

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Quarter Ended 30-Jun-22 MUR Unaudited	Quarter Ended 30-Jun-21 MUR Unaudited	6 months ended 30-Jun-22 MUR Unaudited	6 months ended 30-Jun-21 MUR Unaudited
Revenue	324,270,825	248,245,426	630,118,544	489,800,309
<b>Operating profit</b>	<b>39,709,848</b>	<b>22,199,151</b>	<b>73,570,697</b>	<b>34,675,425</b>
Finance income	126,685	89,463	211,104	101,047
Finance costs	(1,080,080)	(599,021)	(2,161,866)	(1,050,125)
Net finance costs	(953,395)	(509,558)	(1,950,762)	(949,078)
<b>Profit before income tax</b>	<b>38,756,453</b>	<b>21,689,594</b>	<b>71,619,935</b>	<b>33,726,347</b>
Income tax expense	(6,932,322)	(3,127,418)	(12,856,820)	(6,068,313)
<b>Profit for the period</b>	<b>31,824,131</b>	<b>18,562,176</b>	<b>58,763,115</b>	<b>27,658,034</b>
<b>Other comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>	<b>31,824,131</b>	<b>18,562,176</b>	<b>58,763,115</b>	<b>27,658,034</b>
Number of shares in issue	340,000,000	340,000,000	340,000,000	340,000,000
<b>Basic and diluted earnings per share</b>	<b>0.09</b>	<b>0.05</b>	<b>0.17</b>	<b>0.08</b>

STATEMENT OF FINANCIAL POSITION

	30-Jun-22 MUR Unaudited	31-Dec-21 MUR Audited
<b>ASSETS</b>		
Non-current assets	269,998,151	267,364,424
Current assets	258,842,211	297,596,549
<b>Total assets</b>	<b>528,840,362</b>	<b>564,960,973</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity and reserves</b>		
Stated capital	100,000,000	100,000,000
Retained earnings	48,440,919	64,477,804
<b>Total equity</b>	<b>148,440,919</b>	<b>164,477,804</b>
Non-current liabilities	113,239,553	111,296,747
Current liabilities	267,159,890	289,186,422
<b>Total liabilities</b>	<b>380,399,443</b>	<b>400,483,169</b>
<b>Total equity and liabilities</b>	<b>528,840,362</b>	<b>564,960,973</b>

STATEMENT OF CHANGES IN EQUITY

	Stated capital MUR Unaudited	Retained earnings MUR Unaudited	Total equity MUR Unaudited
<b>At 01 January 2021</b>	<b>100,000,000</b>	<b>42,765,349</b>	<b>142,765,349</b>
Profit for the period	-	27,658,034	27,658,034
Other comprehensive income for the period	-	-	-
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>27,658,034</b>	<b>27,658,034</b>
<b>Transactions with owners</b>			
Dividends	-	(57,800,000)	(57,800,000)
<b>At 30 June 2021</b>	<b>100,000,000</b>	<b>12,623,383</b>	<b>112,623,383</b>
<b>At 01 January 2022</b>	<b>100,000,000</b>	<b>64,477,804</b>	<b>164,477,804</b>
Profit for the period	-	58,763,115	58,763,115
Other comprehensive income for the period	-	-	-
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>58,763,115</b>	<b>58,763,115</b>
<b>Transactions with owners</b>			
Dividends	-	(74,800,000)	(74,800,000)
<b>At 30 June 2022</b>	<b>100,000,000</b>	<b>48,440,919</b>	<b>148,440,919</b>

CONSOLIDATED STATEMENTS OF CASH FLOWS

	6 months ended 30-Jun-22 MUR Unaudited	6 months ended 30-Jun-21 MUR Unaudited
Net cash generated from operating activities	68,620,888	17,541,165
Net cash used in investing activities	(11,031,281)	(51,214,021)
Net cash used in financing activities	(83,971,252)	(22,932,307)
Net decrease in cash and cash equivalents	(26,381,645)	(56,605,163)
Cash and cash equivalents at the beginning of period	254,770,621	289,052,374
Cash and cash equivalents at the end of period	<b>228,388,976</b>	<b>232,447,211</b>

COMMENTS

Principal Activity

Lottotech Ltd is the operator of the Mauritius National Lottery on behalf of the Government of Mauritius. Its main activities are related to the gaming sector.

Results

Revenue for the half year ended 30 June 2022 amounted to MUR630.1m compared to prior corresponding period of MUR489.8m. Profit after tax was MUR58.8m for the half year ended 30 June 2022 compared to MUR27.7m for the prior corresponding period.

The increase in revenue and profit after tax for the half year ended 30 June 2022 was mainly attributable to a high jackpot rollover of MUR62M and a full semester of lottery operations whereas the business was impacted in half year ended 30 June 2021 by the confinement with 13 missed draws.

Outlook

The COVID-19 pandemic, war in Ukraine and rising global inflation pose significant risks to the local and international economy. Increasing costs of goods and services is expected to impact the business. The Company continues to explore and implement measures which would mitigate any downside financial risks. The Board and Management will continue to monitor the evolving uncertain market conditions.

The Company is working to offer a wider range of services to the market and will introduce an enhancement to its football pools games which will coincide with the start of the English Premier League Season 2022/23.

In the context of modernizing its games and adopting the highest standards of compliance with anti-money laundering regulations, on 12 July 2018 the Company submitted an application to the Gambling Regulatory Authority (GRA) for authorisation to implement its cashless solution. Furthermore, in February 2019 the GRA invited gaming and gambling operators to adopt cashless solutions. The authorisation from the GRA for the Company's cashless solution is taking longer than expected. The Company is still awaiting a positive response.

In accordance with the Finance Act 2021, the Company made an application on 3 September 2021 for authorisation to conduct business using remote communication as defined in the GRA Act. The Company is awaiting a positive response from the GRA.

The Board is of the view that a positive response from the GRA will enhance the Company's operational resilience, will catalyse the development of new products and above all will strengthen risk management for all stakeholders mainly in the context of regulations relating to anti-money laundering and combatting the financing of terrorism.

Earnings per share

The calculation of earnings per share is based on the profit attributable to the shareholders of the Company MUR58.7m (June 2021: MUR27.7m) and the number of shares in issue of 340,000,000 (June 2021: 340,000,000).

Dividend

A final dividend of MUR74.8m (2021: MUR57.8m) was declared on 28 March 2022 and paid by 30 June 2022 in respect of the financial year ended 31 December 2021.

Others

The abridged consolidated financial statements for the quarter and six months ended 30 June 2022 are unaudited. The accounting policies and standards used in the preparation of these abridged unaudited consolidated financial statements are consistent with those used in the audited consolidated financial statements for the year ended 31 December 2021, except for relevant amendments to published standards issued and which are effective as from 1 January 2022. This interim report complies with IAS 34.

Copies of the above abridged unaudited consolidated financial statements are available, free of charge, upon request made to the Company Secretary, at the registered office of the Company, Royal Road, Chapman Hill, Beau Bassin, or can be viewed on the Company's website www.lottotech.mu.

The statement of direct and indirect interests of insiders pursuant to rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available, free of charge, upon request made to the Company Secretary, at the registered office of the Company.

By Order of the Board

Gamma Corporate Services Ltd  
Company Secretary  
26-Jul-22

These abridged unaudited consolidated financial statements are issued pursuant to Listing Rule 12.20 and Rule 8 of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007.

The Board of Directors of Lottotech Ltd accepts full responsibility for the accuracy of the information contained in these abridged unaudited consolidated financial statements.

BRN: C08079313