

ABRIDGED UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER AND SIX MONTHS ENDED 30 JUNE 2018



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Quarter ended 30 June 2018 MUR	Quarter ended 30 June 2017 MUR	6 months ended 30 June 2018 MUR	6 months ended 30 June 2017 MUR
	Unaudited	Unaudited	Unaudited	Unaudited
Gross ticket sales	358,044,740	401,825,180	753,227,280	793,587,280
Prizes	(173,651,699)	(194,885,212)	(365,315,231)	(384,889,831)
Consolidated fund	(85,115,828)	(95,523,489)	(179,060,202)	(188,654,743)
Net income	99,277,213	111,416,479	208,851,847	220,042,706
Operating profit	17,037,277	28,152,923	41,911,040	52,734,301
Net finance income/(cost)	186	(36,392)	447	(43,420)
Profit before income tax	17,037,463	28,116,531	41,911,487	52,690,881
Income tax expense	(4,929,670)	(6,496,933)	(9,724,743)	(10,785,195)
Profit for the period	12,107,793	21,619,598	32,186,744	41,905,686
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	12,107,793	21,619,598	32,186,744	41,905,686
Earnings per share	0.04	0.06	0.09	0.12

STATEMENT OF FINANCIAL POSITION

	30 June 2018 MUR	31 December 2017 MUR
	Unaudited	Audited
ASSETS		
Non-current assets	81,429,938	103,373,494
Current assets	271,639,682	351,899,373
Total assets	353,069,620	455,272,867
EQUITY AND LIABILITIES		
Capital and reserves		
Stated capital	100,000,000	100,000,000
Retained earnings	35,738,883	71,552,139
Total equity	135,738,883	171,552,139
Non-current liabilities	3,895,513	6,559,768
Current liabilities	213,435,224	277,160,960
Total liabilities	217,330,737	283,720,728
Total equity and liabilities	353,069,620	455,272,867

STATEMENT OF CASH FLOWS

	6 months ended 30 June 2018 MUR	6 months ended 30 June 2017 MUR
	Unaudited	Unaudited
Net cash (used in)/generated from operating activities	(2,278,103)	40,450,930
Net cash used in investing activities	(1,474,640)	(413,310)
Net cash used in financing activities	(68,000,000)	(37,400,000)
Net (decrease)/increase in cash and cash equivalents	(71,752,743)	2,637,620
Cash and cash equivalents at start of the period	291,605,363	156,806,786
Cash and cash equivalents at end of the period	219,852,620	159,444,406

STATEMENT OF CHANGES IN EQUITY

	Stated capital MUR	Retained earnings MUR	Total equity MUR
	Unaudited	Unaudited	Unaudited
At 1 January 2017	100,000,000	38,630,430	138,630,430
Profit for the period	-	41,905,686	41,905,686
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	41,905,686	41,905,686
Transactions with owners			
Dividends	-	(37,400,000)	(37,400,000)
At 30 June 2017	100,000,000	43,136,116	143,136,116
At 1 January 2018	100,000,000	71,552,139	171,552,139
Profit for the period	-	32,186,744	32,186,744
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	32,186,744	32,186,744
Transactions with owners			
Dividends	-	(68,000,000)	(68,000,000)
At 30 June 2018	100,000,000	35,738,883	135,738,883

COMMENTS

Principal Activity

The company is the operator of the Mauritius National Lottery on behalf of the Government of Mauritius.

Results

Gross ticket sales revenue for the quarter ended 30 June 2018 amounted to MUR358.0m compared to the prior corresponding quarter revenue of MUR401.8m, which is a direct result of the relatively low number of jackpot rollovers in 2018.

The profit after income tax was MUR12.1m for the quarter ended 30 June 2018 compared to a profit of MUR21.6m for the last corresponding quarter.

Outcome of the Mediation Process

Following the Complaint With Summons which the company had filed against the Gambling Regulatory Authority and the Ministry of Finance and Economic Development before the Supreme Court of Mauritius (Commercial Division), the company wishes to inform its shareholders that:

- the parties to the court case have had a positive negotiation and have reached an agreement on 13 June 2018. This agreement has granted the company:
 - a renewal of the licence until 2029;
 - permission to launch a second weekly draw of the Loto 6/40 game; and
 - a new game under the Loterie Vert brand.
- the company is satisfied that the agreement has addressed the prejudice suffered by it following the 2015 budgetary measures; and
- the said agreement has been made a judgement of the Mediation Court pursuant to Rule 13(3) of the Supreme Court (Mediation) Rules 2010.

Future Outlook

The Board is pleased with the outcome of the mediation. The renewal of the licence until 2029, the introduction of the second Loto draw and a new modernised game under the brand of Loterie Vert provide the company with a good opportunity to grow the business, and subsequently to create further value for its shareholders. The second Loto draw will commence in September 2018.

Earnings per Share

The calculation of earnings per share is based on the profit attributable to the shareholders of the company of MUR32.2m (June 2017: MUR41.9m) and the number of the shares in issue of 340,000,000.

Dividend

A dividend of MUR68.0m (June 2017: MUR37.4m) was declared during the period under review.

Others

Copies of the above abridged unaudited 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

30 July 2018

These abridged unaudited financial statements are issued pursuant to Listing Rule 12.20.

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