

CHAIRMAN'S STATEMENT

ONCE AGAIN, IT GIVES ME GREAT PLEASURE TO PRESENT MAURITIUS TELECOM'S LATEST ANNUAL REPORT. IT IS MORE THAN ENCOURAGING THAT, DESPITE THE EVERMORE CHALLENGING AND COMPETITIVE TELECOMMUNICATIONS ENVIRONMENT, OUR COMPANY HAS AGAIN MANAGED TO RECORD A SOUND FINANCIAL PERFORMANCE DURING THE 2018 FINANCIAL YEAR.

JUST AS IMPORTANTLY, MAURITIUS TELECOM CONTINUED TO MAKE MAJOR STRATEGIC INVESTMENTS IN ORDER TO SECURE ITS FUTURE. WE HAVE A CLEAR VISION AND, UNDER OUR CEO'S LEADERSHIP, THE COMPANY HAS BEEN ABLE TO MAINTAIN ITS LEADERSHIP POSITION IN THE LOCAL MARKET.

NAYEN KOOMAR **BALLAH**, GOSK
Chairman

FINANCIAL PERFORMANCE

The Mauritius Telecom Group achieved remarkable results in 2018 despite a mature and limited market, and intense competition from what are known as Over-The-Top (OTT) players. Group revenue grew by 7.2% compared to 2017 to reach Rs 10.6 billion, while profit after tax reached Rs 1.3 billion, representing a double digit year-on-year increase of 25%.

CORPORATE GOVERNANCE

The Company is firmly committed to the principles and codes of corporate governance and aims to be as fully compliant as possible. We also aspire to uphold best practices in respect of integrity and ethics. Indeed, we feel it is in our own best interests as, by diligently discharging our responsibility towards our shareholders, customers and employees, we are able to gain their trust, which protects our assets and ultimately creates long-term value.

AN ACTIVE SOCIAL PARTNER

Mauritius Telecom is one of Mauritius' leading companies and, not least because we are also a public entity, we have a particular responsibility to use our position to help the country progress and advance all sectors of society.

“MAURITIUS TELECOM IS NOW A VERY DIFFERENT TELECOMMUNICATIONS COMPANY FROM WHAT IT WAS FOUR YEARS AGO.”



CHAIRMAN'S

STATEMENT

(CONT'D)

We are fully committed towards fulfilling our social commitments. Our corporate social responsibility (CSR) funds are channelled through the Mauritius Telecom Foundation, which supports community initiatives promoting socio-economic integration and development.

The company injected no less than Rs 15 million in 2018 to finance projects in support of health and well-being, poverty alleviation, education, environmentally-friendly practices, people with disabilities and the elderly.

Since 2017, Mauritius Telecom has been actively promoting major national projects which reach out to the community. We started with the deployment of 350 Wi-Fi hotspots across the country with the aim of democratising internet access and bridging the digital divide. This project has been hugely successful, with an average of 11,000 connections daily using the hotspots.

Mauritius Telecom further contributed significantly to a key project in 2018, namely the construction of a community Multi-Use Games Area (MUGA) in Phoenix, targeted at people of all age groups living in the neighbourhood. This project reaches out, in the same way as the Wi-Fi hotspots project, to the community at large. So far, 60,000 people have visited MUGA Phoenix since its opening in August 2018. As well as promoting a healthier lifestyle, it has become a place where local people come to exercise and have fun together. Moreover, MUGA is the first community initiative backed up by a fully informative and responsive website, and a supporting mobile app for use on the move.

EMPLOYEE ENGAGEMENT

We aspire to be a Company for which our employees are proud to work. We aim to be an equal opportunity employer and provide a conducive and collaborative workplace so that each employee feels engaged towards the Company and seeks to perform to his or her maximum potential.

Our employees have played a vital role in our transformation strategy and investing in them is crucial to our success. A salary review was completed to the satisfaction in April 2018 and staff under the MTS scheme benefitted from increases in salary and benefits.

We also take an interest in staff well-being, providing annual health check-ups. In 2018, we set up a fully equipped gym in Ebene and introduced fitness and coaching programmes, as well as negotiating further discounts for staff with our wellness partners and exclusive offers in well-known retail outlets.

To show our appreciation of senior employees, we launched long service awards for employees with more than 40 years' service in the Company to thank them for their contributions and dedication.

As our contractors are seen as our representatives when undertaking tasks on our behalf, and some problems had been reported, we took steps to provide a training programme for 300 contractors, spread across various teams, on how to carry out installations and fault resolutions to the highest standards of corporate professionalism.

SECTOR OUTLOOK AND STRATEGY

Mauritius Telecom is now a very different telecommunications company from what it was four years ago. We have made good progress and we are in a stronger position to face industry challenges. Our aim is to create long-term sustainable growth so that we continue to deliver greater returns to our shareholders and outstanding value to our customers.

CONCLUSION

I greatly appreciate the commitment and support I receive from my fellow Board members in assisting me in my function as Chairman. I also wish to thank all staff and the management team for giving their best at work, undeterred by the transformational changes that the Company is undertaking.

On behalf of the Board, I also thank Shakuntala Devi Gujadhur-Nowbuth who stepped down as director on 28 June 2018 and take this opportunity to welcome Navindranath Poonye to the Board.

On a concluding note, I cannot sign off without congratulating our CEO, Sherry Singh, for the Leadership Award 2018 conferred on him by the FTTX Council Africa. His strong leadership over the last four years means the Company is now well positioned to further progress and cope with future challenges.



NAYEN KOOMAR
BALLAH, GOSK

Chairman

June 2019