

OS AA01

Statement of details of parent law and other  
information for an overseas company



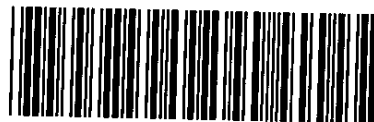
Companies House

000448/20

☒ What this form is for  
You may use this form to  
accompany your accounts  
disclosed under parent law.

☐ What this form is for  
You cannot use this form to  
accompany an alteration of  
accounts with accounting

TUESDAY  
WEDNESDAY



A10 \*A7BDF5NV\* 31/07/2018 #206 please  
COMPANIES HOUSE gov.uk

A12 \*A79YAT3C\* 11/07/2018 #10  
COMPANIES HOUSE

Part 1 Corporate company name

Corporate name of overseas company ① Anglo American International Limited

UK establishment number B R 0 1 9 3 7 9

Please complete in typescript or in  
bold black capitals.

All fields are mandatory unless  
specified or indicated by \*

① This is the name of the company in  
its home state.

Part 2 Statement of details of parent law and other  
information for an overseas company

A1 Legislation

Please give the legislation under which the accounts have been prepared and,  
if applicable, the legislation under which the accounts have been audited.

Legislation ② Mauritius Companies Act

② This means the relevant rules or  
legislation which regulates the  
preparation and, if applicable, the  
audit of accounts.

A2 Accounting principles

Accounts Have the accounts been prepared in accordance with a set of generally accepted  
accounting principles?

Please tick the appropriate box.

☐ No. Go to Section A3.

☒ Yes. Please enter the name of the organisation or other  
body which issued those principles below, and then go to Section A3.

Name of organisation or body ③ International Accounting Standards Board

③ Please insert the name of the  
appropriate accounting organisation  
or body.

A3 Accounts

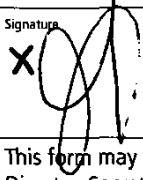
Accounts Have the accounts been audited? Please tick the appropriate box.

☐ No. Go to Section A5.

☒ Yes. Go to Section A4.

OS AA01

## Statement of details of parent law and other information for an overseas company

<b>A4 Audited accounts</b>		
Audited accounts	Have the accounts been audited in accordance with a set of generally accepted auditing standards? Please tick the appropriate box. <input type="checkbox"/> No. Go to <b>Part 3 'Signature'</b> . <input checked="" type="checkbox"/> Yes. Please enter the name of the organisation or other body which issued those standards below, and then go to <b>Part 3 'Signature'</b> .	<b>1</b> Please insert the name of the appropriate accounting organisation or body.
Name of organisation or body <b>1</b>	International Accounting Standards Board	
<b>A5 Unaudited accounts</b>		
Unaudited accounts	Is the company required to have its accounts audited? Please tick the appropriate box. <input type="checkbox"/> No. <input type="checkbox"/> Yes.	
<b>Part 3 Signature</b>		
Signature	I am signing this form on behalf of the overseas company.	
	<div>Signature</div> <div>X  X</div> <div>This form may be signed by: Director, Secretary, Permanent representative.</div>	

**Anglo American International Limited**

**Financial statements**

**31 December 2017**



PROSPECTUS  
COMPANIES HOUSE

110

# **Anglo American International Limited**

## **Corporate Data**

# **Anglo American International Limited**

Financial statements  
*for the year ended 31 December 2017*

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# **Anglo American International Limited**

## **Corporate Data**

### **Directors:**

Alan MacPherson  
Craig Miller  
John Mills (resigned 23 April 2018)  
Richard Price (appointed 10 May 2018)

### **Registered office:**

C/o AXIS Fiduciary Ltd  
2nd Floor, The AXIS  
26 Bank Street  
Cybercity Ebene  
72201  
Mauritius

### **Banker:**

Barclays Bank plc  
1 Churchill Place  
London  
E14 5HP

## **Anglo American International Limited**

### **Directors' report**

The directors are pleased to present their report together with the audited financial statements of Anglo American International Limited (the "Company") for the year ended 31 December 2017.

### **Principal activity**

The principal activity of the Company is that of investment holding in the mining sector.

On 30 December 2016, the Company completed the migration requirements and formally transferred its place of registration from Luxembourg to Mauritius as a limited company in accordance with the Mauritius Companies Act 2001. The Company subsequently migrated its tax residency from Mauritius to the United Kingdom in January 2017.

### **Results and dividend**

The results for the year are shown on page 5.

During the year, the Company paid an interim dividend of USD 389,020,093 (2016: USD 577,814,893) to its parent company Anglo American Overseas Limited (formerly Anglo American Luxembourg S.à r.l.).

### **Post balance sheet events**

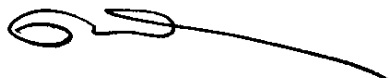
On 10 May 2018, the Company paid a cash dividend of USD 433,533,815 to its immediate parent company Anglo American Overseas Limited (formerly Anglo American Luxembourg S.à r.l.).

### **Directors' responsibilities statement**

The directors are responsible for the preparation and presentation of the financial statements in accordance with the requirements of the Mauritius Companies Act applicable to a company holding a Category 2 Global Business Licence, as described in note 2 (a) to the financial statements, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **By order of the Board**



**Director:**

**Date:** 25/06/2018

## **Anglo American International Limited**

### **Independent auditor's report to the directors of Anglo American International Limited**

#### **Report on the audit of the non-statutory financial statements**

##### **Opinion**

In our opinion the non-statutory financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its profit for the year then ended; and
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB)

We have audited the non-statutory financial statements of Anglo American International Limited (the 'Company') which comprise:

- the statement of profit or loss and other comprehensive income;
- the statement of financial position;
- the statement of changes in equity;
- the statement of cash flows; and
- the related notes 1 to 20.

The financial reporting framework that has been applied in their preparation is International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB).

##### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the non-statutory financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the non-statutory financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### **Conclusions relating to going concern**

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the non-statutory financial statements is not appropriate; or
- the directors have not disclosed in the non-statutory financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the non-statutory financial statements are authorised for issue.

We have nothing to report in respect of these matters.

##### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the non-statutory financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of non-statutory financial statements that are free from material misstatement, whether due to fraud or error.

## **Anglo American International Limited**

### **Independent auditor's report to the directors of Anglo American International Limited**

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

#### **Auditor's responsibilities for the audit of the non-statutory financial statements**

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

A further description of our responsibilities for the audit of the non-statutory financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely for the exclusive use of the directors and solely for the purpose of providing audited financial statements to the South African Reserve Bank ("SARB"). Our report is not to be used for any other purpose, recited or referred to in any document, copied or made available (in whole or in part) to any other person without prior written express consent. We accept no duty, responsibility or liability to any other party in connection with the report or this engagement.

The engagement partner on the audit resulting in this independent auditor's report is Paul Barnett.

*Deloitte LLP*

Deloitte LLP

London, United Kingdom  
25 June 2018



## Anglo American International Limited

### Statement of profit or loss and other comprehensive income for the year ended 31 December 2017

	Note	2017 USD	2016 USD
Expenses		(3,036)	(1,389,963)
Exceptional income	5	3,817,807,224	5,536,759
		-----	-----
Operating gain		3,817,804,188	4,146,796
Dividend income	6	409,494,835	210,593,828
Interest income	7	755,785	3,119
Interest expense	8	(60,912)	(43,021)
		-----	-----
<b>Profit before taxation</b>		<b>4,227,993,896</b>	<b>214,700,722</b>
Taxation	9	(20,475,145)	(10,533,615)
		-----	-----
<b>Profit for the year</b>		<b>4,207,518,751</b>	<b>204,167,107</b>
Other comprehensive income		-	-
		-----	-----
<b>Total comprehensive profit for the year</b>		<b>4,207,518,751</b>	<b>204,167,107</b>
		=====	=====

The notes on pages 11 to 25 form part of these financial statements

# Anglo American International Limited

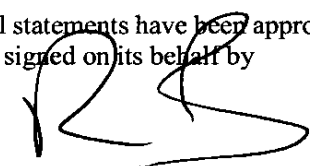
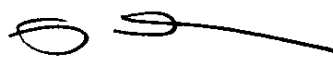
## Statement of financial position at 31 December 2017

	Note	2017 USD	2016 USD
<b>Assets</b>			
<b>Non-current asset</b>			
Fixed asset investments	10	<b>15,667,325,768</b>	11,849,518,544
		<hr/>	<hr/>
<b>Current assets</b>			
Cash and cash equivalents		<b>4,876</b>	4,632
		<hr/>	<hr/>
<b>Total current assets</b>		<b>4,876</b>	4,632
		<hr/>	<hr/>
<b>Total assets</b>		<b>15,667,330,644</b>	11,849,523,176
		<hr/>	<hr/>
<b>Equity</b>			
Share capital	11	<b>4,311,516</b>	4,311,516
Share premium	12	<b>10,397,807,105</b>	10,397,807,105
Other reserve		<b>1,240,807,906</b>	1,240,807,906
Retained earnings		<b>4,022,665,765</b>	204,167,107
		<hr/>	<hr/>
<b>Total shareholder's deficit</b>		<b>15,665,592,292</b>	11,847,093,634
		<hr/>	<hr/>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Non-subordinated debt	13	<b>1,538,352</b>	2,226,929
Provisions	14	<b>200,000</b>	200,000
Other payables	15	<b>-</b>	2,613
		<hr/>	<hr/>
<b>Total current liabilities</b>		<b>1,738,352</b>	2,429,542
		<hr/>	<hr/>
<b>Total liabilities</b>		<b>1,738,352</b>	2,429,542
		<hr/>	<hr/>
<b>Total equity and liabilities</b>		<b>15,667,330,644</b>	11,849,523,176
		<hr/>	<hr/>

## Anglo American International Limited

### Statement of financial position at 31 December 2017

These financial statements have been approved and authorised for issue by the Board of Directors on 25 June 2018 and signed on its behalf by

  
.....  
*Director*  
.....  
*Director*

The notes on pages 11 to 25 form part of these financial statements

**Anglo American International Limited**

**Statement of changes in equity  
for the year ended 31 December 2017**

	Share Capital	Share Premium	Other reserves	Retained earnings	TOTAL
	USD	USD	USD	USD	USD
Balance as at 1 January 2017	4,311,516	10,397,807,105	1,240,807,906	204,167,107	11,847,093,634
Transactions with owners of the Company recognised directly in equity					
Interim dividends	-	-	-	(389,020,093)	(389,020,093)
Total comprehensive income for the year					
Profit for the financial year	-	-	-	4,207,518,751	4,207,518,751
Balance as at 31 December 2017	<u>4,311,516</u>	<u>10,397,807,105</u>	<u>1,240,807,906</u>	<u>4,022,665,765</u>	<u>15,665,592,292</u>

Anglo American International Limited

Statement of changes in equity  
for the year ended 31 December 2016

	Share Capital	Share Premium	Legal reserve	Other reserves	Retained earnings	TOTAL
	USD	USD	USD	USD	USD	USD
Balance as at 1 January 2016	4,311,516	13,673,102,152	431,152	2,424,698,569	(3,881,801,969)	12,220,741,420
Transactions with owners of the Company recognised directly in equity						
Financial re-establishment	-	(3,275,726,199)	-	(606,075,770)	3,881,801,969	-
Interim dividends	-	-	-	(577,814,893)	-	(577,814,893)
Transfer to/from profit and loss account		431,152	(431,152)			-
Total comprehensive profit for the year						
Profit for the financial year	-	-	-	-	204,167,107	204,167,107
Balance as at 31 December 2016	4,311,516	10,397,807,105	-	1,240,807,906	204,167,107	11,847,093,634

The notes on pages 11 to 25 form part of these financial statements

# Anglo American International Limited

## Statement of cash flows

for the year ended 31 December 2017

	2017 USD	2016 USD
<b>Cash flows from operating activities</b>		
Profit before taxation	4,227,993,896	214,700,722
Adjustments for:		
Exceptional income	(3,817,807,224)	(5,536,759)
Changes in other payables	(2,613)	(80)
Income taxes paid	(20,475,145)	(10,533,616)
<b>Net cash inflows from operating activities</b>	<b>389,708,914</b>	<b>198,630,267</b>
<b>Cash flows from investing activities</b>		
Addition of fixed asset investment	-	(200,064,136)
Disposal of fixed asset investment	-	577,814,893
<b>Net cash inflows from investing activities</b>	<b>-</b>	<b>377,750,757</b>
<b>Cash flows from financing activities</b>		
Dividends paid	(389,020,093)	(577,814,893)
(Repayment)/drawdown of loan from holding company	(688,577)	1,440,313
<b>Net cash used in financing activities</b>	<b>(389,708,670)</b>	<b>(576,374,580)</b>
<b>Net change in cash and cash equivalents</b>	<b>244</b>	<b>6,444</b>
Cash and cash equivalents at beginning of the year	4,632	(1,812)
<b>Cash and cash equivalents at end of the year</b>	<b>4,876</b>	<b>4,632</b>

The notes on pages 11 to 25 form part of these financial statements

## **Anglo American International Limited**

### **Notes to the financial statements**

*for the year ended 31 December 2017*

#### **1. General information**

The Company was incorporated as a private limited company on 24 September 1992 and was granted a Category 2 Global Business Licence on 30 December 2016. The principal activity of the Company is that of investment holding in the mining sector.

On 30 December 2016, the Company completed the migration requirements and formally transferred its place of registration from Luxembourg to Mauritius as a limited company in accordance with the Mauritius Companies Act 2001.

#### **2. Basis of preparation**

##### *(a) Statement of compliance*

The Company has subsidiaries and in accordance with International Financial Reporting Standards (IFRS) is required to present consolidated financial statements. In accordance with the Fourteenth Schedule of the Mauritius Companies Act Section 12, the Company may not prepare group financial statements as it is a wholly owned subsidiary of another company and, in accordance with Section 211 (content and form of financial statements) of the Mauritius Companies Act, these financial statements present the financial position, financial performance and cash flow of the Company. The basis of preparation of these financial statements complies with International Financial Reporting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board (IASB).

##### *(b) Basis of measurement*

The financial statements have been prepared on a historical cost basis, except where stated otherwise.

##### *(c) Functional and presentation currency*

The financial statements are presented in United States Dollar (USD) which is the Company's functional currency. All amounts have been rounded to the nearest USD unless otherwise stated.

##### *(d) Use of estimates and judgement*

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

##### Assumption and estimation uncertainties

Information about assumptions and estimation uncertainties (if any) that have a significant risk of resulting in a material adjustment in the year ending 31 December 2017 is included in the relevant notes as follows:

## Anglo American International Limited

### Notes to the financial statements

for the year ended 31 December 2017

- Impairment test: key assumptions underlying recoverable amounts, including the recoverability of development costs.
- Recognition and measurement of provisions and contingencies: Key assumptions about the likelihood and magnitude of an outflow of resources.

#### Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

### 3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, unless otherwise stated.

#### *(a) Foreign currency transactions*

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated in the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.



## Anglo American International Limited

### Notes to the financial statements

for the year ended 31 December 2017

#### 3. Significant accounting policies (continued)

##### *(b) Revenue recognition*

Revenue is recognised as follows:

- Dividend income: when the Company's right to receive payment is established.
- Interest income: as it accrues (taking into account the effective yield on the assets).

##### *(c) Taxation*

Taxation comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items directly in equity or in other comprehensive income.

##### *(i) Current tax*

Current tax comprises the expected tax payable on the taxable income for the year and any adjustment to the tax payable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also include any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

##### *(ii) Deferred tax*

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflect the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if certain criteria are met

## Anglo American International Limited

### Notes to the financial statements for the year ended 31 December 2017

#### *(d) Fixed asset investments*

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Fixed asset investments are shown at cost and provision for impairment is only made where, in opinion of the directors, there is a diminution in value which is other than temporary. Where there has been such a diminution in value of an investment, it is recognised as an expense in the year in which the diminution is identified.

#### *(e) Financial instruments*

The Company classifies non-derivative financial assets into the following categories: loans and receivables.

The Company classifies non-derivative financial liabilities into the other financial liabilities category.

##### *(i) Non-derivative financial assets and financial liabilities – Recognition and derecognition*

The Company initially recognises loans and receivables and debt securities issued on the date when they are originated. All other financial assets and financial liabilities are initially recognised on the trade date.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Company is recognised as a separate asset or liability.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

##### *(ii) Non-derivative financial assets - Measurement*

*Loans and receivables* - These assets are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method. Loans and receivables comprise cash and cash equivalents.

## Anglo American International Limited

### Notes to the financial statements

for the year ended 31 December 2017

*Cash and cash equivalents* - Cash comprises cash at bank. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

#### *(iii) Non-derivative financial liabilities - Measurement*

Non-derivative financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

Non derivative financial liabilities comprise of loan from holding company and other payables, which are classified under the other financial liabilities category.

#### *Loan from holding company*

Loan from holding company is recognised initially at fair value, net of transaction costs incurred and are subsequently carried at amortised cost.

#### *Other payables*

Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

#### *(f) Share capital*

##### *Ordinary shares*

Ordinary shares are classified in equity. Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognised as a deduction from equity.

#### *(g) Impairment*

##### *(i) Non-derivative financial assets*

Financial assets not classified as fair value through profit or loss, including an interest in an equity-accounted investee, are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes:

- default or delinquency by a debtor;
- restructuring of an amount due to the Company on terms that the Company would not consider otherwise;
- indications that a debtor or issuer will enter bankruptcy;
- adverse changes in the payment status of borrowers or issuers;
- the disappearance of an active market for a security; or
- observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial assets.

## **Anglo American International Limited**

### **Notes to the financial statements**

*for the year ended 31 December 2017*

#### *Impairment of financial assets – carried at amortised cost*

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or group of debtors is experiencing significant financial difficulty, default or delinquency in payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows such as changes in arrears or economic conditions that correlate with defaults.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the financial asset's original effective interest rate. The asset's carrying amount is reduced and the amount of the loss is recognised profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the reversal of the previously recognised impairment loss is recognised profit or loss.

#### *(h) Expenses*

All expenses are recognised in the statement of profit and loss and comprehensive income on an accrual basis.

#### *(i) Provisions*

A provision is recognised if, as a result of a past event, the Company have a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provision are recognised by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

# Anglo American International Limited

## Notes to the financial statements for the year ended 31 December 2017

### 4. Financial instruments – Fair values and risk management

#### (a) Accounting classifications and fair value

The following table shows the carrying amounts of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 December 2017	Loans and receivables USD	Other financial liabilities USD	Total USD
<b>Financial assets not measured at fair value</b>			
Cash and cash equivalents	4,876	-	4,876
<b>Financial liabilities not measured at fair value</b>			
Loan from holding company	-	(1,538,352)	(1,538,352)
31 December 2016	Loans and receivables USD	Other financial liabilities USD	Total USD
<b>Financial assets not measured at fair value</b>			
Cash and cash equivalents	4,632	-	4,632
<b>Financial liabilities not measured at fair value</b>			
Loan from holding company	-	(2,226,929)	(2,226,929)
Other payables	-	(2,613)	(2,613)
	-	(2,229,542)	(2,229,542)

#### (b) Financial risk management

##### Introduction and preview

Financial instruments carried on the statement of financial position include cash and cash equivalents, loan from holding company and other payables. The recognition method adopted is disclosed in the individual policy statement associated with each item. The most important types of risk are market risk, credit risk and liquidity risk.

The Company's activities expose them to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. The Company's aims are therefore to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Company's financial performance.

The Company's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Company regularly reviews its risk management policies and systems to reflect changes in markets and emerging best practice.

## Anglo American International Limited

### Notes to the financial statements for the year ended 31 December 2017

The Company has exposure to the following risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk

#### **Market risk**

Market risk is the risk that changes in market prices, such as interest rates, equity prices and foreign exchange rates will affect the Company's income or the fair value of its holdings of financial instruments.

#### **Interest rate risk**

The Company is not significantly exposed to interest rate risk. The income and operating cash flows are substantially independent of changes in market interest rates.

#### **Price risk**

The Company is not exposed to commodity price risk.

#### **Currency risk**

All of the Company's financial liabilities are denominated in United States Dollar. Consequently, the Company is not exposed to the risk of foreign currency exchange rates.

#### **Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet contractual obligations, and arises from the Company's cash and cash equivalents.

The Company also limits its exposure to credit risk by dealing only with counterparties that have a good credit rating and management does not expect the counter party to fail to meet its obligations.

#### **Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum credit risk at the reporting date was:

	<b>Carrying amount</b>	
	<b>2017</b>	<b>2016</b>
	<b>USD</b>	<b>USD</b>
Cash and cash equivalents	<b>4,876</b>	<b>4,632</b>

## Anglo American International Limited

### Notes to the financial statements

for the year ended 31 December 2017

#### Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they become due without incurring unacceptable losses or risking damage to the Company's reputation. The holding company shall provide the Company with the financial support in case of liquidity problems.

The following are the Company's contractual maturities of financial liabilities:

	Within one year USD	One to five years USD	Total USD
<b>31 December 2017</b>			
<b>Financial liabilities</b>			
Loan from holding company	1,538,352	-	1,538,352
<b>Total financial liabilities</b>	<b>1,538,352</b>	<b>-</b>	<b>1,538,352</b>
	Within one year USD	One to five year USD	Total USD
<b>31 December 2016</b>			
<b>Financial liabilities</b>			
Loan from holding company	2,226,929	-	2,226,929
Other payables	2,613	-	2,613
<b>Total financial liabilities</b>	<b>2,229,542</b>	<b>-</b>	<b>2,229,542</b>

#### 5. Exceptional income

	2017 USD	2016 USD
Gain on disposal of investments	-	5,536,759
Reversal of impairment	3,817,807,224	-
	<b>3,817,807,224</b>	<b>5,536,759</b>

After a review of the net asset value of the Company's investments as at 31 December 2017, the Company has recognised an impairment charge of USD 119,171,215 (2016: USD NIL) on its investment in Anglo American 2005 Limited and an impairment reversal of USD 3,936,978,439 (2016: USD NIL) on its investment in Anglo American South Africa Limited.

## Anglo American International Limited

### Notes to the financial statements for the year ended 31 December 2017

#### 6. Dividend income

	2017 USD	2016 USD
Dividends received from investment in subsidiaries	<u>409,494,835</u>	<u>210,593,828</u>

#### 7. Interest income

	2017 USD	2016 USD
Interest income on bank	-	1
Interest receivable on loans from group undertakings	755,176	-
Foreign exchange gains	609	3,118
	<u>755,785</u>	<u>3,119</u>

#### 8. Interest expense

	2017 USD	2016 USD
Interest payable on loans from group undertakings	<u>(60,912)</u>	<u>(43,021)</u>
	<u>(60,912)</u>	<u>(43,021)</u>



## Anglo American International Limited

### Notes to the financial statements for the year ended 31 December 2017

#### 9. Taxation

The Company was subject to income tax in Luxembourg on its chargeable income at a rate of 27% up until 30 December 2016 when the Company formally migrated the corporate seat from Luxembourg to Mauritius. The Company was therefore subject to income tax in Mauritius from this date. The Company subsequently migrated its tax residency from Mauritius to the United Kingdom in January 2017.

	2017 USD	2016 USD
<i>Current tax expense</i>		
Withholding taxes	20,474,742	10,529,691
Other taxes	403	3,924
	<hr/>	<hr/>
Total current tax expense	20,475,145	10,533,615
	<hr/>	<hr/>

#### *Tax reconciliation:*

A reconciliation of the applicable income tax based on accounting profit and the actual income tax is as follows:

	2017 USD	2016 USD
Profit before taxation	4,227,993,896	214,700,722
	<hr/>	<hr/>
Loss on ordinary activities multiplied by standard rate of corporation tax of 19.25% (2016: 27%)	813,888,825	57,969,195
<b>Effects of:</b>		
Income not subject to tax	(78,827,756)	(58,355,258)
Impairment not deductible for tax purposes	(734,927,891)	-
Tax losses on which deferred tax is not recognised	(4,378)	386,063
Group relief received for nil consideration	(128,800)	-
Foreign tax	403	3,924
Withholding tax on dividend income	20,474,742	10,529,691
	<hr/>	<hr/>
	20,475,145	10,533,615
	<hr/>	<hr/>

Deferred tax asset recognised in respect of losses as at 31 December 2017 is USD NIL (2016: USD NIL).

## Anglo American International Limited

### Notes to the financial statements

for the year ended 31 December 2017

#### Factors that may affect future tax charges

On 26 October 2015, the Finance Act 2015 was substantively enacted and provided for a reduction in the main rate of corporation tax from 20% to 19% effective from 1 April 2017 and a further 1% reduction to 18% from 1 April 2020. On 6 September 2016, the Finance Act 2016 was substantively enacted and provided for a reduction in the main rate of UK corporation tax to 17% from 1 April 2020.

#### 10. Fixed asset investments

	Investments in subsidiary companies	Investments in participating interests	Total
<i>Cost</i>			
At 1 January 2017	15,293,793,418	492,703,565	15,786,496,983
	-----	-----	-----
At 31 December 2017	15,293,793,418	492,703,565	15,786,496,983
	-----	-----	-----
<i>Provision for diminution in value of investment</i>			
At 01 January 2017	(3,936,978,439)	-	(3,936,978,439)
Impairment reversal/(charge)	3,936,978,439	(119,171,215)	3,817,807,224
At 31 December 2017	-	(119,171,215)	(119,171,215)
	-----	-----	-----
<b>Valuation at 31 December 2017</b>	<b>15,293,793,418</b>	<b>373,532,350</b>	<b>15,667,325,768</b>
	-----	-----	-----
<i>Valuation at 31 December 2016</i>	<i>11,356,814,979</i>	<i>492,703,565</i>	<i>11,849,518,544</i>
	=====	=====	=====

#### Subsidiary undertakings

<i>Name of company</i>	<i>Class of shares</i>	<i>Number of shares</i>	<i>% held</i>	<i>Country of Incorporation</i>
-----	-----	-----	-----	-----
Anglo American South Africa Limited	Ordinary	261,751,844	100	South Africa
Anglo American (London) 2	Ordinary	4,907	100	United Kingdom

#### Participating interests

-----	-----	-----	-----	-----
Anglo American 2005 Limited	Ordinary	2,504	9.39	United Kingdom

## Anglo American International Limited

### Notes to the financial statements for the year ended 31 December 2017

#### 11. Share capital

	2017 USD	2016 USD
<i>Issued and fully paid</i>		
1,000 Class A ordinary shares at a par value of USD 0.10 each	100	100
43,074,164 repurchaseable Class A ordinary shares at a par value of USD 0.10 each	4,307,416	4,307,416
40,000 Class B ordinary shares at a par value of USD 0.10 each	4,000	4,000
Balance at 31 December	<u>4,311,516</u>	<u>4,311,516</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and have rights to vote at shareholder meetings of the Company.

#### 12. Share premium

	2017 USD	2016 USD
Balance at 01 January	10,397,807,105	13,673,102,152
Financial re-establishment	-	(3,275,726,199)
Transfer from legal reserve	-	431,152
Balance at 31 December	<u>10,397,807,105</u>	<u>10,397,807,105</u>

#### 13. Non-subordinated debt

	2017 USD	2016 USD
Balance at 1 January	2,226,929	786,616
(Repayments)/Addition during the year	(688,577)	1,440,313
Balance at 31 December	<u>1,538,352</u>	<u>2,226,929</u>

The above loan is unsecured, interest free and repayable on demand.

## Anglo American International Limited

### Notes to the financial statements for the year ended 31 December 2017

#### 14. Provisions

The company received notification of claims under the tax deed of covenant in relation to its former investment in Tarmac Deutschland GmbH which was sold by the Company in 2010. A provision of USD 200,000 (2016: USD 200,000) was retained for outstanding claims as at 31 December 2017.

#### 15. Other payables

	2017 USD	2016 USD
Non-trade payables and accrued expenses	-	2,613

#### 16. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions or if they are subject to common control.

As at year end, the Company had the following balance with its related party.

		2017 USD	2016 USD
<i>Transactions during the year:</i>	<i>Nature</i>		
Anglo American Capital Plc	Amount (paid)/received	(688,577)	1,440,313
<i>Balance outstanding at 31 December:</i>			
Anglo American Capital Plc	Loan payable	1,538,352	2,226,929

Note: Compensation to key management personnel

The Company did not pay any compensation to its key management personnel during the year (2016: USD NIL).

#### 17. Capital Management

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

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholder, return capital to shareholder, issue new shares or sell assets to reduce debt. The group monitors capital on the basis of gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

## **Anglo American International Limited**

### **Notes to the financial statements**

*for the year ended 31 December 2017*

#### **18. Going concern**

The Company incurred profit of USD 4,207,518,751 for the year ended 31 December 2017 (2016: USD 204,167,107) and as of that date, the Company's total assets exceeded its total liabilities by USD 15,665,592,292 (2016: USD 11,847,093,634). An affiliated company confirmed its willingness to provide financial support to the Company to meet its obligations as they fall due for a period of not less than twelve months. Accordingly, the financial statements are prepared on the basis of accounting policies applicable to a going concern.

#### **19. Holding and ultimate holding company**

The immediate parent company is Anglo American Overseas Limited (formerly Anglo American Luxembourg S.à r.l.), which is registered in Jersey.

The Company forms part of the Anglo American Group ("the Group"). The Company's ultimate parent company is Anglo American plc, a public limited company registered in England and Wales (registered number 3564138). The consolidated accounts of Anglo American Plc may be obtained from the company secretary of Anglo American Plc, 20 Carlton House Terrace, London SW1Y 5AN, United Kingdom.

#### **20. Post balance sheet events**

On 10 May 2018, the Company declared and paid a cash dividend of USD 433,533,815 to its immediate parent company Anglo American Overseas Limited (formerly Anglo American Luxembourg S.à r.l.).


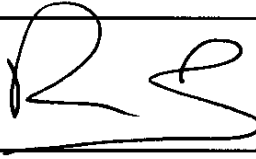
## Anglo American International Limited

### Detailed unaudited income statement for the year ended 31 December 2017

	2017 USD	2016 USD
<b>Revenue</b>		
Dividends received from fixed asset investments	409,494,835	210,593,828
Interest income	755,176	1
Foreign exchange income	609	3,118
	<u>410,250,620</u>	<u>210,596,947</u>
<b>Expenses</b>		
Bank charges	-	5
Sundries	3,036	1,389,958
(Gain)/loss on investments	-	(5,536,759)
Impairment charge	(3,817,807,224)	
Interest expense	60,912	43,021
	<u>(3,817,743,276)</u>	<u>(4,103,775)</u>
<b>Profit/(loss) before taxation</b>	<u>4,227,993,896</u>	<u>214,700,722</u>

The supplementary information presented does not form part of the financial statements and is unaudited.

NINTH SCHEDULE			
Financial summary			
FINANCIAL SUMMARY - GBC 2		Name:	Anglo American International Limited
MANAGEMENT COMPANY:			
INCORPORATION NO (GBC2)	C144076	LICENCE NO (GBC2)	
Accounting Period from	1/Jan/2017	To	31/Dec/2017
PROFIT AND LOSS STATEMENT			
		Current Period Ended (dd/mm/yyyy)	Previous Period Ended (dd/mm/yyyy)
Year		31/Dec/2017	31/Dec/2016
Currency (USD, Euro, Rand, ....)		USD	USD
Other Currency (Please specify)			
Units (for example Thousands, Millions, ...)		In Full	In Full
Turnover			-
Less: Cost of Sales		-	-
Gross Profit		-	-
Add: Other Income		4,227,302,059	216,130,587
		4,227,302,059	216,130,587
Less: Distribution Costs		-	-
Administration Costs		3,036	1,389,963
Other Expenses		-	-
Finance Costs		(694,873)	39,902
Profit / (Loss) Before Tax		4,227,993,896	214,700,722
Tax Expense		20,475,145	10,533,615
NET PROFIT / (LOSS) FOR THE PERIOD		4,207,518,751	204,167,107
BALANCE SHEET AS AT			
		Current Period Ended (dd/mm/yyyy)	Previous Period Ended (dd/mm/yyyy)
Year		31/Dec/2017	31/Dec/2016
Currency (USD, Euro, Rand, ....)		USD	USD
Other Currency (Please specify)			
Units (for example Thousands, Millions, ...)		In Full	In Full
ASSETS			
Non-Current Assets			
Property, Plant and Equipment		-	-
Investment Properties		-	-
Intangible Assets		-	-
Investments in Subsidiaries		15,667,325,768	11,849,518,544
Other Investments		-	-
Biological Assets		-	-
Others		-	-
Total		15,667,325,768	11,849,518,544
Current Assets			
Inventories		-	-
Trade and Other Receivables		-	-
Cash and Cash Equivalents		4,876	4,632
Others		-	-
Total		4,876	4,632
TOTAL ASSETS		15,667,330,644	11,849,523,176

EQUITY AND LIABILITIES		
<b>Capital and Reserves:</b>		
Share Capital	4,311,516	4,311,516
Other Reserves	1,240,807,906	1,240,807,906
Retained Earnings	4,022,665,765	204,167,107
Others	10,397,807,105	10,397,807,105
<b>Total</b>	<b>15,665,592,292</b>	<b>11,847,093,634</b>
<b>Non-Current Liabilities:</b>		
Long Term Borrowings	-	-
Deferred Tax	-	-
Long Term Provisions	-	-
Others	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Current Liabilities:</b>		
Trade and Other Payables	1,538,352	2,226,929
Short Term Borrowings	-	-
Current Tax Payable	-	-
Short Term Provisions	200,000	200,000
Bank Overdraft	-	-
Others	-	2,613
<b>Total</b>	<b>1,738,352</b>	<b>2,429,542</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>15,667,330,644</b>	<b>11,849,523,176</b>
<b>Financial Summary has been:</b>		
Approved by the Board of Directors on (dd/mm/yyyy)	25/06/2018	
Signature & Name(s) of Director(s)		
Name: ALAN MACPHERSON		
Name: RICHARD PRICE		
Adopted by Shareholders by:		
Special Resolution on:		
Written Resolution on:	25/06/2018	

**Note: Please submit soft copy along with signed and dated hard copy.**