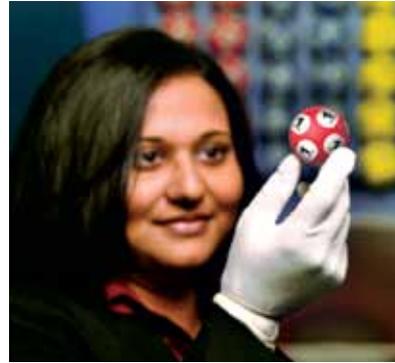
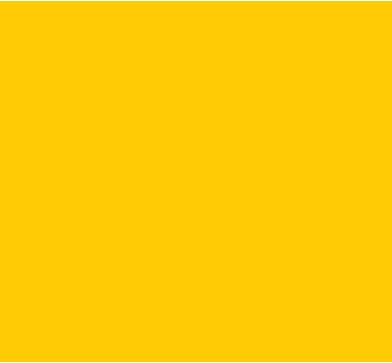




lottotech



SIMPLIFIED PROSPECTUS

In relation to the Offer for Sale of up to 85,000,000 ordinary shares of no par value and the listing of 340,000,000 ordinary shares of no par value of Lottotech Ltd on the Official List of the Stock Exchange of Mauritius Ltd by way of an Offer for Sale at a price of MUR10 per ordinary share.

www.lottotech.mu



IMPORTANT INFORMATION

LP No: LEC/OSA/01/2014

This Simplified Prospectus is issued by Lottotech Ltd (“Lottotech” or the “Company”), a company incorporated as a private company limited by shares in Mauritius on 8 April 2008 with file number 079313 and currently regulated by the Companies Act 2001 and the Gambling Regulatory Authority Act 2007. The Company was converted into a public company on 3 March 2014.

This Simplified Prospectus provides a summary of the information set out in the Listing Particulars in relation to the Offer for Sale of up to 85,000,000 ordinary shares of no par value at an offer price of MUR10 each and the listing of 340,000,000 ordinary shares by Lottotech to be admitted on the Official List of the Stock Exchange of Mauritius Ltd (“SEM”).

The Listing Particulars and this Simplified Prospectus have been prepared in compliance with Chapter 9 of the Listing Rules of the SEM, the Securities Act 2005 and the Securities (Public Offers) Rules 2007. A copy of the Listing Particulars and this Simplified Prospectus has been filed with the Financial Services Commission (“FSC”).

Neither the Listing Executive Committee (“LEC”) of SEM nor the FSC assumes any responsibility for the contents of the Listing Particulars and this Simplified Prospectus. The LEC of SEM and the FSC make no representation as to the accuracy or completeness of any of the statements made or opinions expressed in the Listing Particulars and this Simplified Prospectus and expressly disclaim any liability whatsoever for any loss arising from or in reliance upon the whole or any part of the contents of the Listing Particulars and this Simplified Prospectus.

The Simplified Prospectus only aims to provide potential investors with a brief summary of the key aspects of the Offer for Sale. The Listing Particulars are available for collection on request during business hours, free of charge, at the principal office of the Company or are available to view on the Company’s website. Investors are recommended to read through the Listing Particulars in consultation with their banker, licensed investment dealer, legal adviser, accountant or other professional advisor for an expanded and more complete appreciation of the contents and terms of the Listing Particulars and this Simplified Prospectus.



DECLARATION BY DIRECTORS

The Directors of Lottotech (the “Directors”), collectively and individually accept full responsibility for the accuracy and completeness of the information contained in this Simplified Prospectus and the Listing Particulars and confirm, having made all reasonable enquiries that to the best of their knowledge and belief, there are no facts the omission of which would make any statement herein misleading. The Directors are satisfied that the Simplified Prospectus contains a fair summary of the key information set out in the Listing Particulars.

The Directors have, on 26 March 2014, approved the proposed listing and the terms and conditions of the Listing Particulars and this Simplified Prospectus. The Directors accept responsibility for the contents of the Listing Particulars and this Simplified Prospectus and of the financial statements of Lottotech, which have been prepared in accordance with the Companies Act 2001 and the relevant accounting standards.

The complete declaration by Directors can be found in the Listing Particulars.



1. SALIENT FEATURES OF THE OFFER FOR SALE

Issuer	Lottotech Ltd								
Offer	Offer for Sale of up to 85,000,000 ordinary shares of no par value to the public at an offer price of MUR10 each, fully payable on application, following which 340,000,000 ordinary shares of no par value will be listed on the Official List of the Stock Exchange of Mauritius Ltd.								
Price of offer	MUR10 per ordinary share.								
Application procedures	Applicants for the Offer for Sale should apply for the ordinary shares by filling in and signing the "Application Form for the Offer for Sale". The respective form must be returned with the payment of MUR10 per ordinary share applied for to any licensed investment dealer not later than 4:00 pm on 16 May 2014. Acceptances are irrevocable and may not be withdrawn.								
Allotment	<p>Up to 20% of the ordinary shares on offer will be reserved to be allocated to retailers of Lottotech, directors and employees of the Gamma group of companies and The State Investment Corporation Ltd, with a discount of 5% on the offer price.</p> <p>The balance of the ordinary shares on offer will be allocated to the public.</p> <p>For the reserved shares, the Board of Lottotech will define the allotment criteria and retains the right to allocate the ordinary shares in such a manner as it deems appropriate. In the event of over-subscription of the ordinary shares allocated to the public, the Board will define the allotment criteria and retains the right to allocate the ordinary shares in such a manner as it deems appropriate.</p> <p>The above allotments are subject to the approval of the relevant regulatory authorities.</p>								
First day of trading	On the first day of trading, the existing shareholders of Lottotech prior to the Offer for Sale, will make available up to 50,000 ordinary shares at an indicative price of MUR10 per ordinary share.								
Timetable	<table border="0"> <tr> <td>Opening of Offer for Sale</td> <td>5 May 2014</td> </tr> <tr> <td>Closing of Offer for Sale</td> <td>16 May 2014</td> </tr> <tr> <td>Allotment of fully-paid ordinary shares to shareholders</td> <td>9 June 2014</td> </tr> <tr> <td>Commencement of trading of ordinary shares on the Official List of the Stock Exchange of Mauritius Ltd</td> <td>11 June 2014</td> </tr> </table>	Opening of Offer for Sale	5 May 2014	Closing of Offer for Sale	16 May 2014	Allotment of fully-paid ordinary shares to shareholders	9 June 2014	Commencement of trading of ordinary shares on the Official List of the Stock Exchange of Mauritius Ltd	11 June 2014
Opening of Offer for Sale	5 May 2014								
Closing of Offer for Sale	16 May 2014								
Allotment of fully-paid ordinary shares to shareholders	9 June 2014								
Commencement of trading of ordinary shares on the Official List of the Stock Exchange of Mauritius Ltd	11 June 2014								
Financial data	All per ordinary share statistics have been computed on the basis of 340,000,000 ordinary shares of no par value in issue.								

Key performance indicators

	Units	2013	2012	2011
EBITDA – Pro forma basis	MURm	210 ¹	153	140
EBITDA – Pro forma basis post Impact Analysis	MURm	255 ¹	n/a	n/a
EBITDA – Audited accounts basis	MURm	481	74	46
EPS – Pro forma basis	MUR	0.39 ¹	0.26	0.22
EPS – Pro forma basis post Impact Analysis	MUR	0.50 ¹	n/a	n/a
EPS – Audited accounts basis	MUR	0.67 ¹	0.06	(0.03)
P/E Multiple – Pro forma basis	Number	25.56	38.64	45.33
P/E Multiple – Pro forma basis post Impact Analysis	Number	19.88	n/a	n/a
P/E Multiple – Audited accounts basis	Number	14.85	175.47	n/a
Dividend per share – Actual	MUR	0.74	Nil	Nil
Dividend per share – Annualised	MUR	0.49	Nil	Nil
Dividend Yield – Actual	%	7.35	Nil	Nil
Dividend Yield – Annualised	%	4.90	Nil	Nil
Gearing ratio	%	Nil	Nil	Nil

¹ Annualised figures.



2. ABOUT LOTTOTECH

Lottotech was incorporated on 8 April 2008 by Gamma-Civic Ltd (“Gamma”) for the purpose of operating lotteries and generally to do all related activities.

Following the Request for Proposal issued in March 2008 by The State Investment Corporation Ltd (“SIC”), Lottotech submitted its proposal and was selected in July 2008 as the preferred bidder for the implementation and operation of the Mauritius National Lottery (the “Operator”) on behalf of the Government of Mauritius. The proposal by Lottotech included a structured game plan to launch games in the initial years of the licence.

Under the Gambling Regulatory Authority Act 2007 (“GRA Act”), the Operator means a company promoted by the SIC and licensed to operate the Mauritius National Lottery and video lottery terminals. The GRA Act stipulates that there shall, at no time, be more than one operator holding a licence to operate the Mauritius National Lottery.

In August 2008, Lottotech entered into agreements with GTECH as its exclusive technology partner for the implementation and operation of the Mauritius National Lottery.

In April 2009, Gamma entered into a shareholders’ agreement with the SIC for Lottotech to implement and operate the Mauritius National Lottery and SIC became a shareholder of Lottotech. The agreement stipulates that the parties shall cause Lottotech to obtain the licence to operate the Mauritius National Lottery and they shall not directly or indirectly compete with Lottotech.

In April 2009, the Gambling Regulatory Authority (“GRA”) issued an exclusive licence to Lottotech to operate the Mauritius National Lottery for a period of 10 years, renewable for further successive periods not exceeding 5 years each.

In October 2009, Lottotech launched La Loterie Nationale in Mauritius and Rodrigues with the sale of lottery games through an initial network of 542 retailers, which has since been expanded to 895 retailers during the last quarter of 2013.

Lottotech is a member of the World Lottery Association (“WLA”), the global authority on lottery business.

3. OVERVIEW OF THE BUSINESS

3.1 Mission and vision

Lottotech’s mission is to operate La Loterie Nationale on behalf of the Government of Mauritius in a caring and socially responsible way through professional promotion and conduct of outstanding gaming experience, whilst pursuing success through partnerships with the community and through optimising sustainable shareholder return.

Lottotech’s vision is to be the trusted leading gaming brand for “Good Causes” – a national brand that is fun, entertaining and where corporate social responsibility is at the heart of its approach.

Lottotech promotes integrity, trustworthiness, customer care, innovation and responsible gaming.

3.2 Lottery games

Lottotech currently offers two lottery games namely the weekly Loto game and Quick Win games (also known as scratch cards).

Lottotech’s games portfolio includes a number of well-known and highly recognisable products sold to date under key brands including:



Et tout devient possible



Lottotech’s most notable game is the Loto. There is no cap on the amount of times that a Loto jackpot can roll over, creating the potential for large jackpots, such as the Loto jackpot that reached MUR77m in December 2013.

Lottotech has introduced a number of innovative Quick Win games since its launch. The Company carries out regular market studies and introduces new Quick Win games on a regular basis in line with market preferences.

The combined player participation rate for Loto and Quick Win games is about 75% of the adult population, with an almost equal participation of men and women (source: Ipsos Reid, 2013). Unlike gambling, games offered by the Company provide its customers with a unique experience of “play small, win big”.

3.3 Distribution network

The Company’s distribution network comprised of 542 retailers at the time of launch. This has since been expanded to 895 retailers during the last quarter of 2013. By the end of December 2014, Lottotech is expected to increase this number to 1,000 retailers. Lottotech’s distribution network covers the whole of Mauritius as well as Rodrigues.

3.4 State of the art IT infrastructure

Through its exclusive technology partnership with GTECH, a leading lottery operator and provider of technology solutions and systems to regulated gaming markets worldwide, Lottotech has built an extensive integrated state of the art IT infrastructure to support its gaming operations including a nationwide network of retailer terminals with appropriate back-up systems.



3. OVERVIEW OF THE BUSINESS (CONTD.)

3.5 Management

Lottotech has an experienced senior management team with a proven track record across the global and local gaming industry. The experienced senior management team combines the skills in product development, retail network development, marketing and communications, technology and risk management.

Names of senior management:

Michelle J. Carinci	Chief Executive Officer
Moorghen Veeramootoo	Chief Operating Officer
Jean Marc Landry	Chief Sales and Marketing Officer
Ansuya Seewooruthun	Financial Controller
Harikrishna Ramsamy	Chief Technology Officer
Jerry Lim How	Chief Procurement Officer
Richard Papie	Security Manager
Sivalingum Candassamy	Compliance and Risk Manager

Biographies of the above senior management can be found in the Listing Particulars.

The management of Lottotech is assisted by Gamma through A.S. Burstein Management Ltd (“ASB”) in the operation of the Mauritius National Lottery and in the strategy and business development of the Company.

3.6 Responsible gaming

Lottotech has implemented a series of measures to build and maintain its credibility as a responsible gaming company, including a dedicated service for player protection that provides advice to those dealing with gambling addiction. In addition, Lottotech has implemented measures to prevent under-age play. Together with the GRA, Lottotech will lead an initiative to promote responsible gaming in Mauritius and Rodrigues in the future.

3.7 Good causes

Lottotech contributes significantly to the Consolidated Fund of the Government of Mauritius. As per the GRA Act, any money paid into the Consolidated Fund is used to finance the implementation of projects relating to community development, the promotion of education, health, sports and culture and for reimbursement of public debt of the Government of Mauritius.

Since the launch of the Mauritius National Lottery to 31 December 2013, Lottotech has contributed around MUR2.5bn directly to the Consolidated Fund. Lottotech also contributes to the National Solidarity Fund by handing over unclaimed prizes. Over the same period, the Company has contributed around MUR175m to this fund, which is used to improve the lives of the most vulnerable Mauritian citizens.

Details of projects which have been or will be financed by the Government of Mauritius out of the proceeds of the Mauritius National Lottery through the Consolidated Fund can be found in the Listing Particulars.

3.8 Turnover

With a turnover of MUR3.9bn for the 18 months ended 31 December 2013, Lottotech runs a substantial and profitable gaming operation, despite it being a relatively young gaming company.

3.9 Gaming and gambling market in Mauritius

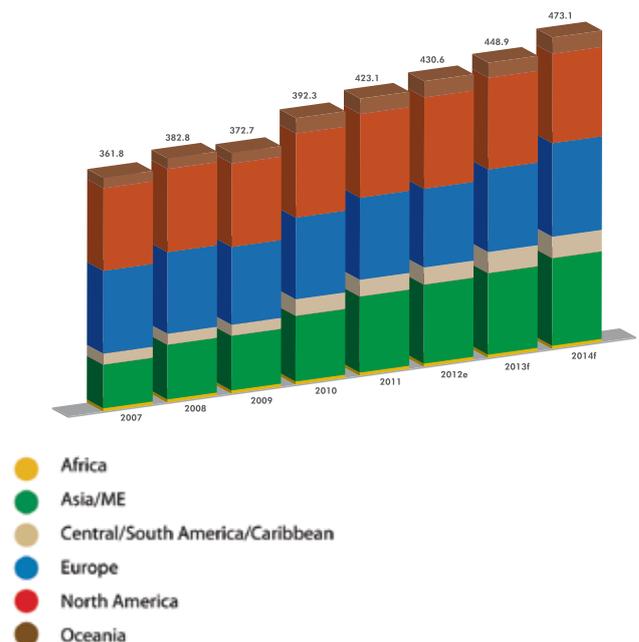
The market in Mauritius for gaming and gambling is substantial. In 2013, Business Magazine estimated the total market to be worth MUR20bn per annum.

Figure 1 – Gaming and gambling market composition
Market share of the Mauritius National Lottery



3.10 World gaming market

Figure 2 – The worldwide gaming market trends (USDbn)

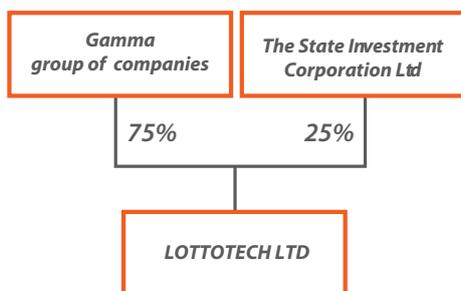


3. OVERVIEW OF THE BUSINESS (CONTD.)

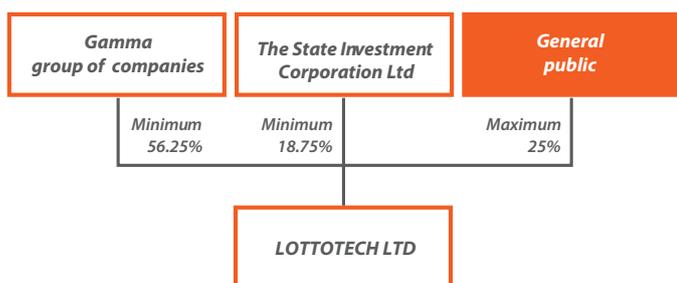
Since 2007, the worldwide gaming market has registered a gradual increase in revenue. The role of interactive (i.e. internet-based) gaming is expected to grow at a proportionally greater rate than other types of gaming. There are two primary reasons for the growth of this sector on the global level and they are partially complementary. The areas in rapid expansion benefit from the growth of individual income and from a market that is not overly developed, which presents good long-term development opportunities. In 2012, interactive gaming, as a portion of the overall worldwide gaming market, represented a share of 8.9%, equivalent to a value of USD38bn net in prizes.

4. SHAREHOLDING STRUCTURE OF LOTTOTECH

Shareholding structure of Lottotech prior to the Offer for Sale



Shareholding structure post listing of Lottotech



5. BUSINESS STRATEGY

One of Lottotech's main objectives is to deliver profitable and sustainable growth. The Company's strategy is set out below:

5.1 Opportunities in core activities

The proposal submitted by Lottotech to implement and operate the Mauritius National Lottery included a structured game plan to launch a number of games in the initial years of the licence in Mauritius and Rodrigues. However, subsequently the GRA did not approve all the games as proposed in the structured game plan. This resulted in the Company instigating legal action in May 2012 against the GRA and the Ministry of Finance and Economic Development.

The litigation was resolved before the Mediation Division of the Supreme Court in October 2012, whereby Lottotech was awarded a one-off compensation and a reduction in the contribution rate to the Consolidated Fund for not being able to launch new games in the initial years of the licence in accordance with the structured game plan submitted at the time of its proposal.

It is the intention of Lottotech to re-discuss with the GRA the appropriate timing for the launch of these new games and its associated conditions in accordance with the structured game plan as submitted by the Company in its proposal to the SIC, which includes the following games:

- Second Loto weekly draw;
- 1-2-3 daily game;
- KENO;
- Video Lottery Terminals ("VLTs"); and
- Mobile wagering and interactive games.

These games are operated by well-known national lotteries including the UK National Lottery and La Francaise des Jeux. Should Lottotech proceed with the launch of any of these games, this will significantly grow the revenue of the Company.

Following the examples of most regulated national lotteries worldwide, Lottotech is in the process of developing its digital road map in the area of online lottery and interactive gaming. With an increasing number of Mauritians having access to the internet, online lottery and interactive gaming will enable the Company to capture market share from the unregulated 'grey' gambling sector and to significantly grow the revenue of the Company, should Lottotech proceed with these opportunities.

In the meantime, Lottotech intends to introduce enhancements to its existing Loto game. These enhancements will add to the consumer experience of "play small, win big". The experience of our senior management team indicates that these enhancements will significantly grow the revenue of the Company, should Lottotech proceed with these enhancements.

Lottotech will also explore opportunities in the future in complementary activities such as sports games and betting. Sports games and betting are operated by well-known national lotteries including La Francaise des Jeux and Singapore Pools. These games will significantly grow the revenue of the Company, should Lottotech proceed with these opportunities.

5.2 Opportunities beyond core activities

Lottotech will explore opportunities beyond its current core activities in Mauritius and Rodrigues, including the following:

- International diversification – Due to its success in Mauritius and Rodrigues, Lottotech is regularly approached by third parties to manage, acquire or invest in existing or new lottery or sports betting operations internationally. Such opportunities will be evaluated by the Company in order to ensure that they make strategic and financial sense. Should the Company proceed with such opportunities, this will significantly grow the revenue of the Company.



5. BUSINESS STRATEGY (CONTD.)

5.2 Opportunities beyond core activities (Contd.)

- Services – Lottotech has an advanced technology and IT infrastructure that can be leveraged to provide transaction processing of non-lottery commercial transactions. The Company's retailer terminals can be used, through software programming, to process a wide range of cash payments (including utility bills and certain taxes such as municipal and car registration fees) and to buy top-up prepaid phone cards and financial services products. The Directors believe that the 'convenience payment services' market is worth exploring as this will potentially make the lives of Mauritian people easier.

6. RATIONALE FOR THE PROPOSED LISTING

The Directors believe that the Company has now reached a stage in its development where a listing on the Official List of the Stock Exchange of Mauritius Ltd is appropriate. The reasons for listing the Company are as follows:

- A listing will enhance the status of the Company and provide greater flexibility for the planning and financing of the future growth of the Company. The Company's ability to enter complementary gaming markets, both directly and by acquisition, will increase. Although no specific acquisition proposals are currently under consideration, the Company intends to expand its operations when suitable opportunities occur;
- It is the objective of the current shareholders of the Company to democratise the shareholding of the Company through a listing on the Official List of the Stock Exchange of Mauritius Ltd, to further integrate the Company into the economic life of Mauritius and Rodrigues and to give an opportunity to Mauritian and foreign nationals to participate in the success and profits of the Company;
- To fulfil the wish and objective of the current shareholders of the Company – For a listing on the Official List of the Stock Exchange of Mauritius Ltd, the Stock Exchange of Mauritius Ltd requires that the current shareholders of the Company reduce their shareholding from 100% to 75%;
- To enable the retailers of Lottotech and directors and employees of the Gamma group of companies and SIC to become shareholders of the Company – The listing will help the Company to attract and retain high calibre staff and enhance management, employee and retailer motivation; and
- To enable the market value of the Company's ordinary shares to be readily ascertained.

7. DIVIDEND POLICY

As per Lottotech's constitution, the Company shall distribute a minimum of 75% of its annual net profit after tax as dividend, except as otherwise resolved by the shareholders by way of Ordinary Resolution.

The Board has a target dividend policy whereby almost 100% of net profit after tax is declared as dividends, subject to the Company meeting the Solvency Test.

As a general rule, it is expected that the Company will declare an interim dividend in or around August and a final dividend in or around March following the year-end.

8. INDEPENDENT VALUATION OF THE COMPANY

KPMG Advisory Services Ltd ("KPMG") was appointed by Lottotech to perform an independent valuation of the ordinary shares of the Company.

The discounted cash flow methodology was the primary valuation methodology employed in undertaking this valuation. Lottotech is at an early stage in its life cycle, conducts its business on a cash basis and has a future growth potential which can be captured by the discounted cash flow method.

Pursuant to the valuation exercise, KPMG estimates the fair value of the equity of Lottotech, on a marketable controlling basis, to be MUR3.8bn as at 31 December 2013.

The valuation analysis is based on prevailing conditions and KPMG's view as at 24 February 2014, which is the date of their valuation report.

The offer price of MUR10 per ordinary share represents a discount of about 10% to the valuation as determined by the independent valuers, KPMG.

9. PRO FORMA FINANCIAL INFORMATION

Pro forma financial information has been prepared for Lottotech to illustrate the impact of significant events on the audited financial information of the Company, as if these events had occurred or the transactions had been undertaken at an earlier date than the one in which they were registered in the audited financial statements. The pro forma financial information disclosed in sections 9.1 to 9.2 reconcile with the entity's actual financial position as at 31 December 2013. The adjustments brought to arrive at the pro forma financial information are disclosed in section 9.3.

9.1 Pro Forma income statements

In 2013, Lottotech changed its financial year end from June to December. As such, the latest audited financial statements represent 18 months of operations compared to 12 months for the previous year's audited accounts. To ensure easier comparability of Lottotech's performance in 2013, the unaudited results for the 12 months to 30 June 2013 have also been disclosed. The audited financial statements for the years ended 30 June 2011 and 2012 and for the 18 months ended 31 December 2013 are set out in the Listing Particulars.

Please refer to section 9.3 for details on the adjustments to the financial performance and the reconciliation of these adjustments to the audited accounts.



9. PRO FORMA FINANCIAL INFORMATION (CONTD.)

Table 1 – Pro forma income statements for the years ended 30 June 2011, 2012, 2013 and 18 months to 31 December 2013

MURm	Notes	18 months to 31 December 2013 FY13	12 months to 30 June 2013	12 months to 30 June 2012 FY12	12 months to 30 June 2011 FY11
		Adjusted Audited	Adjusted Unaudited	Adjusted Audited	Adjusted Audited
Gross ticket sales	1	3,876	2,550	2,597	3,161
Loto		3,028	2,023	1,940	1,835
Instant games		848	527	657	1,326
Prizes		(1,998)	(1,313)	(1,338)	(1,704)
Net proceeds	2	1,878	1,237	1,259	1,457
Adjusted contribution to Consolidated Fund ¹		(867)	(571)	(608)	(704)
Contribution to Consolidated Fund as a % of net proceeds		46.17%	46.16%	48.29%	48.32%
Cost of sales ²		(476)	(313)	(324)	(397)
Adjusted gross profit	3	535	353	327	356
Gross profit margin		13.80%	13.84%	12.59%	11.26%
Adjusted administrative expenses ³		(305)	(198)	(224)	(266)
Adjusted operating profit/(loss)		230	155	103	90
Adjusted operating profit margin		5.93%	6.08%	3.97%	2.85%
Finance income/(costs)		11	10	5	(3)
Adjusted profit before taxation ("PBT")		241	165	108	87
Adjusted PBT margin		6.22%	6.47%	4.16%	2.75%
Adjusted income tax expense ⁴		(42)	(28)	(20)	(12)
Pro forma profit after taxation ("PAT")		199	137	88	75
Adjusted PAT margin		5.13%	5.37%	3.39%	2.37%
MUR					
Pro forma EPS		0.39 ⁵	0.40	0.26	0.22

¹ Actual contributions to the Consolidated Fund have been retrospectively adjusted following the ruling of the Mediation Division of the Supreme Court in October 2012. Refer to Section 9.3 for a full discussion of the adjustments made.

² Stock provisions booked in the period to 31 December 2013, have been reallocated to prior periods on the basis of the launch date of the Quick Win games. Refer to Section 9.3 for a full discussion of the adjustments made.

³ A number of expenses were directly related to the contributions to the Consolidated Fund adjustment and have also been reallocated to prior accounting periods in line with the revenue adjustment. Refer to Section 9.3 for a full discussion of the adjustments made.

⁴ The consequential impact of the adjustments to the above figures has resulted in the recomputation of income tax for each relevant accounting period. Refer to Section 9.3 for a full discussion of the adjustments made.

⁵ Annualised figures.

In FY13, Lottotech has taken a number of initiatives in terms of cost cutting and operational optimisation which the Board believes will bear fruit as from FY14. In order to provide a better picture of the potential of Lottotech, the Company carried out an impact analysis (the "Impact Analysis") to determine the annualised PAT for FY13 as if these measures have been fully implemented for a full year, as set out in table 2.



9. PRO FORMA FINANCIAL INFORMATION (CONTD.)

9.1 Pro forma income statements (Contd.)

Table 2 – Impact Analysis on annualised pro forma PAT

MURm	Notes	Annualised FY13
Annualised pro forma PAT		133
Cost savings:		
Salary of Directors	4	13
Re-organisation costs	5	16
Renegotiation of advertising agencies' fees	6	9
Retailer expansion expenses	7	8
Impact of cost savings before tax		46
Effective tax rate		17%
Tax charge on cost savings at effective rate		(8)
Impact of cost savings after tax		38
Adjusted pro forma PAT post Impact Analysis		171
MUR		
Adjusted pro forma EPS post Impact Analysis		0.50

Annualised pro forma PAT for FY13 works out at MUR133m. This represents a 51% increase in PAT over 2012, which can be mainly attributed to cost cutting measures.

With the application of the cost cutting and operational optimisation measures, the annualised adjusted pro forma PAT works out to be MUR171m for FY13.

Annualised pro forma EPS for FY13 amounts to MUR0.39 compared to MUR0.26 for FY12. When the cost optimisation plan is taken into account, the annualised adjusted pro forma EPS works out at MUR0.50 for FY13.

The above pro forma income statements (Table 1) and the Impact Analysis on the annualised pro forma PAT (Table 2) are commented below:

Note 1. For the 12 months ended 30 June 2013, Loto and Quick Win revenues decreased by 1.8% compared to the preceding 12 months; this is attributable to a 19.8% decline in revenue for Quick Win games while revenue for the Loto game grew by 4.3%.

A new senior management team for the Company was appointed in 2012/13. The Board established a "Quick Win Turnaround Committee" to review the management strategy to improve Quick Win games revenue, following which a rejuvenation plan was implemented in the second half of FY13. This has already yielded significant improvements, with Quick Win revenue increasing by 32%.

Loto revenue increased slightly in the last 6 months of FY13. Loto revenue is driven by jackpot sizes and as

jackpots roll over, revenue increases. In the 6 months to 31 December 2013, there were frequent jackpot winners thereby reducing jackpot rollovers, even though the highest ever Loto jackpot of MUR77m happened in that semester.

Note 2. Net proceeds moved in line with gross ticket sales and prizes. Contributions to the Consolidated Fund represented 46.16% of net proceeds in FY13.

Note 3. Gross profit margins as adjusted, remained stable throughout the period under review. Cost of sales includes retailers' and other commissions, gaming systems and data communications costs.

Note 4. Since inception, the Chairman and the Executive Directors of Lottotech have been actively involved in the implementation and operation of the Mauritius National Lottery and in the strategy and business development of the Company. In view of the listing of the Company, the Chairman and the Executive Directors have decided to waive their salaries and fees. As from 1 January 2014, the Chairman, and the previous Executive Directors have voluntarily declined their remuneration rights.

Note 5. In FY13, Lottotech proceeded with a major restructuring of its activities including cost cutting and operational optimisation measures. The Company has a new organisation structure with reduced staff levels and redefined job descriptions. This restructuring resulted in a one-off ex-gratia payment of MUR2.4m. Additionally, this exercise will result in annual costs savings of MUR13.4m.



9. PRO FORMA FINANCIAL INFORMATION (CONTD.)

9.1 Pro forma income statements (Contd.)

Note 6. Since January 2014, Lottotech has renegotiated the contracts with its advertising agencies so that annual retainer fees have been reduced. This will result in annual cost savings of MUR8.9m.

Note 7. As part of the Company's retail expansion to 895 retailers at 31 December 2013 and up to 1,000 retailers at the end of 2014, the Board approved additional non-recurring operating expenses of MUR7.6m, all of which were expensed in FY13.

9.2 Pro forma financial position

Set out below are the pro forma financial positions of Lottotech as at 30 June 2011, 2012 and as at 31 December 2013. Refer to Section 9.3 for details of the adjustments to the pro forma financial position. No consolidated accounts have been prepared as Lottotech was exempt from preparing consolidated financial statements under International Financial Reporting Standards ("IFRS") 10 paragraph 4. Furthermore, it disposed of its investment in its 100% subsidiary, namely Gamlot Technologies Ltd at cost, i.e. MUR1,000 on 31 December 2013.

Table 3 – Pro forma financial position

MURm	31 December 2013 Adjusted Audited	30 June 2012 Adjusted Audited	30 June 2011 Adjusted Audited
Assets			
Non-current assets			
Property, plant and equipment	230	252	286
Investment in subsidiary	-	-	-
Deferred income tax asset	-	-	7
	230	252	293
Current assets			
Inventories	14	31	36
Trade and other receivables	111	77	101
Cash and cash equivalent	200	254	141
	325	362	278
Total assets	555	614	571
Equity and liabilities			
Capital and reserves			
Stated capital	100	100	100
Accumulated profits/(losses)	-	52	(35)
Total equity	100	152	65
Non-current liabilities			
Borrowings	1	6	9
Gratuity obligations	4	2	1
Deferred income tax liabilities	10	13	-
	15	21	10
Current liabilities			
Borrowings	2	3	114
Bank overdraft	-	-	-
Trade and other payables	353	438	382
Dividend payable	40	-	-
Current tax liabilities	45	-	-
	440	441	496
Total liabilities	455	462	506
Total equity and liabilities	555	614	571

During the period ended 31 December 2013, Lottotech declared a dividend for the first time since it commenced its operations. The Company declared dividends of MUR250m in the 18 months ended 31 December 2013, of which MUR40m was payable as at 31 December 2013.



9. PRO FORMA FINANCIAL INFORMATION (CONTD.)

9.3 Adjustments made in arriving at the pro forma income statements and financial positions

Lottotech is required to contribute a percentage of its net proceeds to the Consolidated Fund. As per its proposal to the SIC, Lottotech was to contribute 58.01% of its net proceeds to the Consolidated Fund on the basis that it will launch new games in line with the structured game plan as submitted in its proposal. However, subsequently the GRA did not approve all the games as per the structured game plan. This has resulted in the Company instigating legal action in May 2012 against the GRA and the Ministry of Finance and Economic Development.

The litigation was resolved before the Mediation Division of the Supreme Court in October 2012, whereby Lottotech was awarded a one-off compensation and a reduction in the contribution rate to the Consolidated Fund to 46.16% as from 1 July 2012 for not being able to launch new games in the initial years in accordance with the structured game plan submitted at the time of its proposal.

Until 30 June 2012, the date of the last audited financial statements prior to the ruling, Lottotech had nevertheless continued to provide, on a prudence basis, for contributions to the Consolidated Fund at the rate of 58.01%. The total provision made in the

financial statements of the Company at 30 June 2012 amounted to MUR394m. As part of the ruling, MUR132m were agreed to be paid by Lottotech to the Consolidated Fund for the periods prior to 30 June 2012. This resulted in a one-off compensation of MUR262m in FY13 as disclosed in the Company's audited and IFRS compliant financial statements. The additional agreed contribution of MUR132m for FY11 and FY12 explains the higher contribution rate to the Consolidated Fund at 48.30% compared to 46.16% as from 1 July 2012. Under IFRS, the correction of an accounting estimate is neither a fundamental error nor a change in an accounting policy and was therefore fully recognised in the accounting period to 31 December 2013.

To illustrate the impact of this significant event and to present the financial information of Lottotech as if the event had occurred at the earlier relevant dates and to ensure a more meaningful analysis of the performance of Lottotech, the reversal of the above provision has been adjusted so as to show the financial performance of FY11, FY12 and FY13 had the Consolidated Fund contribution been as agreed at mediation. Set out below is the reconciliation of IFRS audited accounts to the pro forma financial statements as disclosed in this Simplified Prospectus.

Table 4 – Reconciliation of the audited PAT to the pro forma PAT

MURm	Notes	18 months to		12 months to	12 months to
		31 December	2013	12 months to	30 June 2012
		2013	30 June 2013	FY12	FY11
Audited PAT		343	366	19	(9)
Adjustments ¹ :					
Consolidated Fund adjustments due to a reduction in rate of contribution following judgment by the Mediation Division of the Supreme Court	1	(262)	(262)	121	141
Management fees adjustments due to a reduction in Consolidated Fund rate of contribution	2	18	(13)	(8)	(10)
Reallocation of legal & professional fees in connection with settlement of GRA litigation	3	21	21	(10)	(11)
Reallocation of consultancy fees in connection with settlement of GRA litigation	3	18	18	(8)	(10)
Reallocation of staff bonus adjustments due to a reduction in Consolidated Fund rate of contribution	4	17	11	(8)	(9)
Reallocation of stock write off in connection with Quick Win games rejuvenation plans ²	5	24	24	(9)	(6)
Tax expense adjustments due to above adjustments	6	20	(28)	(9)	(11)
Adjusted pro forma PAT		199	137	88	75

¹ Some of the adjustments do not net off to zero when comparing 18m FY13 to FY12 and FY11 as balancing adjustments have been reallocated to the 6 month period 1 July 2013 to 31 December 2013.

² MUR9m have been adjusted in FY10.



9. PRO FORMA FINANCIAL INFORMATION (CONTD.)

9.3 Adjustments made in arriving at the pro forma income statements and financial positions (Contd.)

- Note 1. The FY13 adjustment of MUR262m has been reallocated to FY11 and FY12 proportionally to net proceeds for each of these years.
- Note 2. Management fees payable to ASB in FY13 (refer to Listing Particulars for more details), have been adjusted to reflect the changes in the metrics driving the fees had the contribution to the Consolidated Fund been at the amount agreed at mediation.
- Note 3. Lottotech incurred legal, professional and consultancy fees in relation to the mediation case which was accounted for in the FY13 audited financial statements. These have been reallocated to FY11 and FY12 proportionately to net proceeds for each corresponding year.
- Note 4. The reduction of MUR262m to the Consolidated Fund contribution resulted in higher profits for FY13. This in turn increased the profit related bonuses to employees. The adjustment reflects what the bonuses would have been on the adjusted profit of the Company.

Note 5. As part of the Quick Win rejuvenation plan, a total of MUR30m of stock was written off in FY13. This stock dated back to games which were launched during the period 2009 to 2012. As such, the amount written off was spread over the period from FY10 to FY13 in relation to the date of launch of the respective Quick Win games. This is in line with the stock provisioning approach adopted by Lottotech in FY13.

Note 6. The above mentioned adjustments directly impacted the profitability of the Company and the tax losses being carried forward. The tax expenses have therefore been adjusted to reflect these changes on the income statement.

The impact of above adjustments on the Net Asset Value ("NAV") is shown below:

Table 5 – Reconciliation of the audited NAV to the pro forma NAV

MURm	31 December 2013	30 June 2012	30 June 2011
Audited NAV	100	8	(12)
Adjustments:			
Change in opening NAV balance	145	76	(9)
Consolidated Fund adjustments due to a reduction in rate of contribution following judgment by the Mediation Division of the Supreme Court	(262)	121	141
Management fees adjustments due to a reduction in Consolidated Fund rate of contribution	18	(8)	(10)
Reallocation of legal & professional fees in connection with settlement of GRA litigation	21	(10)	(11)
Reallocation of consultancy fees in connection with settlement of GRA litigation	18	(8)	(10)
Reallocation of staff bonus adjustments due to a reduction in Consolidated Fund rate of contribution	17	(8)	(9)
Reallocation of stock write off in connection with Quick Win games rejuvenation plans	24	(9)	(6)
Tax expense adjustments due to above adjustments	19	(10)	(9)
Adjusted NAV	100	152	65



10. HISTORICAL FINANCIAL INFORMATION

Audited financial statements for the 18 month period ended 31 December 2013 and years ended 30 June 2012 and 2011.

Statements of profit or loss and other comprehensive income

	Period from 1 July 2012 to 31 December 2013 MUR	Year ended 30 June 2012 MUR	Year ended 30 June 2011 MUR
Gross ticket sales	3,876,363,745	2,596,359,420	3,161,490,780
Prizes	(1,997,587,441)	(1,338,170,002)	(1,703,562,933)
Consolidated Fund	(605,063,999)	(729,875,682)	(844,556,503)
Net income	1,273,712,305	528,313,736	613,371,344
Retailers' and other commissions	(214,178,333)	(144,209,322)	(174,085,367)
Gaming systems and data communication costs	(282,896,903)	(177,926,387)	(223,014,647)
Gross profit	776,637,069	206,178,027	216,271,330
Other income	-	3,962,629	-
Administrative expenses	(381,186,015)	(187,229,348)	(220,244,970)
Operating profit/(loss)	395,451,054	22,911,308	(3,973,640)
Finance income	11,978,335	7,014,683	9,953,276
Finance costs	(1,074,075)	(864,139)	(13,325,947)
Finance income/(costs) - Net	10,904,260	6,150,544	(3,372,671)
Profit/(loss) before taxation	406,355,314	29,061,852	(7,346,311)
Income tax expense	(62,895,249)	(9,684,945)	(1,284,012)
Profit/(loss) for the period/ year	343,460,065	19,376,907	(8,630,323)
Remeasurement of post-employment benefit obligations	(965,000)	-	-
Total comprehensive income/(loss) for the period/year	342,495,065	19,376,907	(8,630,323)
Earnings/(loss) per share	3,434.60	193.77	(86.30)



10. HISTORICAL FINANCIAL INFORMATION (CONTD.)

Statements of financial position

	31 December 2013 MUR	30 June 2012 MUR	30 June 2011 MUR
Assets			
Non-current assets			
Property, plant and equipment	229,760,861	252,061,225	286,185,695
Investment in subsidiary	-	1,000	1,000
Deferred income tax asset	-	6,547,264	16,232,209
	229,760,861	258,609,489	302,418,904
Current assets			
Inventories	14,342,748	30,805,909	36,199,287
Trade and other receivables	111,581,339	76,236,397	102,130,658
Cash and cash equivalents	199,507,103	253,586,520	140,980,935
	325,431,190	360,628,826	279,310,880
Total assets	555,192,051	619,238,315	581,729,784
Equity and liabilities			
Capital and reserves			
Stated capital	100,000,000	100,000,000	100,000,000
Retained earnings /(accumulated losses)	284,912	(92,210,153)	(111,587,060)
Total equity	100,284,912	7,789,847	(11,587,060)
Non-current liabilities			
Borrowings	882,315	6,355,167	9,061,098
Deferred income tax liabilities	4,677,159	-	-
Post-employment benefits	4,141,000	2,438,000	1,336,000
	9,700,474	8,793,167	10,397,098
Current liabilities			
Borrowings	1,746,805	2,703,494	113,881,159
Trade and other payables	389,872,589	599,951,807	469,038,587
Dividend payable	40,000,000	-	-
Current income tax liabilities	13,587,271	-	-
	445,206,665	602,655,301	582,919,746
Total liabilities	454,907,139	611,448,468	593,316,844
Total equity and liabilities	555,192,051	619,238,315	581,729,784



10. HISTORICAL FINANCIAL INFORMATION (CONTD.)

Statements of cash flows

	Period from 1 July 2012 to 31 December 2013 MUR	Year ended 30 June 2012 MUR	Year ended 30 June 2011 MUR
Cash flow from operating activities			
Profit/(loss) before taxation	406,355,314	29,061,852	(7,346,311)
Adjustments for:			
Depreciation on property, plant and equipment	85,589,152	50,324,556	50,196,648
Loss on disposal of property, plant and equipment	2,315,034	-	-
Provision for impairment of receivables	-	550,000	1,000,000
Provision for post-employment benefits	1,098,000	1,102,000	1,686,000
Inventory write-down	30,000,000	8,471,428	-
Interest expense	1,074,075	864,139	13,325,947
Interest income	(11,978,335)	(7,014,683)	(9,953,276)
Operating profit before working capital changes	514,453,240	83,359,292	48,909,008
Increase in inventories	(13,536,839)	(3,078,050)	(7,478,536)
(Increase)/decrease in trade and other receivables	(35,343,942)	25,344,261	(61,560,122)
(Decrease)/increase in trade and other payables	(210,079,218)	130,913,220	189,696,424
Cash generated from operations	255,493,241	236,538,723	169,566,774
Interest paid	(1,074,075)	(864,139)	(13,325,947)
Interest received	11,978,335	7,014,683	1,337,607
Contributions to pension	(360,000)	-	(350,000)
Income tax paid	(38,083,555)	-	-
Net cash from operating activities	227,953,946	242,689,267	157,228,434
Cash flows from investing activities			
Purchase of property, plant and equipment	(66,173,822)	(16,200,086)	(34,873,268)
Proceeds from sale of property, plant and equipment	570,000	-	-
Investment in subsidiary	-	-	(1,000)
Net cash used in investing activities	(65,603,822)	(16,200,086)	(34,874,268)
Cash flows from financing activities			
Repayment of loan from related party	-	-	(174,594,991)
Receipts of loan proceeds from related party	-	-	154,528,000
Repayment of bank loan	-	(110,500,000)	(19,500,000)
Finance lease principal payments	(6,903,750)	(2,584,894)	(2,174,822)
Dividends paid	(210,000,000)	-	-
Net cash used in financing activities	(216,903,750)	(113,084,894)	(41,741,813)
Net (decrease)/increase in cash and cash equivalents	(54,553,626)	113,404,287	80,612,353
Cash and cash equivalents at beginning of period/year	253,586,520	140,182,233	59,569,880
Cash and cash equivalents at end of period/year	199,032,894	253,586,520	140,182,233





11. RISK FACTORS

Any investment in the Company is subject to a number of risks. Accordingly, prospective investors should carefully consider the risks and uncertainties associated with any investment in the ordinary shares, the Company's business and the industry in which it operates together with all other information contained in this document, prior to making an investment decision.

The risks and uncertainties described below represent those the Directors consider to be material as at the date of this document. However, these risks and uncertainties are not the only ones facing the Company. Additional risks and uncertainties not presently known to the Directors, or that the Directors currently consider to be immaterial, may individually or cumulatively also materially and adversely affect the business, results of operations, financial condition and/or prospects of the Company. If any or a combination of these risks actually occurs, the business, results of operations, financial condition and/or prospects of the Company could be materially and adversely affected. In such cases, the market price of the ordinary shares could be adversely impacted.

Investors should consider carefully whether an investment in the ordinary shares is suitable for them in the light of the information in this document and their personal circumstances. If in doubt, investors should consult their banker, licensed investment dealer, legal advisor, accountant or other professional advisor for any investment advice.

There is a risk that this Offer for Sale shall be withdrawn if the number of ordinary shares applied for by investors is below 34,000,000 ordinary shares. In the event that this minimum offer is not met, Lottotech shall refund applicants the full amount paid for the purchase of the ordinary shares. Such monies refunded will not bear interest for the applicant's account.

Lottotech's risk factors can be categorised as follows:

- Strategic and regulatory;
- Technological;
- Reputational; and
- Financial.

11.1 Strategic and regulatory

11.1.1 *The industry in which Lottotech operates is regulated and changes to applicable laws and regulations, including the introduction of more stringent laws and regulations, could adversely affect its business, results of its operations, financial condition and/or its prospects.*

The laws and regulations for the Mauritius National Lottery are currently defined in the GRA Act. Any change thereto, including the introduction of more stringent laws and regulations, and failure by the Company to comply with the applicable laws and regulations may adversely affect its ability to operate the Mauritius National Lottery in the future, including its ability to retain or renew its licence.

Lottotech could also from time to time experience significant delays in the approval of new games and approval of Loto enhancements by the GRA and such delays could prevent the Company from taking advantage of attractive market opportunities. The GRA may refuse to approve new games or Loto enhancements.

This risk is mitigated by Lottotech holding regular discussions with the GRA on regulatory matters and approval of new games and Loto enhancements.

11.1.2 *Lottotech operates in a competitive gaming and gambling environment and may face competition from the rest of the gaming and gambling industry.*

Lottotech faces competition from the rest of the gaming and gambling industry such as other lotteries, horse racing and sports betting shops and casinos. Competition may intensify, which could put downward pressure on the revenue of the Company. Gaming products are also susceptible to consumer trends and the improvement and expansion of product offerings by competitors may attract customers away from the products that Lottotech offers and reduce the Company's market share. In addition, operators in the unregulated 'grey' market which are permitted to act outside the GRA regulatory regime may be able to obtain a competitive advantage against regulated operators like Lottotech. Illegal gaming and gambling drain volumes of business away from the regulated industry. The actions of gaming and gambling competitors and detractors may have a material adverse effect on Lottotech's business, results of its operations, financial condition and/or its prospects.

This risk is mitigated by Lottotech focusing on product innovation, the GRA enforcing its regulations and the Company reinforcing its reputation as a provider of safe and responsible gaming products.

11.2 Technological

11.2.1 *Lottotech relies heavily on its IT infrastructure to continue to deliver an uninterrupted quality service to its consumers.*

Lottotech's operations depend to a large extent on the reliability, performance and security of its information technology system, software and network. Any major system failure including network, software, internet or hardware failure, arising from damage and interruption caused by human error, problems with the telecommunications network, natural disasters, sabotage, hacker intrusion, malicious viruses and other cybercrime attacks, which causes interruption in the business or affect the integrity of the Mauritius National Lottery, would have an adverse impact on the business of Lottotech.

This risk is mitigated by Lottotech having devised control systems within its IT infrastructure. The IT operations are conducted from the Company's head office in Ebène CyberCity, together with back-up systems in a remote location at Beau Bassin. Additionally, Lottotech's network communications system functions on a dual network mechanism operating on both the Emtel and Orange communication systems. Should one network operator be down, it will automatically shift to the other network provider to ensure seamless data transmission to the data centres.

Lottotech has signed a technology supply and support agreement with GTECH to provide lottery technology services to the Company. GTECH has supplied the Company with proven technology and certified equipment in support of Lottotech's efficient and highly-secured gaming operations.



11. RISK FACTORS (CONTD.)

11.2 Technological (Contd.)

11.2.1 *Lottotech relies heavily on its IT infrastructure to continue to deliver an uninterrupted quality service to its consumers. (Contd.)*

Lottotech is compliant with ISO 27001:2005 which is the highest international standard with respect to information security management systems.

On a regular basis, Lottotech commissions penetration testing carried out by professional firms with the relevant expertise.

11.3 Reputational

11.3.1 *Lottotech relies on its retailer network as a distribution channel for its lottery products and problems with the retailers could adversely affect the business.*

Lottotech relies on retailers to operate its distribution network. The Company does not control these retailers and relies on them to perform in accordance with the terms of their contracts. This increases the Company's vulnerability to problems with the service they provide.

This risk is mitigated by a series of measures that Lottotech has implemented. A rigorous control system has been put in place by Lottotech to monitor its distribution network. Lottotech carefully selects its retailers in order to optimise its presence and the visibility of its products throughout Mauritius and Rodrigues. The Company evaluates the retailer's ability in managing the lottery business before appointing the retailer. The Company continuously reviews the performance of retailers and provides training to them to ensure that the customer service delivered by the retailers is of the required standard. In connection with this review process, Lottotech seeks to reward top performing retailers by presenting them with end of year awards and focuses on opening new points of sale and closing underperforming points of sale. Training courses are held on a regular basis to ensure that retailers are not deceitful towards both Lottotech and its customers.

11.3.2 *Negative perceptions and publicity surrounding the gambling industry could adversely affect Lottotech's business.*

Lottotech may be exposed to negative publicity related to gambling behaviour, under-age play, risks related to online gambling and money laundering. Such negative perceptions, even if not directly connected to the Company and its products, could adversely impact the business, results of its operations, financial condition and/or its prospects. For example, if the perception develops that the GRA is failing to address such concerns adequately, the gambling industry can become subject to increased regulation. Such an increase in regulation could adversely impact Lottotech's business.

This is mitigated by the Company being actively involved in the promotion of responsible gaming. In addition, Lottotech ensures that the public understands the difference between gaming and gambling. Lottotech maintains internal monitoring systems under its compliance department to prevent any instance of bribery, fraud or corruption.

11.3.3 *Lottotech relies on the integrity of its employees and systems.*

The real and perceived integrity and security of the Company's employees, executives and systems are critical to its ability to attract customers and comply with applicable regulations. Lottotech has set high standards of personal integrity for its employees and system security for the games that it provides to its customers. Accordingly, a finding of improper conduct on the Company's part, or on the part of one or more of its current or former employees or another related party, or a system security defect or failure, or an allegation of such conduct that impairs Lottotech's reputation, could result in civil or criminal liability. Any of the above factors could have a material adverse effect upon the business, its results of operations, its financial condition and/or its prospects.

Should any instance of improper conduct on the part of its employees be found, Lottotech will take appropriate action immediately to remedy the situation. In addition, Lottotech invests a significant amount of resources to ensure the integrity of its systems.

11.4 Financial

Financial risks to Lottotech are both external and internal by nature as explained below:

External

11.4.1 *Natural disaster* – This external risk factor has a direct impact on business continuity and could have a significant adverse effect on Lottotech's revenues and overall profitability.

11.4.2 *Credit risk arising from non-payment by retailers* – Retailers collect the cash and transfer it over to Lottotech on a weekly basis, net of their commissions. There is a risk that retailers do not pay over the appropriate amount to Lottotech. The Company has the ability to turn off a retailer terminal centrally such that this risk can be mitigated to one week's worth of takings. In addition, legal action will be taken by the Company to recover the debt.

11.4.3 *Reliance on certain key persons* – Lottotech's success depends on certain key persons, in particular members of its senior management team. A succession plan is in place to mitigate the impact of losing these key persons. In addition, training is provided on and off the job to ensure that the appropriate expertise is developed and spread across key persons.

11.4.4 *Dependence on one bank to perform the sweep of cash from retailers into Lottotech's account* – Lottotech depends on one bank to effect the transfer of monies from retailers into Lottotech's bank account. The bank which Lottotech has chosen is one of the largest banks in Mauritius and to date it has provided an uninterrupted and effective service.



11. RISK FACTORS (CONTD.)

11.4.5 *Logistics* – All of Lottotech's Quick Win games are imported from GTECH and shipped to Mauritius for distribution. The possibility of shipment delays might hamper inventory levels and revenue figures. This risk is mitigated by careful planning such that Quick Win games are ordered in advance and rolled out in accordance with an agreed plan.

Internal

11.4.6 *Management of contributions to the Consolidated Fund* – Remittance to the Consolidated Fund is a statutory requirement of the GRA Act. A prescribed formula has been devised and Lottotech ensures that its calculations reconcile with those of the GRA to minimise the risk of under/overpayment to the Consolidated Fund.

11.4.7 *Unclaimed prize monies* – A statutory requirement of the GRA Act is the remittance of all unclaimed prize monies to the National Solidarity Fund. For Loto, it is all unclaimed prizes aged more than 6 months and for Quick Win games, all prizes unclaimed greater than 3 months following the closure of the applicable Quick Win games. Lottotech continuously monitors the unclaimed prize balance such that it can be remitted on time to the National Solidarity Fund.

Trademarks

Loterie Nationale, Loto and Quick Win – These are the property of the Government of Mauritius. They were created and are used for commercial purposes by Lottotech by virtue of its licence.

Company Secretary

Gamma Corporate Services Ltd
Royal Road, Chapman Hill
Beau Bassin, Mauritius

Registrars

Gamma Corporate Services Ltd
Royal Road, Chapman Hill
Beau Bassin, Mauritius

Principal Banker

State Bank of Mauritius Ltd
SBM Tower
1 Queen Elizabeth II Avenue
Port Louis, Mauritius

Auditors/Reporting Accountants

PricewaterhouseCoopers Ltd
18 CyberCity, Ebène, Mauritius

Transaction advisors

PricewaterhouseCoopers Ltd
18 CyberCity, Ebène, Mauritius

Independent valuers

KPMG
KPMG Centre
31 Cybercity, Ebène, Mauritius

Legal advisors

Sir Hamid Moollan QC
6th Floor, PCL Building
Sir William Newton Street
Port Louis, Mauritius

12. SUMMARY OF CORPORATE INFORMATION

Name of company	Lottotech Ltd
Business registration number	C08079313
Names of Directors	Carl Ah Teck (Chairman) Tommy Ah Teck Patrice Ah Teck Paul Cyril How Kin Sang Jean-Claude Lam Hung Muhammad Iqbal Mallam-Hasham Ishwurlal Golam Alex S. Burstein Robert Chowvee Ip Min Wan (effective 19 May 2014) Anwar Moollan (effective 19 May 2014) Ian Shepherd (effective 19 May 2014)
Principal office	HSBC Centre 18 CyberCity, Ebène, Mauritius
Registered office	Royal Road, Chapman Hill Beau Bassin, Mauritius
Key licence	Operator of the Mauritius National Lottery Licence



13. PROCEDURES

13.1 Application procedures

Acceptance may only be made by filling in and signing the relevant application forms attached to this Simplified Prospectus. Applicants for the Offer for Sale should apply for the ordinary shares by filling in and signing the "Application Form for the Offer for Sale". The respective form must be returned with the payment of MUR10 per ordinary share applied for to any licensed investment dealer (see application form) not later than 4:00 pm on 16 May 2014. Acceptances are irrevocable and may not be withdrawn.

13.2 Method of payment

Crossed cheques drawn to the order of Lottotech Ltd for the total consideration with the properly completed and signed appropriate form(s) must reach the licensed investment dealers not later than 4:00 pm on 16 May 2014. Receipts will be issued thereon.

Should a cheque in payment of an application for ordinary shares be dishonoured by the drawer's bank, the application will be considered as null / void and will not be considered. No cash payments will be accepted.

No remittance should be sent by post except for non-residents, both Mauritians and non-Mauritians, who should ensure that their application form and full remittance reach the licensed investment dealers, not later than 4:00 pm on 16 May 2014.

13.3 Completion of the share transfer form

Applicants for the Offer for Sale must complete the transferee sections of the Share Transfer Form attached in this document in order for their application to be valid.

Please note only the **shaded sections** should be completed by the applicant. The remaining sections will be completed by the Company Registrar.

13.4 Allotment of ordinary shares

The allotment of ordinary shares will be effected by the 9 June 2014. Applicants for the Offer for Sale, who have been allotted ordinary shares will have their CDS accounts credited by 10 June 2014. A letter will be sent to confirm the number of ordinary shares credited.

Up to 20% of the ordinary shares on offer will be reserved to be allocated to retailers of Lottotech, directors and employees of Gamma group of companies and SIC, with a discount of 5% on the offer price. This offer is subject to a restriction that these said retailers, directors and employees may not sell any of these ordinary shares purchased through this scheme for a period of 365 days from the listing date.

The balance of the ordinary shares on offer will be allocated to the public.

For the reserved shares, the Board of Lottotech will define the allotment criteria and retains the right to allocate the ordinary shares in such a manner as it deems appropriate. In the event of over-subscription of the ordinary shares allocated to the public, the Board will define the allotment criteria and retains the right to allocate the ordinary shares in such a manner as it deems appropriate.

The above allotments are subject to the approval of the relevant regulatory authorities.

Any confirmation of ownership and any monies returnable to the applicant may be retained pending clearance of the applicant's remittance. Such monies will not bear interest for the applicant's account. Therefore all documents in connection with the Offer for Sale and any returned monies will be sent to the applicant by bank transfer.

13.5 Minimum Offer

This Offer for Sale shall be withdrawn if the number of ordinary shares applied for is below 34,000,000 ordinary shares. In the event that this minimum offer is not met, Lottotech shall refund applicants the full amount paid for the purchase of the ordinary shares.



lottotech

Lottotech Ltd (“Company”), a company incorporated as a public company limited by shares in Mauritius with file number 079313 and currently regulated by the Companies Act 2001 and the Gambling Regulatory Authority Act 2007.

Offer for Sale of up to 85,000,000 ordinary shares of no par value.

APPLICATION FORM FOR THE OFFER FOR SALE

Applications may only be made by persons over 18 years old. However, a parent or guardian of a minor may apply for the benefit of the minor.

Allotment letters will be sent to the email address specified on the application form (or the mailing address if an email is not provided). The aforesaid email and/or mailing address shall supersede all previous addresses provided to the Company in respect of the Offer for Sale. All further notices required to be sent by the Company to shareholders shall be sent to the email address specified on the application form or the mailing address assigned to your CDS account.

To meet the requirements of the Financial Intelligence and Anti-Money Laundering Act 2002, the following documents should be attached with this application form.

Individual applicant/Joint applicant

For each applicant:

- A certified copy of a National Identity Card or of a valid passport or of a birth certificate (for minors);
- A certified copy of a recent (dated within the last six months) utility bill (CEB, CWA, Mauritius Telecom); and
- A certified copy of a recent (dated within the last three months) bank statement showing the applicant’s name and bank account number (without any transaction details).

Corporate applicant:

- Official documents certifying the legal existence of the applicant;
- Documents certifying the identity of at least two directors (same as for an individual applicant see above); and
- A resolution of the Board of Directors or managing body or any other official documents granting the relevant authority to the signatories.

Applicants may call personally at any licensed investment dealer with the stipulated original documents and their officers will certify the copies accordingly.

Alternatively, the required documents can be certified as true copies by any one of the following persons: a notary, a lawyer, an actuary or an accountant holding a recognised professional qualification, a serving high ranked police or customs officer, a member of the judiciary, a civil servant, an employee of an embassy or consulate of the country of issue of documentary evidence of identity, or a director of a regulated financial services business in Mauritius and in Rodrigues.

Your application may be rejected if relevant instructions are not complied with and if the documents mentioned above are not submitted together with your application form in respect of the Offer for Sale.

Ordinary shares will be allotted on or around the allotment date, provided that settlement is received in full by the Company.



APPLICATION FORM FOR OFFER FOR SALE

Please use **BLOCK LETTERS** to complete this form

SECTION 1A – INVESTOR DETAILS (INDIVIDUAL)

	PRIMARY INVESTOR	JOINT INVESTOR
Title:	_____	_____
Surname:	_____	_____
First name(s):	_____	_____
Marital status:	_____	_____
Maiden name:	_____	_____
Date of birth:	_____	_____
Nic/birth cert/passport:	_____	_____
Passport issuing country:	_____	_____
Passport expiry date:	_____	_____
Nationality:	_____	_____
Permanent address:	_____	_____
	_____	_____
Mailing address (if different):	_____	_____
	_____	_____
Telephone (home):	_____	_____
Telephone (mobile):	_____	_____
Telephone (office):	_____	_____
Occupation:	_____	_____
Email:	_____	_____
Employer's name:	_____	_____
	_____	_____
Employer's address:	_____	_____
	_____	_____
Source of funds:	_____	_____
	_____	_____

SECTION 1B – INVESTOR DETAILS (CORPORATE)

Corporate name:	_____	_____
Business registration number:	_____	_____
Company number:	_____	_____
Registered office:	_____	_____
Mailing address (if different):	_____	_____
	_____	_____
Email:	_____	_____

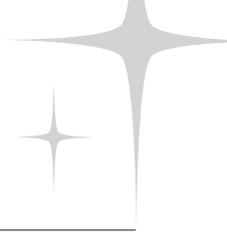
Lottotech Ltd

Principal office: HSBC Centre, 18 CyberCity, Ebène, Mauritius

Tel: +230 403 7117 Fax: +230 403 7171

BRN: C08079313

headoffice@lottotech.mu www.lottotech.mu



SECTION 2 – INVESTMENT DETAILS

No. of ordinary shares applied for: _____

Investment amount: _____

Payment mode: Crossed cheque payable to **Lottotech Ltd**

Cheque number: _____

Receipt number: _____

CDS account number: _____

SECTION 3 – APPLICANT ACCOUNT DETAILS

This section should be completed with the details of a **Mauritian bank account** by ALL applicants.

Bank: _____

Account holder: _____

Account number: _____

For dividend payments please select from one of the following options:

Electronic transfer to the above bank account number Cheque

Note that this same account shall be credited for refund of monies in case of oversubscription or cancellation of the Offer for Sale. Subject to section 6.7, this account shall be used for newly opened CDS accounts.

SECTION 4 – METHOD OF PAYMENT

Crossed cheques drawn to the order of Lottotech Ltd for the total consideration with the properly completed and signed appropriate form(s) must reach the licensed investment dealers not later than 4:00 pm on 16 May 2014. Receipts will be issued thereon.

Should a cheque in payment of an application for ordinary shares be dishonoured by the drawer's bank, the application will be considered as null / void and will not be considered.

No cash payments will be accepted nor should be sent by post.

No remittance should be sent by post except for non-residents, both Mauritians and non-Mauritians, who should ensure that their application form and full remittance reach any licensed investment dealer, not later than 4:00 pm on 16 May 2014.

SECTION 5 – COMPLETION OF THE SHARE TRANSFER FORM

Applicants for the Offer for Sale must complete the transferee sections of the SHARE TRANSFER FORM on the next page in order for their application to be valid.

Please note only the **shaded sections** should be completed by the applicant. The remaining sections will be completed by the Company Registrar.

SECTION 6 – DECLARATIONS

6.1 - I/We the undersigned agree to purchase the above mentioned ordinary share(s) and I/we agree to accept the same or lesser number of ordinary shares that may be allocated to me/us upon the terms and conditions of the Listing Particulars and/or the Simplified Prospectus and in accordance with the Instructions and Conditions.

6.2 - I/We hereby acknowledge that I/we have received, read and understand the Listing Particulars and/or the Simplified Prospectus and agree to be bound by the provisions contained therein and by the provisions of the Financial Intelligence and Anti-Money Laundering Act 2002, as may be amended from time to time. I/We acknowledge that we have taken independent professional advice in relation to this Listing Particulars and/or the Simplified Prospectus.

6.3 - I/We represent and warrant that I/we have the necessary authority and power to purchase and hold the ordinary shares in accordance with this application form and have taken all necessary corporate action if applicable to approve such

purchase and to authorise the person(s) signing this application form to bind me/us in accordance with the terms hereof.

6.4 - In accordance with anti-money laundering requirements I/we hereby consent to the Company and/or the licensed investment dealer making reasonable enquiries for the purpose of verifying the information disclosed herein and obtaining information about me/us. I/We certify that the monies being invested are not proceeds from illegal activities and that my/our investment is not designed to conceal such proceeds so as to avoid prosecution for an offence.

6.5 - I/We undertake to promptly notify the Company and the licensed investment dealer of any change in the information and/or details submitted in this application.

6.6 - I/We further understand and agree that dividend payments of the ordinary shares shall be credited as per prevailing instructions in section 3 of this application form.

6.7 - I/We understand that if a CDS account number is not specified in section 2 above or if the corresponding CDS Statement is not attached to this application, by signing this application form, I/we am/are expressly authorising the licensed investment dealer to open a CDS Account as per sections 1 and 3 above. I/we undertake to provide any other documentation as may be requested by the licensed investment dealer.

6.8 - I/We declare that all statements and declarations made in this application and any related documents submitted are true, correct and complete.

6.9 - I/We acknowledge and agree that all notices to be sent by the Company to shareholders will be sent to the email address provided in section 1 above. The email and mailing address provided herein shall supersede all previous addresses provided by me/us in respect of any ordinary shares issued on or before the date hereof.

6.10 - I/We authorise the Company Registrar to complete the non-shaded sections of the SHARE TRANSFER FORM on my/our behalf following the completion of the allotment process.

Signature: _____

Name: _____

Capacity: _____

Date: _____

LIST OF LICENSED INVESTMENT DEALERS

Co-sponsoring licensed investment dealers:

Capital Market Brokers Ltd	MCB Stockbrokers Ltd	SBM Securities Ltd
Suite 1004, Ground Floor Alexander House 35, CyberCity, Ebène Mauritius Tel: +230 467 9655	9th Floor, MCB Centre Sir William Newton Street Port Louis Mauritius Tel: +230 202 5427	Level 6, State Bank Tower 1, Queen Elizabeth II Avenue Port Louis Mauritius Tel: +230 202 1111

Other licensed investment dealers:

Anglo-Mauritius Stockbrokers Limited	Associated Brokers Ltd	AXYS Stockbroking Ltd
3rd Floor, Swan Group Centre 10, Intendance Street Port Louis Mauritius Tel: +230 208 7010	3rd Floor, Travel House Sir William Newton Street Port Louis Mauritius Tel: +230 212 3038	Bowen Square 10, Dr. Ferrière Street Port Louis Mauritius Tel: +230 213 3475

Bramer Capital Brokers Ltd	Citygate Securities Ltd	IPRO Stockbroking Ltd
11th Floor, Bramer House 66C2, CyberCity Ebène Mauritius Tel: +230 403 4100	7A, 7th Floor, Ebène Mews 57, CyberCity Ebène Mauritius Tel: +230 467 0768	3rd Floor, Ebène Skies Rue De L'Institut Ebène Mauritius Tel: +230 403 6740

LCF Securities Ltd	Prime Securities Ltd	Ramet & Associés Ltée
Suite 108, 1st Floor, Moka Business Centre Mont Ory Road Moka Mauritius Tel: +230 406 9626	Ground Floor, Unit 17, Air Mauritius Centre 6, President John Kennedy Street Port Louis Mauritius Tel: +230 212 3500	1st Floor, St Louis House 17, Mgr Gonin Street Port Louis Mauritius Tel: +230 212 3535

For office use only:

Number of allotted shares:

Lottotech Ltd

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BRN: C08079313

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SHARE TRANSFER FORM

Name of transferor	
Address of transferor	
Name of transferee	
Address of transferee	
Name of company in which the shares are held	LOTTOTECH LTD
Registration No. of the company	079313
Number of shares transferred	
Serial number of shares	
Consideration	

We declare that the company does not reckon among its assets –

- (i) freehold or leasehold immovable property, or
- (ii) shares in any partnership which reckons among its assets freehold or leasehold immovable property or shares that the partnership holds in any other partnership, successive partnership, company or successive company which reckons among its assets such property; or
- (iii) shares in any company which reckons among its assets freehold or leasehold immovable property, or shares that the company holds in any other company, successive company, in any partnership or successive partnership which reckons among its assets such property.

As witness our hands, this day of

<p>TRANSFEROR</p> <p>I/We, the undersigned declare transferring to the transferee the aforesaid share(s) to hold for himself, his executors, administrators, successors and assigns subject to several conditions on which I held the same at the time of the execution of this transfer.</p> <p>_____</p> <p>Signature(s) of transferor(s)</p>	<p>TRANSFEEE</p> <p>I/We, the undersigned, agree to take the said share or shares subject to the same conditions.</p> <p>_____</p> <p>Signature(s) of transferee(s)</p>
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