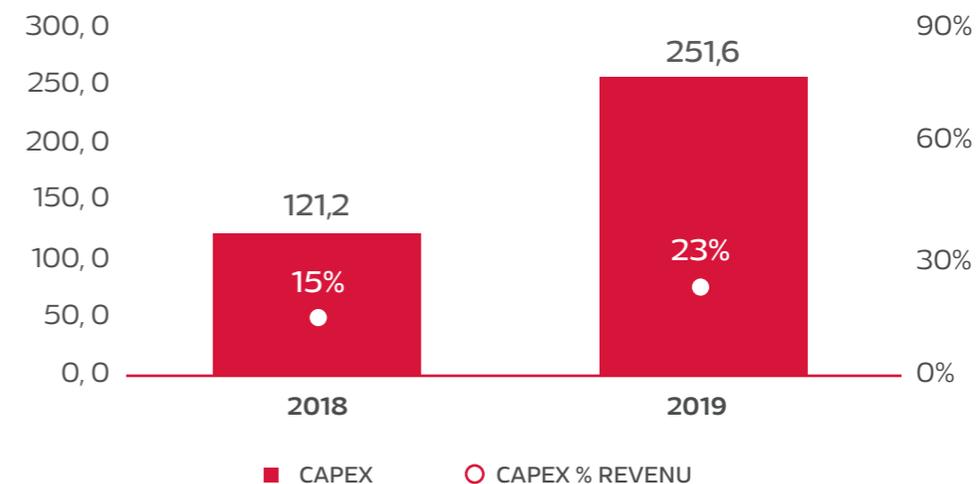
(INCLUDING TOGO FOR 2019)

Total Businesses - Non-Proportional to the group's shareholding

INVESTMENTS - \$M



CAPEX RATIO/REVENUES (\$M)
(HISTORIC EXCHANGE RATE)

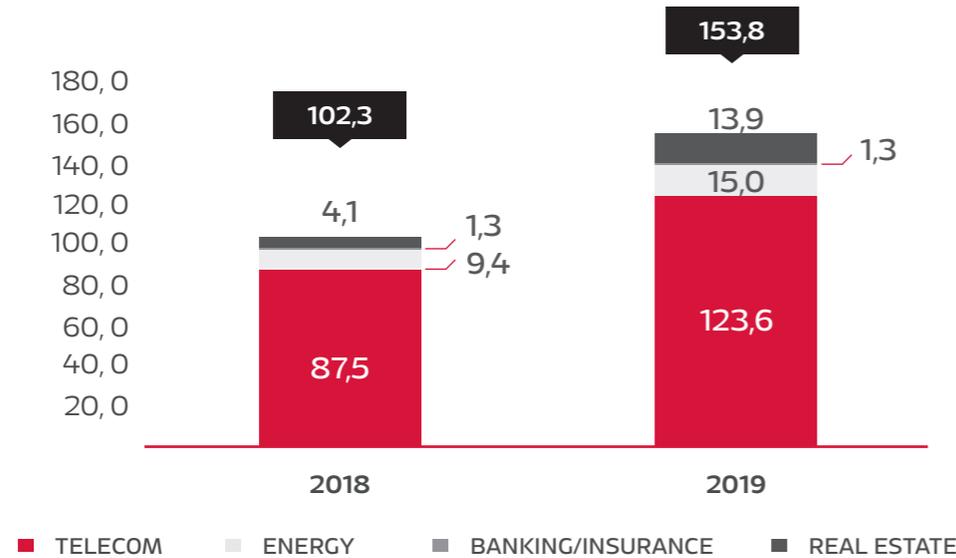


INVESTMENTS

(INCLUDING TOGO FOR 2019)

Proportional to the group's shareholding

INVESTMENTS \$M - GROUP SHAREHOLDING



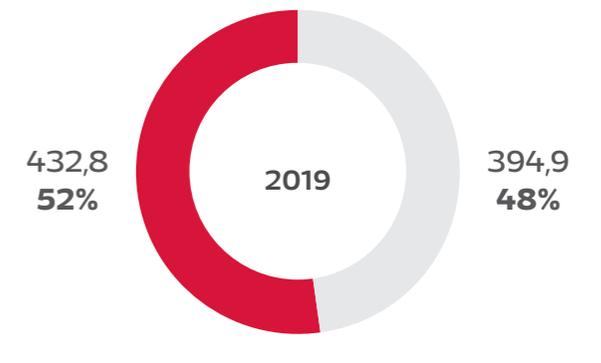
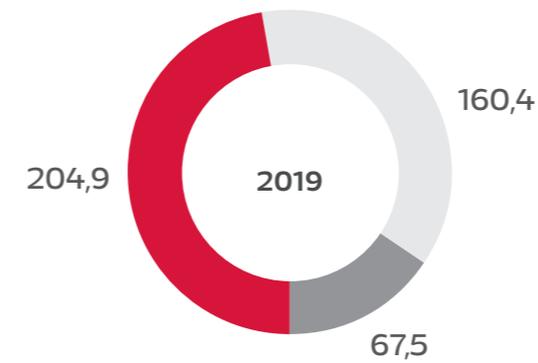
DEBTS & LIABILITIES FOR THE YEAR ENDED 2019

(INCLUDING TOGO)

Total Businesses - Non-Proportional to the group's shareholding

GROUP LIABILITY STRUCTURE - EUR (M)

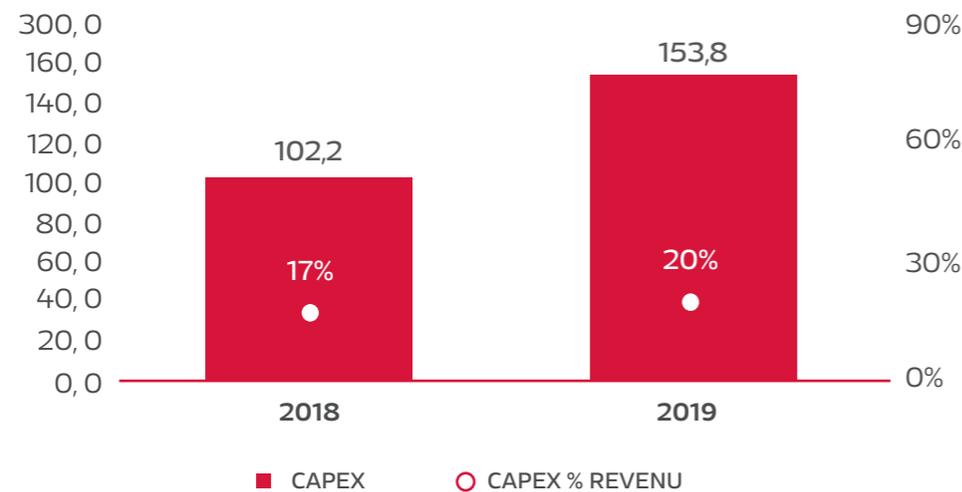
GROUP FINANCING STRUCTURE - EUR (M)



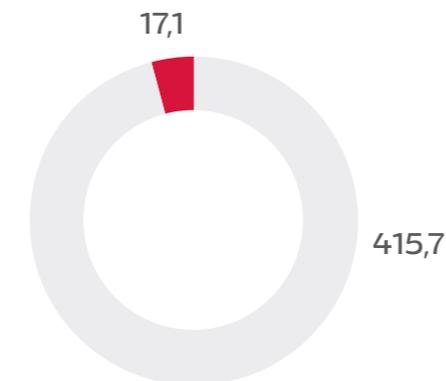
- BANK BORROWINGS - ACQUISITION (LBO)
- EQUIPMENT SUPPLIERS LIABILITY
- OTHER BANK LIABILITIES

- TOTAL EQUITY BALANCE
- TOTAL LIABILITY BALANCE

CAPEX RATIO / REVENUES (\$M)
(HISTORIC EXCHANGE RATE)

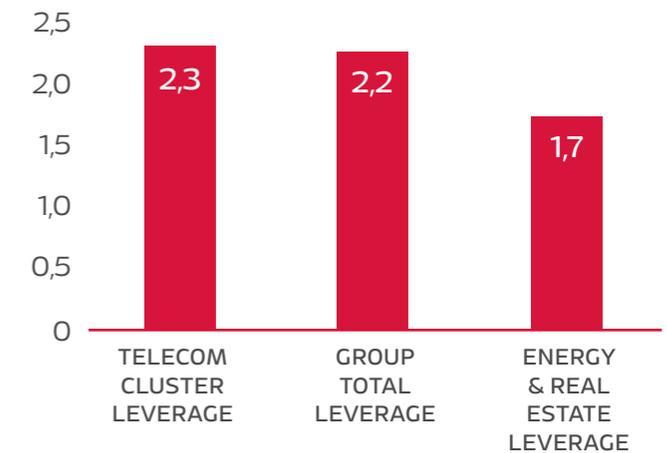


LIABILITY AND FOREIGN EXCHANGE RISKS - EUR (M)



- DEBT EXPOSURE TO FOREIGN EXCHANGE RISKS
- FOREIGN EXCHANGE RISKS NON-EXPOSURE

LEVERAGE (LIABILITY/EBITDA)



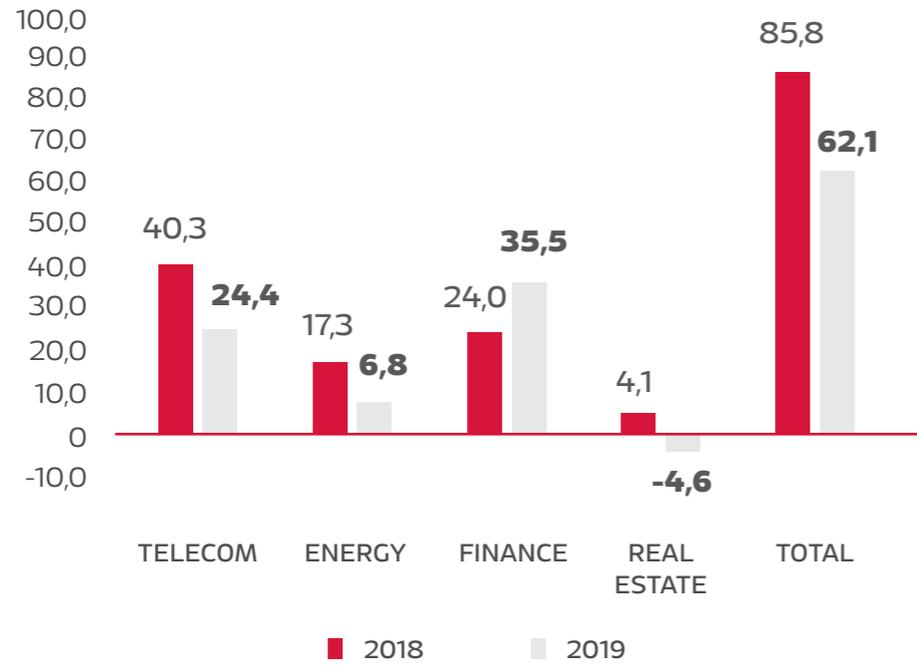
FREE CASH FLOW

(INCLUDING TOGO FOR 2019)

Total businesses - Non-proportional to the group's shareholding

ANNUAL VARIATIONS

FREE CASH FLOW \$M YOY
(EBITDA - CAPEX)





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