2024 ANNUAL REPORT

lottotech

PLAY

www.lottotech.mu

The Board of Directors is pleased to present Lottotech Ltd's annual report for the year ended 31 December 2024.

This report gives a summary of our performance over the year, including key achievements, financial results, and main initiatives.

Through a challenging year, our focus stayed on delivering value to all stakeholders and ensuring sustainable growth.

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We are Lottotech

2024 HIGHLIGHTS

			Year 2023
LOTTERY TICKET SALES	MUR 2.9 BN	-4%	3BN
REVENUE	MUR 1,451 M	-4%	1,520M
OPERATING PROFIT	MUR 122 M	-33%	184M
PROFIT BEFORE TAX	MUR 125 M	-32%	185M
PROFIT AFTER TAX	MUR 100 M	-36%	157M
EARNINGS PER SHARE	MUR 0.29	-36%	0.46
CONSOLIDATED FUND	MUR 681 M	-5%	715
NATIONAL SOLIDARITY FUND	MUR 60 M	-12%	68 M
RETAILER COMMISSION	MUR 160 M	-5%	167 M
AMOUNT PAID TO WINNERS	MUR 1,426 M	-4%	1481 M
CORPORATE SOCIAL RESPONSIBILITY	MUR 3 M	43%	2M
SHAREHOLDERS' FUND	MUR 145 M	-17%	174 M
TOTAL ASSETS	MUR 563 M	-3%	581 M
DIVIDEND	MUR 125,8 M	-26%	170M
DIVIDEND PER SHARE	MUR 0.37	-26%	0.50
SHARE PRICE	MUR 5.14	-29%	7.2
DIVIDEND YIELD	% 7.2	4%	6.9
MARKET CAPITALISATION	MUR 1,748 M	-29%	2,448 M

NUMBER OF RETAILERS

LOTTOTECH

682

ABOUT LOTTOTECH

Lottotech entered the gaming market in 2009 intending to innovate and disrupt the industry in Mauritius.

With integrity at the core of all our operations, and thanks to the commitment of our stakeholders, we became the market leader in this sector.

In 2014, Lottotech was listed on the Stock Exchange of Mauritius, democratising the shareholding of the company.

VISION

To be the preferred gaming provider in Mauritius and the region.

GOALS

To be the preferred gaming provider in Mauritius and create a long-term sustainable business through a growth strategy that focuses on offering relevant, regulated products and services to the player; corporate social responsibility (CSR) initiatives congruent with our values; building and protecting a stellar reputation.

MISSION

To create and enhance stakeholder value through regulated gaming operations offered in a socially responsible manner.

VALUES

Our core values of integrity, trustworthiness and responsibility are complemented with our passion for results, innovation and teamwork.

OUR PRODUCTS

Loto | Loto+ | Loto Vert | Hot Picks | The Football Pools

LOTO

TICKET SALES

MUR 1.9 Bn ↓21%

Year 2023: MUR 2.5 Bn

LOTO+

TICKET SALES

MUR 500 M ↑374%

Year 2023: MUR 105 M

Product launched in October 2023

Loto – From game to much-loved brand

Hope in every draw or Hope in every play

50% OF LOTO PLAYERS ALSO PLAY LOTO PLUS

MUR 1,426 M IN PRIZES

50 JACKPOT WINNERS IN 2024

For 15 years, Loto has been part of Mauritian culture. Every Wednesday and Saturday evening, Mauritians gather in front of the television, holding their breath as they wait for the balls to drop. What began as a lottery game has evolved into a national ritual, turning dreams into possibilities for the price of a ticket.

Loto's success is not measured in jackpots and ticket sales alone. Success is measured in the ability to generate hope and to touch people's lives as well as individuals and communities who benefit from Loto-supported activities. Through initiatives like "Un petit geste pour une grande cause", Loto contributes meaningfully to social development, supporting education, the environment and vulnerable communities. Every ticket purchased is a small act of giving, reinforcing Loto's role as a catalyst for good. Through the Caravane des Rêves, Loto recognises unsung heroes who have contributed to society. These heartfelt stories are reminders that giving is a form of winning.

Loto accounts for 70% of Lottotech's total revenue, highlighting its central role in the company's performance. Over the past 15 years, the game has demonstrated remarkable resilience, consistently maintaining strong performance and a loyal following. Loto Plus, in the year since its launch, has already captured over 50% of Loto's player base, a testament to the strength of the Loto brand and the added appeal of this game enhancement [or extension]. At peak jackpot levels, Loto Plus achieves a conversion rate of up to 54% – six out of every ten Loto lines played include Loto Plus. This indicates strong potential for further growth.

As we reflect on 15 years of changing lives, Loto enters its next chapter with a deeper sense of purpose. We will continue to be a powerful symbol of possibility in every Mauritian and Rodriguan home. We anticipate the forthcoming rebranding of Loto will reignite player excitement, positively influencing the game's financial performance.

ABOUT LOTTOTECH (Cont'd)

LOTO VERT

Loto Vert – A dose of happiness

Simple, fun and emotionally positive

557,938 TOTAL WINNERS IN 2024

18 BIG WIN MATCH 7 WINNERS

1,250 BIG WIN MATCH 6 WINNERS

OVER **MUR 213 M** in prizes

TICKET SALES **MUR 386 M** ↓6%
Year 2023: MUR 412 M

Loto Vert extends the legacy of the iconic Billet Vert, carrying on an established tradition and giving new generations the opportunity to turn dreams into reality. With a turnover of MUR386 million in 2024, the game has substantial potential for increased revenue through strategic enhancements and greater player engagement.

Loto Vert sits alongside our flagship game, Loto 6/40, and offers players more chances to play and win. Draws are held every Tuesday and Friday, complementing Loto and Loto Plus. Our "Garanti Peye" means a winner is guaranteed each week, delivering player satisfaction and encouraging customer retention. Loto Vert is available at over 680 retailers in Mauritius and Rodrigues, placing it at the heart of communities.

In 2024 there were 557,938 Loto Vert winners, including 1,250 Big Win winners and 18 Match 7 winners. We distributed over Rs 213 million across 70 draws, demonstrating the brand's impact and reach.

Loto Vert is committed to responsible gaming and community connection. Ease of play and a strong brand reputation combine with strategic enhancements and increased player engagement to position Loto Vert for significant growth and profitability. Loto Vert is an attractive investment opportunity, whether through strategic partnerships or alliances.

HOTPICKS

HotPicks – A fresh take on fun

A strong start with bold potential

OVER **MUR 25 M** In Prizes

MORE THAN **500,000** tickets sold since launch

TICKET SALES **MUR 35 M**
Year 2023: N/A

Launched in September 2024, HotPicks has emerged as a fresh alternative in the lottery space, resonating with a new breed of players seeking flexibility, excitement and quick wins. From the start, HotPicks struck a chord with Mauritians, quickly gaining popularity through simple gameplay, dynamic prize structures and a strong sense of fun.

In just four months, the brand's performance has exceeded expectations and affirmed player appetite for innovation. More than 500,000 tickets have been sold, delivering consistent month-on-month growth, rapidly establishing the brand and its player base. Since launch, over Rs 25 M in prizes has been distributed, including multiple high-tier wins, bringing joy to homes across the island.

A significant driver of momentum has been the rapid expansion of our retail network. These partnerships have made HotPicks widely accessible and highly visible, contributing to the strong uptake among both casual and regular players.

But HotPicks is more than a successful launch, it's indicative of our future direction. The brand is poised for growth, with new game formats and promotions already in the pipeline. Modern, agile and responsive, HotPicks represents the evolution of entertainment in the lottery space.

THE FOOTBALL POOLS

The Football Pools Mauritius

2024 – A year of growth, engagement, and big wins

1 LUCKY WINNERS OF "TRIP TO THE UK"

COMMISSION INCOME **MUR 6.7 M** ↑63%
Year 2023: MUR 4.1 M

TICKET SALES **MUR 25 M**
Year 2023: MUR 18.5M

The Football Pools Mauritius enjoyed an outstanding year in 2024, marked by increased player participation and a 30% increase in turnover over 2023. One of the year's most exciting moments was the inaugural "Trip to the UK" promotion, which offered 1 lucky winners the chance to experience Premier League football live, all expenses paid. This trip of a lifetime included a VIP stadium tour, match ticket, and spending money.

Football in the UK is not just a game. It's a cultural phenomenon. Playing "the pools" lets our players feel part of the passion and excitement by predicting the outcome of upcoming matches. With our Football Pools app, players can build their betting strategy on their cell phone.

We are committed to delivering even more excitement, rewards and innovations through Football Pools Mauritius. With new features and promotions planned, players can expect a bigger and bolder adventure in the year to come.

EXECUTIVE CHAIRMAN'S MESSAGE

Dear Stakeholders,

Looking back on 2024, the Board is proud of the Company's continued ability to deliver value to shareholders, despite some challenging external factors beyond our control. We applaud management's efforts to innovate and engage customers and serve communities.

CELEBRATING 15 YEARS

Lottotech celebrated a significant milestone in 2024: **15 years of operation**. This anniversary is both a marker of longevity and a testament to Lottotech's resilience, adaptability and continued relevance in a changing environment.

Creative Diversification

For the year 2024, the key theme chosen by management with the support of the Board has been Product Diversification. Building on our core suite of games, our portfolio has been expanded with new releases, tapping into different customer segments and generating new revenue streams. Games such as The Football Pools and Hotpicks have broadened our appeal across age groups, ensuring that the Company remains aligned with evolving player habits and preferences.

Performance

Turnover of MUR2.9 billion was slightly below expectations but explained by the absence of significant jackpots. The operating environment has grown more challenging, influenced by rising living costs, foreign currency strength, increased technology costs, and shortages of specialist skills. The Board closely monitors these macroeconomic and social trends and analyses their impact on customer behaviour and the Company's performance.

Building a Future-proof Strategy

Future strategy was a priority for the Board this year, as we consider investment in human resources, technology and cybersecurity to sustain operational excellence and protect the integrity of the business. Sustainability, responsible gaming, and stakeholder engagement continue to be the values that drive us. Lottotech's success is tied to the trust placed in us by regulators, retailers, players and the broader public. We take pride in the culture of open communication that exists at Board level, ensuring that good governance, strategic thinking and collective action that underpins every major decision.

Looking Ahead

Our priorities for the next financial year are clear. We will continue to advance our digital transformation, extend product innovation, and build a strong, data-driven foundation to support customer engagement. We are excited by opportunities to expand into adjacent services beyond gaming, where we can leverage our trusted brand and existing network.

In the midst of an uncertain and rapidly changing external environment, the Board remains committed to safeguarding Lottotech's sustainability and competitiveness. We will continue to provide guidance, oversight and, where necessary, decisive action to ensure the Company is well positioned for success.

Acknowledgements

On behalf of the Board, I extend my sincere gratitude to our management team, employees, retailers, partners and players. In my own name, I would also express my thanks to my fellow directors for their contribution and support in ensuring that results are delivered, strategies approved are implemented and risks are adequately managed. We are proud of Lottotech's first 15 years and grateful to all who have contributed to its positive impact. We look forward to the next 15 years of changing lives.

> "We will continue to advance our digital transformation, extend product innovation, and build a strong, data-driven foundation to support customer engagement.

Tommy Ah Teck
Executive Chairman

OUR MILESTONES

2008

April 2008: Lottotech was incorporated by Gamma-Civic Ltd (Gamma) with the aim of operating lotteries and conducting general gaming operations.

July 2008: Lottotech is the preferred bidder to become the 'Lottery Operator' of the Mauritius National Lottery.

August 2008: Lottotech appoints GTECH as its exclusive technology partner for the deployment and operation of the Mauritius National Lottery.

2009

April 2009: The Gambling Regulatory Authority (GRA) grants Lottotech the licence to operate the Mauritius National Lottery exclusively for a period of 10 years.

October 2009: Lottotech launches La Loterie Nationale in Mauritius and Rodrigues, offering the sale of lottery games through an initial network of 542 retailers.

2014

March 2014: Lottotech is converted into a public company.

April 2014: Lottotech announces the offering of 85,000,000 ordinary shares for sale to the general public through the Stock Exchange of Mauritius. The initial share subscription period was open from May 5 to May 16, 2014.

June 2014: Trading of Lottotech's shares on the Stock Exchange of Mauritius officially begins.

2018

June 2018: Lottotech expands its operations! Following a mediation decision, Lottotech was granted two more lottery games: a second weekly Loto draw and the Loterie Vert brand.

2019

April 2019: Lottotech acquires 'Pool Joseph Merven Ltd', thus becoming the exclusive distributor of The Footballs Pools UK products in the African region. This opportunity allowed the company to diversify its portfolio with international sports betting games.

September 2019: Lottotech, as a member of the World Lottery Association, achieves the highest level of Responsible Gaming (RG) certification – Level 4 – which represents a continuous improvement of its RG programme.

2020

October 2020: As part of its strategy to change the gaming landscape, Lottotech acquires Loterie Vert. Lottotech introduces a new gaming concept in Mauritius and Rodrigues.

2022

2022

Launch of Lottotech App and gaming platform for The Football Pools.

2023

October 2023

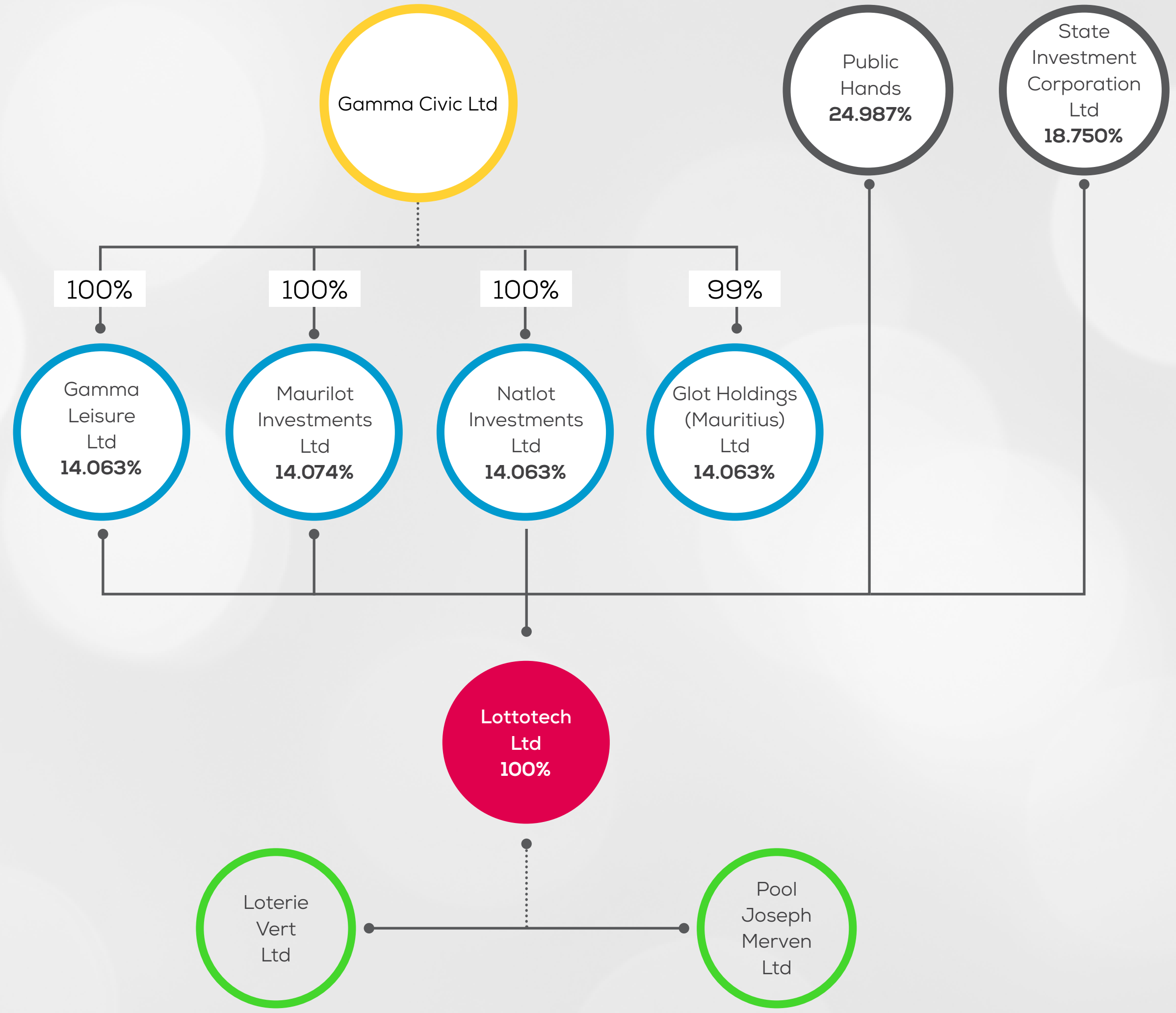
- Launch of Loto Plus
- Add-ons game on existing Loto Product.

2024

September 2024

- Launch of Loto Vert Second Draw.
- Launch of Hotpicks.

GROUP STRUCTURE



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Lottotech in Context

CEO STATEMENT

We reflect on the past financial year with a sense of renewed energy and purpose. We enjoyed a resurgence after the challenges of the Covid-19 pandemic and achieved exceptional results in 2023. In 2024 we faced some macroeconomic headwinds, increased technology costs, and compliance demands, but we continued to deliver value to all stakeholders – from players and retailers to shareholders, employees, and the communities we serve.

Performance

Our financial performance remained solid, with a turnover of MUR 2.9 billion. While slightly lower than the previous year due to the absence of large jackpots, this figure still represents a stronger top line than our pre-Covid baseline. Product development was constrained by regulatory restrictions on gaming. In response we focused on innovation, launching three revenue generators that maximised existing infrastructure and fixed costs. Our creativity enabled us to develop fun, "spin-off" gaming opportunities for our customers without introducing new games from a regulatory perspective. This allowed us to maintain momentum in an industry where the rules are tightly controlled and chance, not skill, defines the product.

Mr Allagappen Veeramootoo
Chief Executive Officer

Strategic execution

2024 was a year in which we optimised our current product suite and simultaneously prepared for the digital future. Our focus is on digital transformation – not just a shift in how we operate, but a reimagination of how we engage with our customers. We want to ensure we appeal to all generations, acknowledging that younger customers are digital natives. The road map to digitalisation is currently unclear; the government of Mauritius has yet to legalise online gaming. Therefore, our strategy is adaptive. Whether we are granted a full digital licence or not, we are laying the foundation for a hybrid platform, integrating QR code functionality and digital payment options that bridge the gap between physical and digital channels.

Our strategy is about long-term diversification, not merely the introduction of new games. With a customer base of over 600,000 Mauritians, we are exploring opportunities to cross-sell relevant products and services. In parallel, we are investing in the systems, analytics and artificial intelligence (AI) tools that will help us understand and serve our customers more effectively. As AI develops and new features emerge almost daily, we encourage managers to freely explore how AI can enhance the way we do business, from marketing to cybersecurity. However, data privacy and security will always be non-negotiable priorities.

Operating context and risks

The year under review presented unique challenges. Inflationary pressure and a government-led wage adjustment significantly increased our human resource costs. Currency devaluation under the previous government and the repercussions of pandemic-related global supply chain disruptions further impacted operating expenses. At the same time, we continue to manage internal risks which are common to high-cash businesses, including potential for theft and fraud. We accelerated our transition to cashless operations and strengthened our cybersecurity protocols, recognising that digital risk is now our number one threat.

Our culture of transparency and trust, layered with fun, plays a vital role in managing these risks. From biometric access control and surveillance to multi-person approvals and regulatory oversight, we continue to reinforce the systems that protect our business, our people and our players. Our unwavering commitment to regulatory compliance means we are rigorously process driven.

Sustainability and stakeholder value

We are proud of the role we play in Mauritian society. Beyond revenue generation, we contribute meaningfully to social and environmental goals. We have allocated resources to corporate social responsibility (CSR), embedded responsible gaming principles into our operations and, in a marriage of financial and environmental sustainability, promoted paperless gaming. Going paperless will reduce our environmental footprint and improve player convenience and prize collection. Over the past 15 years, unclaimed prizes worth more than half a billion rupees, including two jackpots, have been forfeited. Digitalisation allows us to return more value to our players, while also protecting their interests through better data and communication.

We take a weighted balanced scorecard approach, measuring financial performance alongside non-financial goals. We track employee wellness, personal development and community engagement. All staff contribute time on a volunteer basis to activities organised by local NGOs. Staff-led initiatives, from choosing party themes to directing social impact funds, ensure employee engagement and ownership.

Looking ahead

Digitalisation is the key to future development. We are building a scalable digital platform that will leverage our extensive customer database and allow us to grow beyond the gaming space. In the longer term, the potential exists to replicate the model in other geographic markets. Our vision for the future includes expansion across the region, new product development, and a thriving digital ecosystem that benefits all stakeholders.

However, transformation on this scale takes time and energy. Our goal for the year ahead is to maintain and grow our financial performance while executing the first phase of this metamorphosis. At every step, we are guided by our responsibility to our customers, employees, retailers and shareholders –and to Mauritian society as a whole. We are inspired by the belief that entertainment, delivered responsibly, can be a force for good.

Acknowledgements

None of this would be possible without the support of our loyal players, our dedicated employees, our retail partners, our Board, and our regulators. To all of you – thank you for helping us reimagine the future of Lottotech.

OUR VALUE CREATION BUSINESS MODEL

A Corporate Balanced Scorecard is established with strategic organisational objectives which are translated into departmental objectives and further cascaded down to individual key performance indicators.

	INPUTS	VALUE CREATED DURING THE YEAR	COMMUNITY IMPACT
Funding From Shareholders and Banks	• Solid equity • Long-term financial stability	• Performance improvement • New revenue stream • Business development Sales MUR 2,9 Bn Football commission MUR 6,7 M Profit after tax MUR 100 M	• Support for the economy • Investor and employee remuneration • Shareholders' fund: **MUR 145 M**
Talented And Diverse Team	• Engaged people • Skilled professionals	• Performance improvement • Strong corporate culture • Team growth Training Investment MUR 2.3 M	• Empowerment and personal development • Equal opportunities • Merit and transparency • Greater well-being • Employee engagement **MUR 10 M** • Gender diversity **(M: 61%; F: 39%)**
Stakeholder Engagement	• Long-term stakeholder relationship • Socio-economic development	• Product innovation • Loterie Vert game • Revenue enlargement • Reputation enhancement CSR funds MUR 4,5 M Statutory MUR 2.8 M Voluntary MUR 1.7 M	• Customer satisfaction • Social inclusion • Increased number of beneficiaries of community projects • WLA Certification • Level 4 PWC Sustainability Award • **21** projects • **4,124** beneficiaries **373,800** hours volunteering
System, Security, Risk Management	• Effective and safe ICT systems • Efficient and effective processes • Innovation capability	• Performance improvement • Sustainability and reliability of system	• Business continuity and security • **100%** secure system • ISO 27001 certification
Fixed Asset, Terminals	• Long term relationship with retailers • Data centers and support function premises • Equipment and technology resources that enable service delivery	• Smooth running of business • Client retention and acquisition	• Create greater wealth for winners • No downtime, therefore a guarantee of high service quality at all time • Proximity of product and service to customers • **100%** secure system
Energy Use	• Soil, water, fauna conservation	• Green initiatives • Energy consumption reduction	• Environmental business culture development • E-waste management

MISSION AND VISION KEY CORPORATE ACTIVITIES

CORPORATE CITIZENSHIP

RESPONSIBLE GAMING
Level 4 Certification

LOTTERY ACTIVITIES
LOTO 6/40
Twice Weekly

MAURITIUS & RODRIGUES
680+ Retailers

CLASSIC POOLS
Premier 10
Goal Rush

LOTO PLUS
LOTO VERT

STRATEGY & RESOURCE ALLOCATION

SUSTAINABILITY
SOLUTIONS BASED ON MULTI-STAKEHOLDER AND LONG-TERM PERSPECTIVES

RISK REPORT

Market Risk

RISK FACTOR	DESCRIPTION	MITIGATING MEASURES
01. Exchange rate risk	The continued depreciation of the Mauritian rupee increases our exposure to foreign exchange risk. It leads to higher import costs which has a direct impact on our profitability. It also affects the availability of foreign currency in the local market and creates additional pressure on foreign exchange supply.	• Bank accounts opened with different institutions for better forex deal and choice. • Short-term USD deposit being made to cater for future payments and advance purchase of foreign currenciest.
02. Inflation risk	Elevated inflation raises costs for goods and services, impacting purchasing power and cost structures.	• Field activities to target mass audience and boost sales and cross-marketing/selling. • Tactical use of reserve fund to seed jackpots. • Cost optimisation initiatives: from traditional to online communication including revamp of draw shows.
03. Interest rate risk	Interest rate hikes increase borrowing costs and limit liquidity for projects and working capital. Key rate was reduced to 4% from 4.50 % in September 2024.	• Group treasury team assist us in treasury management. • Regular short-term deposit and treasury bills placement made to optimise cashflow. • Seeking other short-term interest-generating placement that are highly rated.

Operational Risk

RISK FACTOR	DESCRIPTION	MITIGATING MEASURES
04. Market demand	Nature of the sector affecting profitability or demand.	• Promote the brand image of Lottotech Ltd through promotional activities, CSR events and communication using digital platforms. • Continuously improve game appeal to better meet player preferences and market trends. • Expand the portfolio with innovative and exciting games to mitigate player churn. • Provide new methods of playing lottery games such as digital platforms/app and new type of games to attract different age groups (e.g., Hotpicks).
05. Liquidity risk	Availability of cash to meet short-term obligations.	• Surplus cash is managed prudently, with investments placed in low-risk, highly liquid instruments to ensure availability of funds when needed. • The Company maintains committed overdraft and credit facilities with reputable financial institutions. • Repayment of facility on demand.
06. People risk & labour	Shortage of qualified labour on the local market and high turnover. Wage increases have led to higher operational costs and retention challenges. Handling of large and critical equipment.	• Initiate succession planning to assess leadership readiness and potential at all levels. • Accelerated Leadership Development Programme for middle management.
07. Sustainability	Potential negative impact on an organisation's financial performance, operations or reputation due to environmental, social and governance (ESG) factors.	• Implementing sustainability reporting has helped drive green operations, align with CSR goals and increase cost-saving opportunities. • Procurement has started to include Green Procurement Policy where main suppliers' sustainability scores are assessed.
08. IT risk	The risk that the entity does not have the relevant IT organisation, governance and control mechanisms in place to reach the company's objectives.	• Lottotech has implemented a more advanced cybersecurity monitoring tool (Darktrace). • Prevention preparedness for cybersecurity already in place and breach readiness phase (Response & Recovery) is ongoing. • Cyber insurance in place in case of cyber attack.

RISK REPORT (Cont'd)

Strategic Risk

RISK FACTOR	DESCRIPTION	MITIGATING MEASURES
09. Competitor risk	To maintain business competitiveness against competitors' moves.	• Maintain strong stakeholder relationships. A communication planhas been drafted to clarify any mis-communication from competitors • Seek alternative revenue-generating streams
10. Regulatory compliance risk	Changes in regulations (e.g., minimum wage, tax) demand continuous compliance to avoid penalties.	• Maintain strong relationships and transparent communication with the Gambling Regulatory Authority (""GRA"") and other regulatory bodies • Timely remittance to both the Consolidated Fund and National Solidarity Fund is consistently ensured in accordance with regulatory requirements • Ensure we are fully compliant with the rules and regulations of the authorities and also abide to AML/CFT framework

03

Performance Review

CHIEF FINANCIAL OFFICER REVIEW

Looking back on 2024, we delivered a strong result despite the reduction in ticket sales compared to 2023, a direct result of lower aggregate jackpots. The strength of the US dollar had a significant impact on our information technology costs, the majority of which are paid in USD. As part of our efforts to strengthen cybersecurity, we invested in a Security Operation Centre (SOC) to monitor our network traffic and an incident response team to deal promptly with any potential cyber security threats. We believe this expenditure was critical, as a cyber attack could imperil all our operations. The cost of failing to implement appropriate cybersecurity would be much higher. Furthermore, like all businesses in Mauritius, our bottom line was affected by the Wage Relativity Adjustments, additional fourteenth month bonus and Corporate Climate Responsibility Levy.

Our total turnover for the year was MUR 2.9 billion, 4% down on 2023. Profit after tax was MUR 100 million, a decrease of 32% from 2023. However, product launches late in the year have shown encouraging results and we look forward to their positive impact on 2025 financial performance.

Shaun Kim Tiam Fook Chong
Deputy Chief Executive Officer/Chief Financial Officer

LOTTERY TICKET SALES
MUR **2.9 BN** -4%
Year 2023 | 3 Bn

PROFIT BEFORE TAX
MUR **125 M** -32%
Year 2023 | 185 M

REVENUE
MUR **1,451 M** -4%
Year 2023 | 1,520M

PROFIT AFTER TAX
MUR **100 M** -36%
Year 2023 | 157 M

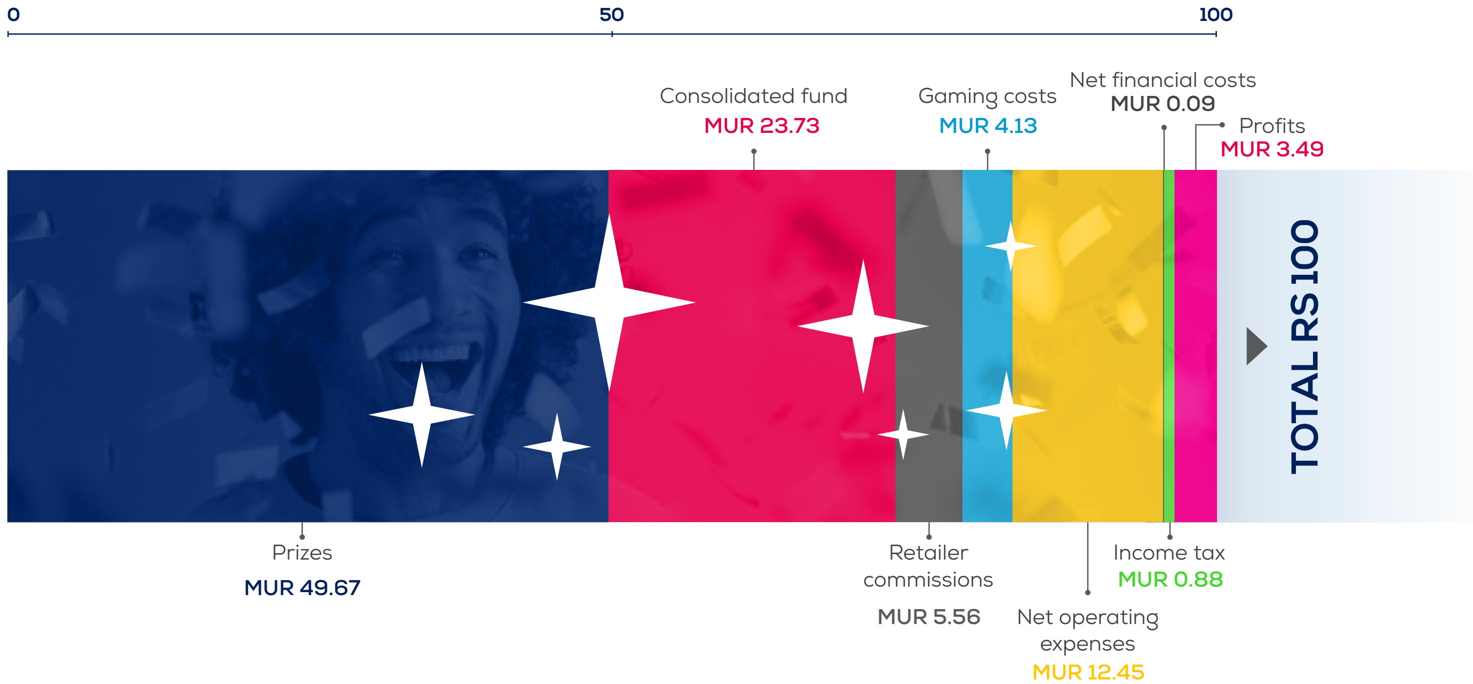
OPERATING PROFIT
MUR **122 M** -33%
Year 2023 | 184 M

EARNINGS PER SHARE
MUR **0.29** -36%
Year 2023 | 0.46

EBITDA
MUR **170 M** -24%
Year 2023 | 224 M

CONSOLIDATED FUND
MUR **681 M** -5%
Year 2023 | 715 M

RS 100 NOTE



TICKET SALES
(MUR M)

04

Sustainability Report

SOCIAL AND RELATIONSHIP CAPITAL

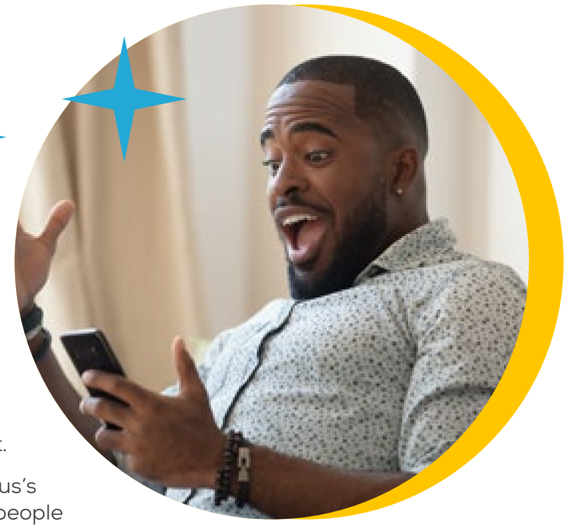
INNOVATING FOR ENHANCED CUSTOMER EXPERIENCE AND SOCIAL IMPACT

Lottotech's success is rooted in more than just product performance—it stems from our ongoing commitment to innovation and social responsibility. By continuously improving our games and expanding access through diverse distribution channels, we aim to meet the evolving expectations of our players while remaining closely connected to the communities we serve.

Our focus on enhancing the customer experience goes beyond entertainment. It is about building trust, creating lasting relationships, and making a positive difference in everyday lives. Every new initiative is designed not only to satisfy and engage players, but also to extend our impact by supporting national development goals and contributing to important social causes.

Through our operations, Lottotech plays a vital role in funding government programmes and community initiatives, helping to strengthen social outcomes across the country. This reinforces our belief that innovation and purpose can go hand in hand—creating shared value for our customers, our partners, and society as a whole.

DIGITALISATION AND FOOTBALL CULTURE DRIVE GROWTH FOR THE FOOTBALL POOLS



Lottotech's digitalisation of the play mechanism significantly expanded the player base for The Football Pools. With the Lottotech app, players can now access upcoming fixtures well in advance, allowing them to prepare their selections ahead of time. This digital solution also provides the added convenience of direct payment into players' accounts, streamlining the gaming experience. By digitalizing our product offerings, we're moving towards a more paperless approach, which reduces our environmental impact.

The Football Pools have capitalized on major football events and Mauritius's vibrant football culture to create engaging and fun activities that bring people together. This strategy has not only enhanced the overall player experience but also fostered a sense of community among football fans, contributing to the sustained growth of the game.

FIELD ACTIVATION AND EVENTS: CREATING MEANINGFUL CONNECTIONS AND EXPANDING OPPORTUNITIES

Field activation initiatives and events are a vital component of our brand strategy, serving as powerful tools for connecting with customers and driving engagement. These activities allow us to interact with our audience directly, creating memorable experiences that deepen brand affinity. Through interactive games, product demonstrations, and immersive activities, we generate excitement that reinforces our brand identity and resonates with consumers.

Beyond engaging with customers, our field activations and events also foster meaningful partnerships and collaborations. We work with parastatal institutions, influencers, and community leaders to build new opportunities for growth and innovation. By forming strategic alliances with local businesses, supporting cultural events, and conducting co-branded activations, we extend our brand reach, tap into new audience segments, and enrich the overall event experience.

INNOVATIVE BUSINESS SERVICES: EXPANDING DRAW SERVICES TO THIRD PARTIES

One area of growth is our expansion into offering draw services to third parties, demonstrating our commitment to innovation, collaboration, and excellence in the gaming industry. A notable example is our partnership with Tribeca Big Jackpot, which features our ability to deliver high-quality services to external clients.

EVOLVING THE ROLE OF SALES REPRESENTATIVES: FROM TECHNICAL SUPPORT TO BUSINESS-ORIENTED ADVISORS

As part of our strategy to drive sales growth and foster stronger relationships with our valued retailers, we have transformed the role of our sales representatives. Traditionally focused on technical support and resolving operational issues, our sales team now plays a more business-oriented role, reflecting our commitment to adaptability and value creation in the lottery industry.

While technical expertise remains crucial, our sales representatives now possess a deeper understanding of sales strategies, market dynamics, and customer needs. This shift empowers them to proactively identify sales growth opportunities, tailor solutions to retailers' unique needs, and implement targeted initiatives to drive revenue generation.

The core of our new approach is the cultivation of stronger, more collaborative relationships with our retailer network. Our sales representatives act as trusted advisors and strategic partners, providing personalized support, insights, and resources to optimize lottery sales and enhance profitability. By fostering open communication and delivering exceptional service, we aim to strengthen retailer loyalty and satisfaction, ensuring mutual success for our entire network.

INTELLECTUAL CAPITAL

Our intellectual capital comprises our workforce capabilities, technology platform, player-centric products and strong brand reputation.

In 2024, we continued to invest in employee development, advanced analytics and digital transformation to enhance operational efficiency and customer experience. Our customer-centric approach includes digital initiatives like a revamped website, social media community presence, mobile apps, Football Pools game bet-builder, and automatic winner payments. In parallel, we have reinforced our cloud computing strategy and built a robust data analytics platform. We promote a culture of innovation, encouraging team members to experiment with and adopt emerging technologies across the organisation. **Our digital transformation strategy rests on three key pillars:** modernising our infrastructure, promoting data-driven decision-making across the organisation, and fostering a culture of innovation.

We use a combination of analytical tools and customer relationship management systems to gather insights, allowing us to extract valuable information to understand customer behaviour and identify strategic priorities. This data-driven culture enables us to craft business tactics with the right contextual understanding and make better decisions. Lottotech is committed to leveraging technology to drive innovation and growth. By deploying new business models and forming partnerships with leading providers, we aim to enhance our capabilities, improve our performance and create value for our customers.

We are constantly improving our processes to protect our digital assets, building trust and confidence among our stakeholders. To strengthen our cyber resilience, we continually invest in advanced technologies and systems to safeguard against cyber threats.

MODERNISING OUR INFRASTRUCTURE

PROMOTING DATA-DRIVEN DECISION-MAKING ACROSS THE ORGANISATION

FOSTERING A CULTURE OF INNOVATION

MANUFACTURED CAPITAL

Our network comprises over 680 retailers and supports the efficient conduct of lottery operations across the island and in Rodrigues. Our point-of-sale systems provide a wide array of games for our customers.

Lottotech relies heavily on its IT infrastructure and lottery systems to deliver an uninterrupted high-quality service to our customers. Since 2009, we have partnered with IGT, a leading global lottery technology provider, to implement and support our lottery systems. We have invested in digital assets to modernise our technological ecosystem. To diversify our gaming technology platform and build more resilience, we have partnered with other gaming service providers. Therefore, our games run on various technology platforms.

OVER 680 retailers

HUMAN CAPITAL

PASSION BEHIND OUR SUCCESS

At Lottotech, we transform the ordinary into the extraordinary. We are driven by purpose and take pride in what we do. And our people are at the heart of it all.

The commitment, hard work and exceptional performance of our team fuels our success and powers our continued growth. At all levels we are united by a shared belief: together, we can achieve more.

Our growth is the result of bold thinking, collaboration and a deep sense of ownership. We continually strive to create meaningful experiences that add value to our people, customers, partners and community. Our success is made possible by our collective commitment and teamwork.

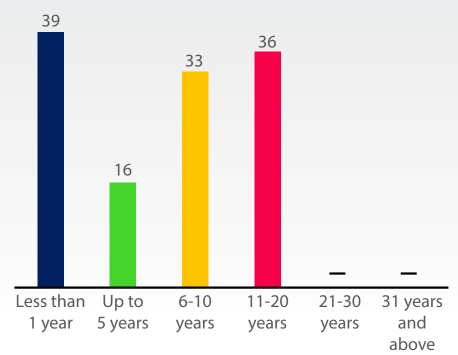
Aligned with our vision of achieving the extraordinary, our human capital strategy is designed to empower talent and unlock potential. We are committed to fostering an inclusive culture that drives innovation and supports personal growth. Our goal is a workplace where people thrive, feel valued and contribute meaningfully to our collective success.

MALE **76** 2023:70	FEMALE **48** 2023: 48
TRAINING HOURS **1,718** 2023: 1,880	TRAINING INVESTMENT **MUR 2.3 M** 2023: MUR2.6 MN
INCIDENT AT WORK **0** 2023: 0	EMPLOYEE SATISFACTION **83%** 2023: 71%

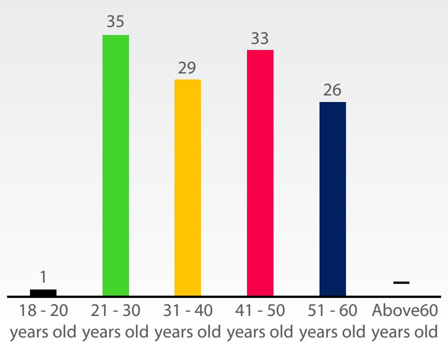
Our Key Human Capital Priorities are:

1. **People-Centric Culture:**
   Promote a workforce culture that values individuals and encourages teamwork, fostering a sense of belonging.
2. **Enhance Our Talent Appeal:**
   Attract and retain top talent by offering a dynamic and rewarding work environment.
3. **Develop Our People:**
   Invest in learning and development programmes to enable our employees to reach their full potential.
4. **Build a Diverse and Inclusive workforce:**
   Value diverse perspectives and ideas which drive innovation.
5. **Celebrating Success and Great Work:**
   Celebrate achievements and reward high performance, reinforcing a culture of excellence.

LENGTH OF SERVICE/NUMBER OF STAFF



STAFF BY AGE BAND



2024 HUMAN CAPITAL INITIATIVES

Our focus in 2024 has been a range of human capital initiatives aimed at enhancing capabilities and fostering a supportive work environment throughout the employee lifecycle, from hire to exit. We undertook these key initiatives:

1. Strengthening Talent Acquisition and Retention

We achieved 87% retention rate for new joiners through a structured onboarding and mentorship approach.

Future outlook:

- Explore new technologies/tools to improve talent acquisition efficiency and candidate experience
- Continue to integrate new hires in company projects and offer ongoing development opportunities
- Develop feedback mechanisms to understand employee motivations and concerns

2. HR Digitalisation 2024/2025

We deployed a core HR and performance management system aimed at centralising employee data and enhancing employee experience in alignment with evolving HR practices.

We deployed a new time and attendance system, including mobile functionality, for greater efficiency and accuracy in payroll processing.

Future outlook:

- Integrate other human capital modules such as a learning and management platform, succession and career management to support talent growth and align our people strategy with evolving needs of the business.

3. Aligning Practices Across the Employee Lifecycle

As part of our strategic commitment to strengthening human capital management, we undertook a comprehensive review of key HR policies and enhanced practices across the employee lifecycle, ensuring a consistent, engaging and supportive experience from recruitment through to retirement or exit.

4. Compensation Structure Review and Adjustments

We participated in the 2023 Korn Ferry salary survey, which provided a comprehensive benchmark for our pay structure. Following this review, we made adjustments to our short-term incentives to ensure fair compensation and increased overall value for our team members.

5. Succession Planning and Leadership Development

As part of our commitment to building organisational capability, we delivered targeted learning and coaching programmes for our sales and marketing teams. Moreover, we equipped our people with future skills learning programmes aimed at upskilling and developing new competencies, i.e., advancing specialised power BI training, artificial intelligence and data literacy.

6. Community of Talented Individuals

We continued to build a strong community of talent, with one third of our workforce identified as key contributors. This strategic focus on recognising and nurturing talent strengthens our resilience, adaptability and capability to drive sustainable growth with a pool of diverse talent.

7. Engagement and Networking Events

To strengthen employee engagement and foster cross-functional collaboration, we organised a series of talent-focused initiatives. These initiatives reinforce a culture of recognition, inclusion and teamwork.

Building Capabilities & Developing People

At Lottotech, we are committed to building capabilities and fostering career growth. We encourage talent mobility and provide our employees with career development opportunities. This initiative allows our people to explore various roles within the company, enabling them to broaden their skills and knowledge.

Establish Development Plans
Aiming at creating tailored development plans for new, experienced, and senior leaders ensuring appropriate support and guidance as they navigate their roles.

Invest in Junior Talent
Investing in junior talent is essential for building a pipeline of future leaders.

Mentoring & Personal Coaching
Providing individuals with personalized guidance and support, helping them navigate challenges and maximise their potential.

Industry or Learning Programs
Offering industry-specific or specialized learning programs enhances leaders' knowledge and skills in areas relevant to their roles.

Talent & Development Platform
Providing short courses, network opportunities, talent talk facilitating growth and development.

HUMAN CAPITAL (Cont'd)

ENERGISING OUR PEOPLE EXPERIENCE

We believe a positive work environment is key to sustaining a motivated and high-performing team. We introduced several initiatives in 2024 that enhance the work experience for our employees, including regular celebrations and performance incentives that reward outstanding performance and acknowledge the hard work and dedication of our team members. To further build a culture of continuous improvement, we conduct an employee engagement survey, which has become a trusted platform for listening to our people. This feedback mechanism helps us understand our employees' perspectives and identify areas for enhancement. By acting on the insights gained from this survey, we aim to create an even more dynamic and inclusive workplace, where our people feel valued and energised. These initiatives underscore our commitment to building a supportive and inclusive workplace, enabling us to attract, retain and nurture top talent. Through these efforts, we create an environment where our employees can thrive and contribute to Lottotech's ongoing success and growth.

ENGAGEMENT INDEX

83% of our team members feel connected and are committed to the organisation

PURPOSE

84% of our team members believe that Lottotech is purpose driven and that the organisation's strategy and goals are aligned with what's best for the organisation

STRCUTURING OF WORK

87% of our team members find that our work structure supports efficiency and collaboration and helps achieve organisational goals

DECISION MAKING

76% of our team members feel involved in decision-making processes, empowering them to contribution effectively to our organisation's direction and success

LEADERSHIP

87% of our team members feel inspired and supported by our leadership, fostering a postive environment for growth and organisational success

VALUES THAT GUIDE BEHAVIOUR

80% of our team members believe that our organisational values guide our behaviour positively, fostering a cohesive and ethical workplace culture.

EMPOWERMENT

83% of our team members feel empowered to make decisions, take initiative, and contribute meaningfully to our organisation's success

COMMUNICATION

80% of our team members believe that communication within our organisation is clear, frequent, and enhances our ability to work together towards shared goals

TEAM COLLABORATION

80% of our team members believe that they collaborate effectively to achieve common goals, innovate, and contribute to overall organisational sucess

LEARNING CLIMATE

86% of our team members feel that our learning climate encourages growth, skill development, and contributes positively to our organisation's advancement

RECOGNITION

86% of our team members feel recognized and valued for their contributions

SUSTAINABILITY AND RESPONSIBLE GAMING

Rooted in Responsibility: A Values-led Lottery

Lottotech is a values-led lottery provider with an important role to play in Mauritian society. We are focused on more than profit; we strive to make a meaningful impact on the life of the island. Because our value chain embraces multiple stakeholders, we are uniquely positioned to drive change through the alignment of our business goals with broader social and environmental objectives. We share a sense of purpose with our employees, customers, communities and partners.

Lotteries have the power to bring people together in support of worthwhile causes. We engage with diverse groups with varying priorities, including local government, NGOs, community leaders and players. Despite different perspectives, all share a common goal of wanting to improve and enhance the lives of Mauritians. Through effective stakeholder engagement and collaboration, we make sure lottery proceeds support projects that address critical social needs, such as education, empowerment, health care and community development, driving positive, sustainable change. Our purpose-driven mindset means we place a high value on developing relationships over time, building trust in the communities we serve.

Lottotech's Commitment to Responsible Gaming: Upholding the Highest Standards

Our commitment to having a positive social influence extends to responsible gaming. Lottotech is a member of the World Lottery Association and we are committed to upholding the highest standards in responsible gaming (RG). As a certified Level 4 organisation, the highest certification in the World Lottery Association's RG framework, we have a duty to maintain and continuously improve our RG programme. This certification reflects our promise to uphold rigorous safety and ethical practices for our players and the broader community.

In pursuit of these standards, we actively seek opportunities to engage with stakeholders, including regulators, retailers, community groups, and players themselves. By fostering open communication and collaboration, we ensure our RG programme remains relevant and evolves to meet new challenges in the gaming industry. Through continuous improvement we maintain compliance with World Lottery Association standards and continue to provide a safe and responsible gaming environment.

Our Key Projects:

Treatment Referral Programme: A Collaborative Counselling and Support Platform.

In August 2019, Lottotech, in collaboration with four NGO partners, launched a national "Responsible Gaming, Counselling, and Listening Platform". The platform provides psychosocial support to individuals struggling with gambling-related issues. The NGOs – Crysalide, Étoile d'Espérance, Centre d'Accueil de Terre Rouge and Centre de Solidarité pour Une Nouvelle Vie – are strategically located across different regions, including Rose-Hill, Curepipe, Terre Rouge, and Bambous.

We review and renew the agreements with these partners annually, as part of our ongoing commitment to responsible gaming and community support. Professional counselling sessions are available at the treatment centres run by the NGOs. Individuals seeking counselling complete a questionnaire adapted from our Self-Test. We analyse the data collected and submitted by the NGOs every month, in an effort to understand players' behaviours and needs. From the insights gathered we continually revise our responsible gaming strategies.

We support this initiative with a Rs 400,000 contribution from our voluntary budget. To date, approximately 400 people have benefited from this programme.

Our Impact:

Focusing on Key Sustainable Development Goals: Lottotech Ltd's Approach.

There are 17 United Nations Sustainable Development Goals (SDGs), with 169 interrelated targets. Any single organisation would find it difficult to address all 17 goals and 169 targets. At Lottotech, we focus on the goals most closely aligned with our business strategy and value chain – the areas where we can have the most impact. We are, of course, supportive of all SDGs. Through a commitment to a set of goals we can meaningfully address, we aim to drive positive change while ensuring our business practices are aligned with global sustainability objectives.

CSR STORIES

BRINGING JOY, ONE SMILE AT A TIME

In December, our team partnered with the NGO Centre D'amitie to bring festive cheer to underprivileged children. From face painting activities to a jumping castle, we created a joyful experience for over 50 children. Each child received a personalised gift donated by our employees, creating moments of joy and showing every child they matter. We shared a lunch with children and staff and organised games.

GIVING NEW LIFE TO THE OLD – OUR UPCYCLING PROJECT

In a creative move toward circularity, we launched an Upcycling Project that transforms used bet slips and lottery tickets into biodegradable pencils. These eco-friendly pencils are distributed to NGOs working in education and community development. Once they've served their purpose, the pencils can be planted to grow vegetables, turning everyday tools into seeds of sustainability. Through this initiative, we are reducing paper waste and promoting environmental awareness and food security.

CARING BEYOND THE WORKPLACE – SUPPORT CANCER POLICY

At Lottotech, when one of our team members faces a health battle, we stand by them. Our Support Cancer Policy, introduced this year, ensures that employees diagnosed with cancer receive extended paid leave and flexible work arrangements along with emotional support through counselling services. We extended the policy to include direct family members, recognising that health challenges affect entire households. This initiative reaffirms our human-centric approach and nurtures a culture of empathy and solidarity.

A MARK OF EXCELLENCE – BUSINESS MAURITIUS AWARD

We were honoured to receive the Inclusive Development Recognition Award from Business Mauritius, specifically in the Fourth Sector/Social Enterprise category. This award acknowledges our contribution to society through the LottotechSeeds project, which provides aspiring entrepreneurs with seed funding, mentorship and strategic support. This award recognises our commitment to inclusive growth and our belief in entrepreneurship as a powerful tool for social change.

SOWING DREAMS – CELEBRATING 5 YEARS OF LOTTOTECH SEEDS

Every seed we plant has the potential to grow into something extraordinary. This year marks five consecutive years of empowering local entrepreneurs through LottotechSeeds to drive positive change in their communities. We have supported 75 aspiring changemakers on their journey with funding, mentorship and capacity building.

Our latest cohort includes passionate entrepreneurs in fields such as sustainable farming, circular fashion, digital innovation, and community health. To date, Lottotech has invested a total of MUR 385,800 in this initiative, creating a ripple effect that extends beyond individual businesses into broader social impact. LottotechSeeds is a growing ecosystem of hope, innovation and inclusive development.

LA CARAVANE DES RÊVES – A GLOBAL INVITATION TO INSPIRE

La Caravane des Rêves is a tribute to the quiet changemakers who uplift their communities without seeking recognition. Through this initiative, we shine a light on unsung heroes whose acts of compassion inspire hope and transformation.

By recognising and rewarding everyday champions, Loto sends a powerful message: those who give from the heart are winners in the truest sense. This year, the initiative received international attention from the World Lottery Association (WLA), which invited us to showcase La Caravane on the global stage – a testament to its meaningful impact and the values it embodies.

PLAY FOR SOCIETY – REPRESENTING MAURITIUS ON THE GLOBAL STAGE

In November, we proudly represented Mauritius in the WLA's "Play for Society" campaign in Paris. This global event brought together lottery operators who are committed to generating social good through responsible gaming and community impact. Lottotech showcased how our initiatives – from cancer support to upcycling – extend beyond profit. It was a powerful reminder that lotteries, when guided by purpose, can be true catalysts for change.

05

Corporate Governance

CORPORATE GOVERNANCE REPORT 2024

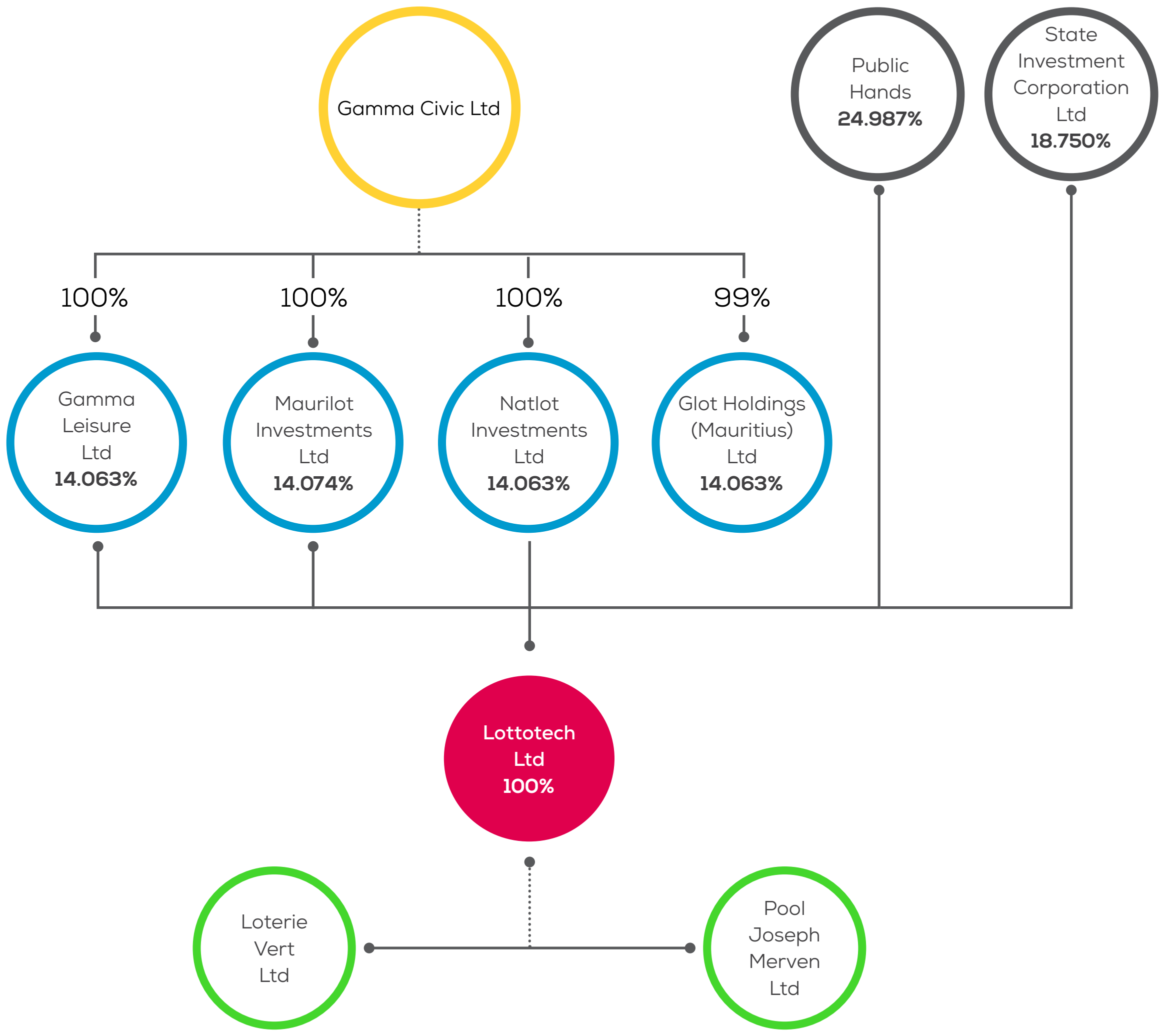
INTRODUCTION

Lottotech Ltd ("Lottotech" and/ or "the Company"), listed on the Stock Exchange of Mauritius (the "SEM") and falling under the definition of Public Interest Entity ("PIE"), is held to high standards by investors and customers, and the Board's commitment to corporate governance.

The corporate governance report demonstrates the Board's engagement towards the National Code of Corporate Governance (2016) and its continuing efforts to integrate the eight principles throughout Lottotech.

The objective of the Board of Directors, Management and all employees of the Company is to adopt and implement the principles of good governance, which can only be achieved by demonstrating professional and ethical conduct. The Company's "Code of Conduct" provides guidance to all Directors and employees of Lottotech Ltd to fulfil their duties and obligations with highest standards of business ethics.

The shareholding structure of Lottotech as at 31 December 2024 was as follows:



PRINCIPLE 1:

GOVERNANCE STRUCTURE

The Board has created two committees of the Board to facilitate decision-making, with advisory role. Delegation of responsibilities and authority to the committees are clearly defined. The Board remains the sole decision-making body. The Board monitors the performance of the Management Team in relation to set key performance indicators on a regular basis. The Company manages performance accountabilities and key performance indicators through a formal balanced scorecard process.

ROLES AND RESPONSIBILITIES

EXECUTIVE CHAIRMAN

Executive Responsibilities

(i) Drives Management in exploring business development opportunities;
(ii) Supervises Management in the development and implementation of the Company's strategy in line with the Board's directives;
(iii) Ensures the implementation of policies and strategies as resolved by the Board;
(iv) Oversees the management of the Company's business and operations;
(v) Is the direct reporting line for the CEO;
(vi) Dotted reporting line for the CFO;

Board's & Shareholders' Responsibilities

(vii) Is the direct reporting line for the company secretary;
(viii) Provides leadership to the Board and ensure its effectiveness;
(ix) Sets the Board's and Shareholders' meetings agenda;
(x) Ensures effective links between the Shareholders, the Board and Management.

BOARD OF DIRECTORS

(i) Setting strategy and organisation structure by means of a five-year strategy development and financial planning exercise, including an IT strategy and the review thereof as is deemed fit, given the prevailing economic context;
(ii) Accurate and transparent regular reporting on the "state of play" of the Company, including the Annual Report as per statutory requirements;
(iii) Assume responsibility for meeting all legal and regulatory requirements;
(iv) Through its risk oversight role, satisfy itself that Management is effectively managing and mitigating relevant risks, including business risks, by establishing policies and procedures consistent with the Group's strategy and risk appetite.

EXECUTIVE DIRECTOR AND CEO

(i) Develops the Company's strategy in line with the Board's directives;
(ii) Implements policies and strategies as resolved by the Board;
(iii) Manages the Company's business and operations; and
(iv) Heads and leads the Management team.

ROLE OF COMMITTEES

(i) Facilitate efficient decision making;
(ii) Uphold integrity in Financial Reporting;
(iii) Focus on specific areas of responsibility.

CORPORATE GOVERNANCE REPORT 2024 (Cont'd)

ROLE OF COMPANY SECRETARY

Gamma Corporate Services Ltd, is a wholly owned subsidiary of Gamma Civic Ltd, was set up on 16 March 2012 to provide corporate services (legal, secretarial and any other related services) under the supervision of the Executive Chairman. As an officer of the Company, the Company Secretary is accountable to the Board through the Executive Chairman in the performance of its duties and responsibilities as well as for the corporate governance processes. The duties of the Company Secretary shall include but shall not be restricted to:

- Providing the Board with guidance as to its duties and responsibilities, and powers;
- Informing the Board of all legislations on functions and operations relevant to or affecting meetings of shareholders and directors and reporting at any meetings as may be reasonably required from time to time for the filing of any documents required of Lottotech Ltd;
- Ensuring that minutes of all meetings of shareholders and directors are duly recorded and that all statutory registers are properly maintained;
- Certifying in the annual financial statements of the Company that Lottotech Ltd has filed with the Registrar of Companies all such returns as are required of Lottotech Ltd under the Companies Act 2001;
- Ensuring that a copy of Lottotech Ltd's annual financial statements and, where applicable, the annual reports are sent by email or post to every person/entity entitled to such statements or reports in terms of the Companies Act 2001.

CONSTITUTION

The Company is governed by a constitution, which is in line with the Companies Act 2001. There is no material clause in the Company's constitution which requires disclosure.

A copy of the Company's constitution is available for inspection at the registered office of the Company.

PRINCIPLE 2:

THE BOARD STRUCTURE AND THE COMMITTEES

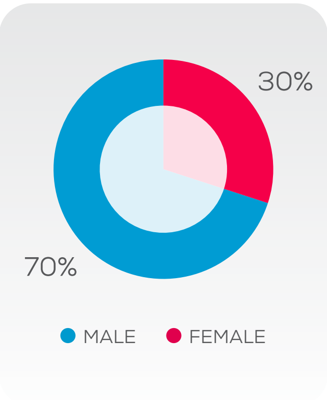
BOARD COMPOSITION

Lottotech is led by a dedicated and unitary Board, which is collectively accountable and responsible for the long-term success of the Company. According to the Lottotech Charter the Board may be composed of a maximum number of twelve Directors, as per the Company's constitution, to serve a term of office of three years, subject to the shareholders' resolution at each Annual Meeting.

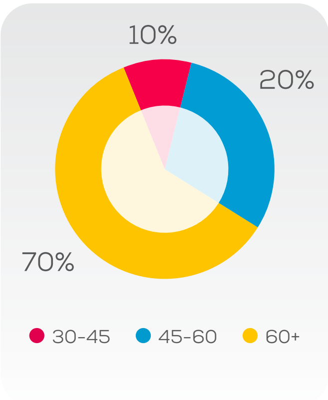
The composition of the Board is clearly defined in the charter and is in line with the Code, having the appropriate mix of executive, non-executive, independent directors and directors of Mauritian residence, as well as gender balance. Furthermore, the Board has the required mix of skills, experience, independence and knowledge to play its role fully in serving the interests of all the stakeholders of the Company.

The Board was composed of ten Directors for the year ended 31 December 2024 with the aim to have a more gender balanced and diverse representation.

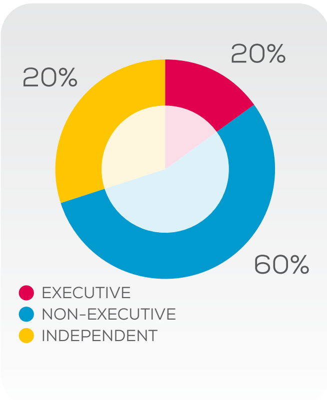
GENDER



AVERAGE AGE



BOARD COMPOSITION



MEETINGS PROCESS OF THE BOARD OF DIRECTORS

The meeting process is guided by the Lottotech Charter, duly approved by the Board of Directors and ratified by the shareholders. The Charter was reviewed when the new Code of Corporate Governance was implemented. The Charter is reviewed as and when required or when subject to new legislations or Board decisions. The last review was performed in 2023. The Charter is available for inspection at the office of the Company Secretary.

The Company Charter provides that the Company should hold a minimum of four quarterly Board meetings each year and a strategy meeting. All meetings are called by the Chairman of the Board and the Company has facilities to enable Directors to attend and participate in meetings either in person or via audio/ Visio means.

BOARD ATTENDANCE

All Board members are expected to attend all or at least a minimum 75% of the Board meetings held in the course of the year, either in person or by video/ audio facilities.

The Directors who served on the Board and their attendance to Board meetings during year ended 31 December 2024 are provided below:

Members	Board Status	Meeting attendance
Mr Chian Tat Ah Teck	Executive Chairman	5/5
Mr Allagapen Veeramootoo	Executive	5/5
Mrs Catherine Marguerite Halpin	Independent Non-Executive	5/5
Mr Chian Luck Ah Teck	Non-Executive	5/5
Mr Ganeshanlall Cheeneebash	Non-Executive	5/5
Mr Goburdhun Goolabchund[1]	Non-Executive	4/5
Mr Jacques Paul Rene De Chasteigner Du Mee	Independent Non-Executive	5/5
Mr Jack Michael Jason Ah Teck	Non-Executive	5/5
Mrs Michelle Carinci	Non-Executive	4/5
Mrs Sui Lien Chong Ah Yan	Non-Executive	5/5

[1] Resignation of Mr Goolabchund Goburdhun on 13 December 2024.

BOARD FOCUS AREAS

The main topics of discussion of the Board during the year revolved around the following:

- Business continuity plan;
- Business and financial performance;
- Strategy and business growth;
- Risk and Control;
- Governance;
- Sustainability;
- Digitalization & IT.

BOARD COMMITTEES

The Board has two main permanent committees to assist in efficiently advancing the business of the Board, and to facilitate efficient decision making of the Board, namely the Audit and Risk Committee and the Corporate Governance Committee. Each committee has its own charter, which can be referred to in the Company's Charter.

AUDIT AND RISK COMMITTEE

The core function of the Audit and Risk Committee is to assist the Board:

- To review and assess the adequacy of the Company in relation to its reporting of financial information, the appropriate application and amendment of accounting policies, the identification and management of financial risk, internal control systems and internal audit, and statutory and regulatory compliance;
- To review and assess the adequacy of the Company's risk management systems, to ensure that there is a sound framework of risk oversight, risk management and internal control in place in accordance with the National Code of Corporate Governance;
- To make recommendations regarding the recognition and management of risk; and
- To provide a forum for effective communications between the Board and the external and internal auditors, both of whom must report to the Audit and Risk Committee.

Audit and Risk Committee

Composition & Attendance

During the year under review, the Audit & Risk Committee met 4 times. The members of the Audit and Risk Committees are as follows:

Name	Attendance	Executive/Non-Executive
Mrs Catherine Marguerite Halpin (Chairperson)	4/4	Independent Non-Executive
Mr Ganeshanlall Cheeneebash	4/4	Non-Executive
Mr Jacques Paul Rene De Chasteigner Du Mee	4/4	Independent Non-Executive

Roles & Responsibilities:

The Audit and Risk Committee reviews, assesses, and make recommendations to the Board. In particular, the Audit and Risk Committee is responsible for and has oversight on:

1. The accounting, reporting, and financial practices of Lottotech Ltd, including the integrity of the Company's financial statements and internal control over financial reporting in particular considering: any changes in the Company's accounting policies and/or practices; the application of relevant accounting standards; significant adjustments arising from the audit; the appropriateness of the going concern statement to be made by the Board of Lottotech Ltd and the statement of directors' responsibilities in relation to the accounts;
2. The Company's accounting policies, disclosures, controls and procedures;
3. Management's approach to internal controls to provide assurance to the Board that executive management's control assurance processes are implemented and are complete and effective;
4. The system of internal control, review the manner and framework in which management ensures and monitors the adequacy of the nature, extent and effectiveness of internal control systems, including accounting control systems, and thereby maintains an effective system of internal control;
5. Compliance by management to approved internal controls procedure and report to the Board thereon;
6. Lottotech Ltd's compliance with legal and regulatory requirements with regard to financial matters;
7. The adequacy and scope of the internal and external audit function;
8. The external and internal auditor's qualifications, independence, effectiveness and appointment;
9. The performance review of Lottotech Ltd's internal audit function and Lottotech Ltd's external auditor;
10. To review and approve the audit plans for the following year for the external and internal auditors;
11. Lottotech Ltd's information technology and operations environment;
12. The appropriateness, completeness and effectiveness of Lottotech Ltd's risk management system including reviewing and updating its risk profile;
13. The annual formal risk assessment review to confirm and re-prioritize its key business risks and to reassess Lottotech Ltd's risk profile;
14. The appropriateness and adequacy of Lottotech Ltd's insurance coverage; and
15. Review the Company's list of litigations.

The Chairman of the Audit & Risk Committee reports quarterly to the Board of Directors on risks areas.

Audit & Risk Committee Focus Areas 2024

The focus areas of the Audit & Risk Committee during the year were as follows:

1. Financial Performance and Financial Reporting;
2. Internal Audit Plans and Reports;
3. Oversight of the External Audit Process;
4. Risk Management Matters, including quarterly risk management reviews on the following topics:
   a. Scenario planning;
   b. Risk appetite and any proposed modifications;
   c. People risk management, including planned actions to protect our people and their ability to perform effectively and safely;
   d. Liquidity risk management;
   e. Role of digital technologies in managing resilience;
   f. Cyber-security considerations and their impact on internal controls;
   g. Assessment of the quality of communications within the company; and
   h. Any proposed changes to improve risk management effectiveness and resilience.
5. Adequacy of the resourcing in the Financial Reporting Team, aimed at ensuring a continuing dialogue with the CFO regarding the quality and adequacy of the resources available.

CORPORATE GOVERNANCE COMMITTEEE

The Corporate Governance Committee acts as a mechanism for making recommendations to the Board on all corporate governance matters relevant to the Company to ensure that the Board remains effective and complies with the National Code of Corporate Governance and prevailing corporate governance principles.

The Committee is also responsible for remuneration and nomination matters. The remuneration philosophy is geared towards rewarding efforts and merits for individual and joint contribution to the Company's results, whilst having also due regards to market conditions, the interest of the shareholders and to the financial well-being of the Company.

Corporate Governance Committee

Name	Attendance	Executive/Non-Executive
Mrs Sui Lien Chong Ah Yan (Chairperson)	1/1	Non-Executive
Mr Chian Luck Ah Teck	1/1	Non-Executive
Mr Goburdhun Goolabchund, GOSK	1/1	Non-Executive
Mrs Michelle Carinci	1/1	Non-Executive

The responsibilities of the Corporate Governance Committee are as follows:

- To ensure that the shareholders and the market in general have a complete, truthful and timely access to information which the Company must disclose;
- To oversee the performance of the Board;
- To assess, on a regular basis, the compliance with the Corporate Governance Code. When necessary, to propose to the Board of Directors amendments in order to improve and execute correctly the Corporate Governance Code;
- Assess Board Effectiveness and review the structure in terms of size, composition and proper balance of skills and expertise;
- To keep up to date about the best practices, new regulation and any other change on the Corporate Governance area in order to comply with the Committee's duties and responsibilities efficiently;
- To coordinate the procedure of selection, appointment and rotation of the Board of Directors;
- To oversee the compliance with the requirements and procedures for the election of the Board of Directors (competences, inabilities and limitations, among other features).
- Review succession plan for executives and non-executive members;
- Determine, approve and review remuneration of Board of Directors and Senior Management taking into account the balance scorecard and KPIs.

CORPORATE GOVERNANCE COMMITTEE FOCUS AREAS 2024

The focus areas of the Corporate Governance Committee during the year were as follows:

- Review of Performance Management System;
- Assess Remuneration Policy;
- Integration of Corporate Social Responsibility in Lottotech's operations; and
- Corporate Governance.

PRINCIPLE 3:

DIRECTOR APPOINTMENT PROCEDURES

Appointment and re-election

The Corporate Governance Committee under its nomination function, is responsible for making recommendations to the Board, which in turn would be presented to the shareholders at the Company's Annual Meeting, for any appointment and/or re-election of potential Directors.

Furthermore, in cases of casual vacancy, the Board may appoint Directors who shall hold office until the next Annual Meeting and shall then be eligible to stand for re-election.

Letter of appointment

Upon their appointment, all Directors are provided with a letter of appointment which stipulates the terms and conditions of such appointment. The Directors are also given a copy of the Company's Charter, which serves as a reference tool for all members of the Board.

Succession planning

An important responsibility of the Board of Directors is to ensure that the Company has an appropriate succession plan in place for Directors and senior managers, and this responsibility has been delegated to the Corporate Governance Committee under its nomination function.

Induction and training

As Directors of the Company, members are expected to know the Company's businesses, objective, strategy and governance framework. The Executive Chairman together with the CEO would carry out an induction session with the new Directors to ensure that the latter are well informed about the Company's businesses, objective, strategy and governance framework, and to thus facilitate their onboarding.

In addition, all Directors are issued a letter of appointment stipulating the terms and conditions of the directorship. The Directors are also given a copy of the Company's Charter, constitution and some specific laws which are relevant to the Company's operation and business.

Professional development and training

Directors are encouraged to keep themselves up to date with latest professional practices and to changes and trends in the Company's business, market, economic, political, social and legal environment in general. The Board may organise trainings as and when required.

BOARD MEMBERS PROFILE

THE PROFILES OF THE INDIVIDUAL DIRECTORS ARE GIVEN BELOW:

CHIAN TAT AH TECK
(also called Tommy Ah Teck)
Executive Chairman
Appointed: 11 April 2008
Executive Chairman: Apr 2020

Age: 63

Skills and expertise:

- Managing Director of Gamma from 1987, until his appointment as Group CEO in 2011
- Since 2015, he became a non-executive director of the Board, and Vice Chairman Gamma Civic Ltd
- He was appointed as the Executive Chairman of Lottotech Ltd in 2020.

Qualifications:

- BSC (Hons) Engineering
- MPhil Mechanical Engineering

Committees:

- None

Other listed directorship:

- Kolos Cement Ltd
- Gamma Civic Ltd
- Morning Light Co Ltd

Citizen and Resident of Mauritius

ALLAGAPPEN VEERAMOOTOO
(also called Moorghen Veeramootoo)
Executive Director & Chief Executive Officer
Appointed: 26 May 2017

Age: 54

Skills and expertise:

- Marketing and Sales Manager and Business Unit Manager at Gamma from 2004 to 2009
- Marketing Manager at Happy World Foods Ltd (now Innodis Ltd) from 1999 to 2004
- Strategic Planning Manager at Cread & Co. Ltd from 1998 to 1999

Qualifications:

- Masters in Marketing
- BSc Engineering, European Business & Technology
- Diplôme Universitaire en Technologie (DUT) from the Institut Universitaire de Technologie of Avignon

Committees:

- None

Other listed directorship:

- None

Citizen and Resident of Mauritius

CHIAN LUCK AH TECK
(also called Patrice Ah Teck)
Non-Executive Director
Appointed: 11 April 2008

Age: 58

Skills and expertise:

- Joined Gamma Group in 1993 as sales and marketing manager. He was appointed as Sales and Marketing Director in 2000 and occupied the post of Deputy Managing Director until 2015 to become a non-executive board member.
- Appointed as Vice Chairman of Gamma Civic Ltd in Aug 2020

Qualifications:

- BA (Hons) Accounting & Finance

Committees:

- Corporate Governance Committee

Other listed directorship:

- Gamma Civic Ltd
- Morning Light Co Ltd
- Kolos Cement Ltd

Citizen and Resident of Mauritius

MICHELLE JANE CARINCI
(also called Michelle Carinci)
Non-Executive Director
Appointed: 7 Aug 2014

Age: 71

Skills and expertise:

- Proven leadership in operations and innovation both locally and internationally, with over 40 years' experience in the gaming industry
- Prior to Lottotech, she was the President and CEO of the Atlantic Lottery Corporation
- Prior to Atlantic Lottery Corporation, she was the President of Gamescape, a wholly-owned subsidiary of IGT and a Corporate Vice President in charge of marketing and Customer Relations at IGT, Vice President of Marketing and Sales at British Columbia Lottery Corporation

Qualifications:

- Recognised four times as one of the top 50 CEOs in Atlantic Canada and is an inductee into the Lottery Hall of Fame class of 2006
- Business Administration with Major in Marketing, ICD Directors Education Program, Rotman School of Management

Committees:

- Corporate Governance Committee

Other listed directorship:

- None

Citizen of Canada

BOARD MEMBERS PROFILE (continued)

SUI LIEN CHONG AH YAN (also called Marie Claire Chong Ah Yan)

Non-Executive Director
Appointed: 31 May 2019

Age: 64

Skills and expertise:
- Head of HR at Gamma Group since 2000, and appointed as HR Director of Gamma Civic Ltd in 2012
- Co-Trustee of Gamma Foundation, which coordinates all CSR projects for the Group

Qualifications:
- Bachelor degree in Arts
- Bachelor degree in Human Resources Management
- FT Non-Executive Director Diploma

Committees:
- Corporate Governance Committee

Other listed directorship:
- Kolos Cement Ltd
- Gamma Civic Ltd
- Morning Light Co Ltd

Citizen and Resident of Mauritius

JACK MICHAEL JASON AH TECK

Non-Executive Director
Appointed: 20 Apr 2020

Age: 31

Skills and expertise:
- Joined Gamma as Corporate Affairs Executive in 2019
- Prior to Gamma, he was a strategy consultant at KPMG's Global Strategy in London, where he focused on growth strategy and data analytics for multinational corporations

Qualifications:
- BEng Materials Engineering with Management
- Masters in Management

Committees:
- None

Other listed directorship:
- Kolos Cement Ltd
- Gamma Civic Ltd
- Morning Light Ltd

Citizen and Resident of Mauritius

GANESHANLALL CHEENEEBASH

Independent
Non-Executive Director
Appointed: 29 October 2021

Age: 62

Skills and expertise:
- More than 20 years' experience in the finance in both public and private sector
- Currently the Chief Finance Officer of The State Investment Corporation Limited.

Qualifications:
- Fellow chartered accountant
- Chartered Company Secretary
- Master in Business Administration.

Committees:
- Audit & Risk Committee

Other listed directorship:
- None

Citizen and Resident of Mauritius

JACQUES PAUL RENE DE CHASTEIGNER DU MEE

Independent
Non-Executive Director
Appointed: 26 June 2023

Age: 65

Skills and expertise:
- Chartered accountant (ICAEW) with more than 25 years of experience in auditing and tax across several industries and countries.
- Jacques was the Country Managing Partner at Deloitte, serving major clients in Mauritius, before retiring in 2021.

Qualifications:
- BA (Hons) Accountancy
- Chartered Accountant (ICAEW)

Committees:
- Audit & Risk Committee

Other listed directorship:
- Mauritius Oil Refineries Ltd (MOROIL)

Citizen and Resident of Mauritius

BOARD MEMBERS PROFILE (continued)

CATHERINE MARGUERITE HALPIN
Independent Non-Executive Director
Appointed: 26 June 2023

Age: 61

Skills and expertise:
- Proven experience in managing and advising on complex Board matters
- Exposure to diverse industries, and accomplishments in business analytics, strategy formulation and governance
- Considerable experience at C-level in IT-enabled services, with an interest in fintech, AI and Big Data

Qualifications:
- FCA, Ireland
- Certified Non-Executive Director, ICAEW
- Bachelor of Business Studies (Hons)

Committees:
- Audit & Risk Committee

Other listed directorship:
- Medine Limited

Citizen of Ireland and Permanent Resident of Mauritius

GOOLABCHUND GOBURDHUN, GOSK
Non-Executive Director
Appointed: 31 May 2019
Resigned: 13 December 2024

Age: 61

Skills and expertise:
- Managing Director of The State Investment Corporation Limited (SIC) and holds directorship on various SIC Investee Companies, including Mauritius Shipping Corporation Limited, Port Louis Fund Ltd, Ebene Car Park Ltd, SBM (Mauritius) Infrastructure Development Company Ltd, SIC Development Co. Ltd and Casino Companies. He also holds directorship on companies which are not SIC Investee Companies. These include Air Mauritius Limited, Airports of Mauritius Ltd and Pointe Coton Resort Hotel Co. Ltd.
- He was in public practice as a Chartered Certified Accountant providing services relating to Accounting, Auditing, Management, Tax Consultancy and Corporate Secretarial Services
- Previously, he held Chairmanship on various Government-related companies/institutions such as MauBank Holdings Ltd, MPCB (now MauBank Ltd), National Pensions Fund and Responsible Gambling and Capacity Building Fund of the Gambling Regulatory Authority

Qualifications:
- FCCA
- MSC in Finance

Committees:
- Corporate Governance Committee

Other listed directorship:
- None

Citizen and Resident of Mauritius

SENIOR MANAGEMENT TEAM

The Board has approved appropriate job descriptions and accountabilities of senior management positions which are reviewed on a regular basis.

PRINCIPLE 4:

DIRECTOR'S DUTIES, RENUMERATION AND PERFORMANCE

Directors' Duties

Directors have been duly informed of their duties and responsibilities as provided under the Companies Act 2001, and their responsibility under the Listing Rules in as much as the Company is a public company listed on the Stock Exchange of Mauritius Ltd ("SEM").

They are also conversant with the provisions of Lottotech Charter, the Company's constitution and the National Code of Corporate Governance.

Interests' register conflicts of interest and related party transaction policy

Directors are aware of their responsibility in relation to the disclosure of conflicts of interest in accordance with the laws and the Lottotech Charter under the heading Conflict of Interest and Disclosure Policy.

Declaration of Conflict of Interest at each Board Meeting

The Company Secretary holds an Interest Register in which declarations made by Directors at each board meetings are duly registered.

The first item of the agenda for all board meetings is the declaration of conflict of interest by the Directors on any items which the Board will address as the business of the day. They would sign a duly approved declaration of interest form, which shall form part of the Board's proceedings for the day. Furthermore, Directors who are conflicted would not participate on discussions on the specific agenda item.

Any related party transaction, if existing, would also be recorded in the said register.

Note: A copy of the register is available for inspection upon request made to the Company Secretary.

Remuneration Policy: statement of remuneration policy

The Corporate Governance Committee has been mandated by the Board to fulfill the function of Remuneration Committee and has therefore the responsibility of determining the remuneration of Directors and Top Management in line with market conditions, benchmarking within the industry, the Company's performance and ability to pay. The objective is to ensure that the Company attracts and retains talent both at the level of the Board and Management.

For the period under review, remuneration and benefits received and receivable by the Directors from the Company and its subsidiaries were:

Directors of the Company	MUR
Executive	16,315,515
Non-Executive	12,636,913
Total	**28,952,428**

Note: No remuneration in the form of share options or bonuses associated with the Company's performance have been issued to non-executive directors.

Board evaluation

The Board has adopted a Board Self & Peer Evaluation questionnaire, whereby the Directors would assess their individual performance, that of their respective peers and the Board. This exercise is carried out internally, in full confidentiality, whereby the Directors express themselves freely. The evaluation includes the following elements:

- The structure of the Board and its committees (this includes Board and committee organisation and dynamics, such as the mix of skills, knowledge, diversity, experience and independence; how the Board works as a unit; and the tone set by the Chairperson and CEO).
- Board efficiency and effectiveness (this includes individual performance; clarity of purpose, direction and values of the organisation; quality of leadership and key Board relationships).
- Risk management and governance.
- Strategic review and resource allocation.
- People issues and succession planning.
- Ethics management.
- Business performance (this includes the level and quality of reporting measures).
- Board committees.

There being no major change in the Board's composition and its structure from 2020 to 2022 and given the very good overall rating obtained during the 2020 exercise, no Board Self and Peer exercise has been carried out during the year 2024.

An evaluation shall be performed subsequently and the Board will approve upon recommendation of the corporate governance committee.

The focus of the Board is to ensure that at all times it continues to be effective and efficient, that the Directors continue to contribute positively to Board's discussion and are fully committed to the Company, the employees and shareholders.

IT Governance

Information Technology plays an essential role as it is pervasive in all Lottotech business operations. The Board is responsible for IT Governance and ensures that the appropriate policies and procedures are in place. All major expenditures related to IT system are reviewed and approved by the Board. The Executive Management is responsible to ensure the implementation of the IT Governance framework as per industry standards and applicable laws.

There is a strong focus on the confidentiality, integrity and availability of information supported by a robust technology platform, IT policies and business processes. Lottotech ensures that all the security policies are enforced at all levels. IT Security training is given to its staff on a regular basis as required.

Lottotech continues to invest in technology and digitalization to enhance operation efficiencies and the player's experience. Lottotech has partnered with leading industry security firms to reinforce security of our information and IT systems.

Code of Professional and Ethical Conduct

The Lottotech Ltd's Code of Professional and Ethical Conduct ("Code of Conduct") provides guidance to all Directors and employees of Lottotech Ltd, of their duties and obligations to conduct themselves and their business affairs in accordance with the highest standards of business ethics. Hence, the Code of Ethics is approved and reviewed from time to time by the Board of Directors.

PRINCIPLE 5:

RISK GOVERNANCE AND INTERNAL CONTROL

Lottotech Ltd is committed to the highest standards of ethical behaviour. Risk management is part of our culture across the Company. Strong independent oversight is in place at all levels. Committees, which are integral to the organisation's risk governance structure, allow executive management and the Board to evaluate the risks and to manage them effectively. The Company accepts risks which can be managed and where this will give the Company a competitive advantage. As regards risks which cannot be managed, the Company would aim at mitigating same and avoid those which cannot be mitigated.

The Company's risk management framework is designed to align the strategy and culture with the appropriate processes in place while encouraging the sense of entrepreneurship - helping management to take reasonable risks to fuel growth and improve business performance. All identified risks are compiled in a risk register which acts as a vehicle for capturing all the assessment and decisions made in respect thereof. Management carries out regular meetings to monitor and review the risks. Emerging risks are taken on board and existing risks are rated according to impact and likelihood. Risks identified are recorded in risk registers and risk heat maps. The risk register and risk heat maps are put forward to the Audit & Risk Committee on a quarterly basis for review, following which the Audit & Risk Committee would make a report and recommendation as appropriate, to the Board.

Lottotech has committed itself to aggressively pursue managing risks to be within its risk appetite to avoid exposure to losses and to manage actions that could have a negative impact on the reputation of the Group. The Company has monitored and evaluated its risk categories on a regular basis as per the illustration that follows.

Lottotech is certified ISO 27001:2013 for establishing, implementing, operating, monitoring, reviewing, maintaining and improving its information security management system. The Group abides to the procedures and policies related to the standard. On an annual basis, surveillance audit is being carried out by external parties.

Risk Categories:

BUSINESS INTERRUPTION
Lottotech relies heavily on its IT infrastructure to continue to deliver an uninterrupted quality service to its customers. Its operations depend to a large extent on the reliability, performance and security of its information technology system,software and network.

STRATEGIC
Risk arising from adverse effects of business decisions, failure to meet the business development targets, improper implementation of business decisions/ projects, and failure to react to unexpected external events which can negatively impact the business

FINANCIAL
Financial risks to Lottotech are both external and internal by nature such as natural disaster, credit risk in relation to financial instruments for the Company are outlined in the ERM.

HUMAN RESOURCE
The real and perceived integrity and security of the Company's employees are critical to its ability to attract customers and comply with applicable regulations.

REPUTATIONAL
The risk of reputational damage to the Lottotech's image resulting from negative perception, and information surrounding the gambling industry could adversely affect the business.

LEGAL & REGULATORY
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.

Furthermore, the Company has in place a Risk Management Framework based on the following principles:

- There is a defined approach for risk management setting out its strategy and objectives and the approaches and processes that the Company adopts to achieve them;
- There is a defined process to identify, assess and mitigate the significant risks to the achievement of business objectives; and
- There is an on-going process to monitor the risk profile, identifying and responding to significant issues and events. The key financial risks identified for the Company are outlined in Note 3 of the Financial Statements.

The Company has a whistleblowing procedure and other additional procedures which are readily available at the Head office.

PRINCIPLE 6:

REPORTING WITH INTEGRITY

Financial and operational performance

The Company's financial and operational performance is detailed in the Audited Statutory Financial Statements for the year ended 31 December 2024.

The Directors affirm their responsibilities in ensuring that in the preparation of the Company's Financial Statements, Management has fairly presented the state of affairs of the Company and its performance and that it remains a going concern.

Environment, Health and Safety

The Company complies with the Occupational Safety and Health Act 2005, and other applicable legislative and regulatory frameworks in order to ensure the occupational safety and health of its employees and stakeholders at all times. Ongoing awareness campaign is carried to ensure that the employees work in a healthy, safe and conducive working environment.

The Company is also committed to sustainable development and ensures that its operations are conducted in ways that minimise their impact on the environment and on society at large.

In this respect, the Company Charter has provided for an Environment Policy. Hence, the Company is committed to reducing its environmental impact and continually improving the environmental performance as an integral and fundamental part of the Company's business strategy and operating methods.

[Refer to section on Financial Capital, Social and Relationship Capital and Human Capital]

***The full annual report is available on our website: www.lottotech.mu**

PRINCIPLE 7:

AUDIT

Internal audit

The internal audit function has been outsourced to KPMG. KPMG operates on a risk-based three-year internal audit plan, under the supervision of the Audit and Risk Committee.

The duties of the internal audit are defined in the Lottotech Charter and among others include the examination and evaluation of the adequacy and effectiveness of the Company's governance, risk management process, system of internal control structure, and the quality of performance in carrying out assigned responsibilities, in view of eliminating or reducing risks identified to an acceptable level, and the formulation of necessary recommendations.

The key areas to be covered by the internal audit function have been identified following an enterprise-wide risk assessment. The risk assessment is reviewed annually based on prior years results, overall group strategy and emerging risks affecting the business activities of the group. The annual internal audit plan is discussed at each Audit and Risk Committee.

The Internal Audit Plan for the financial year ended 31 December 2024 focused on key financial and operational processes of the Company. As per the approved internal audit plan, 4 internal audit reviews were carried out in 2024 focused on the following areas:

- Operations: Enterprise Resilience and Draw Process Verification
- IT systems and controls: Technology Resilience
- Finance: Liquidity Management and Forecasting

The internal audit function maintains its independence and objectivity to allow for the effective performance of its duties. The direct reporting line is to the Chairperson of the Audit and Risk Committee, and the internal audit function may also be called upon by the Chairman of the Board to report to it on specific matter.

CORPORATE GOVERNANCE REPORT 2024 (Cont'd)

External Audit

The appointment of the Company's external auditors remains a reserved right of the shareholders, with a recommendation of the Board. Deloitte, the Company's external auditor for the year under review, was appointed in June 2024 at the Annual Shareholders Meeting, to hold office until the conclusion of the next Annual Meeting of Shareholders.

The Board has delegated to the Audit and Risk Committee the responsibility of reviewing the auditors' letter of engagement before the start of the audit work. The Committee will also monitor the independence of the external auditor and ensure that the auditors are not hindered in any manner whatsoever in the performance of their function.

To further ensure that there is no threat to the objectivity and independence of external auditors in the conduct of the audit, the Audit & Risk Committee may approve any non-audit services by them.

The external auditors have direct access to the Audit and Risk Committee members and at various times during the year they attend the Committee meetings to

- Discuss the audit plan,
- Communicate the progress of their audit, and
- Deliver their audit opinion.

Through the meetings with the Audit and Risk Committee and the Board, the auditors would obtain assurance from the Committee and the Board, who are responsible for governance, that there is effective oversight on the Company's internal control, reliability of financial reporting, effective and efficient operations and compliance with applicable laws and regulations. The auditors would also meet with the internal auditors to ensure that the Company operates within a good internal control environment and have proper processes and systems in place.

PRINCPLE 8:

RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS

The Board of Directors is committed to always have an open and transparent communication with its shareholders and other stakeholders. It normally communicates through its Annual report, announcements as provided under the Listing Rules, whenever applicable, statutory reporting and publications. Moreover, during the annual meeting, shareholders have the opportunity to discuss with the Board members on Company's matters such as its performance and future outlook. The next annual meeting of shareholders will be held in June 2025.

The Company's website is also an important tool used to communicate and inform the shareholders and stakeholders on the Company's activities and events.

Key Stakeholder engagement:

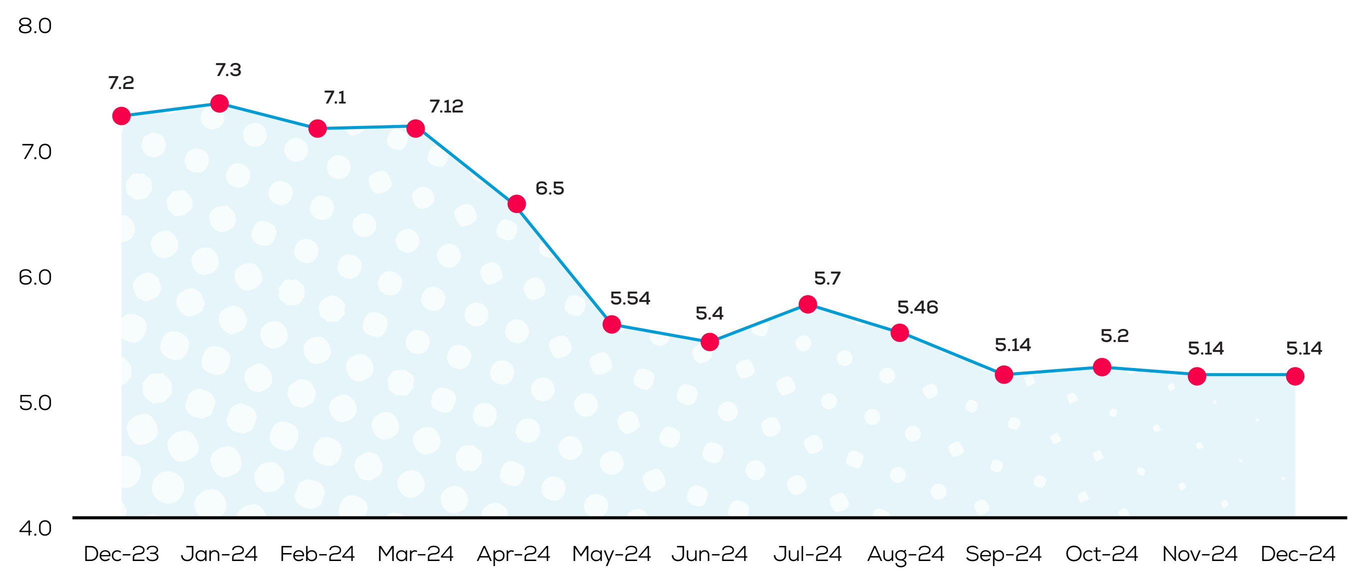
Stakeholder	Role	Stakeholder major requirements	Stakeholder major expectations	Engagement Level
GRA	Regulator	Follow the GRA Act	Collaborative relation	Abide by the law and have regular discussion with regulator including Responsible gaming
Shareholder	Project Sponsor	Profit and high dividends	Increase Profitability and dividend payout	Protect the Company's and Shareholders' interest. Regular communication on the performance of the Company.
Employees	Facilitator	Employment safety	Fair wage and personal development	Performance management system. Regular check-in conversations
Players	End User	Trustworthy games	Fun games and win	Annual research on customer perception on the games. Player protection strategy. Regular communication on the games.
Supplier	Resource	Timely settling of the payments for the product	Business continuity	Regular meetings. Contract management.
Retailers	Facilitator	Payment of commission	Increase in commission payout and new business opportunity	FSR regular visits and feedback. Ensure timely payment of commission.
CSR/ Community	End User	Positive Contribution to society	To fund causes	Long term collaboration with NGOs. Provide funds. Regular visits. Volunteer program.
Competitors	Open market opportunity	Fair competition market	Enough market share for profitability	Regular market analysis. Ensure fair competition at all times.

Shareholding Profile

The shareholders holding more than 5% of the ordinary shares of the Company at 31 December 2024 were:

	% Shareholding
State Investment Corporation Ltd	18.75%
Maurilot Investments Ltd	14.07%
Gamma Leisure Ltd	14.06%
Natlot Investments Ltd	14.06%
Glot Holdings (Mauritius) Ltd	14.06%

Share price graph



Management Agreement

The Company has a management agreement with A.S. Burstein Management Ltd ("ASB"), a subsidiary of Gamma Civic Ltd, to offer it specific services related to the technical business operation of the Company.

Furthermore, Gamma Civic Ltd has a management agreement with ASB for the same services.

Dividend Policy

The Company's Dividend Policy as contained in the Company's constitution is that 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, subject to the Company passing the Solvency Test.

As a general rule, the Company declares an interim dividend in or around August and a final dividend in or around March the following year.

STATEMENT OF COMPLIANCE

(Pursuant to Section 75 (3) of the Financial Reporting Act 2004)

Name of Public Interest Entity ("PIE"): Lottotech Ltd

Reporting Period: 31 December 2024

We, the Directors of Lottotech Ltd confirm that to the best of our knowledge Lottotech Ltd has complied with all of its obligations and requirements under the National Code of Corporate Governance.

Chairman of the Board of Directors

Director

Date: 17 March 2025

STATUTORY DISCLOSURES

(Pursuant to Section 221 of the Companies Act 2001 and Section 88 of the Securities Act 2005)

Principal Activities

Lottotech Ltd is a Company that operates the Mauritius National Lottery on behalf of the Government of Mauritius. Following a Request for Proposal issued by the State Investment Corporation Ltd in March 2008, the proposal of the Company, including its structured game plan, was accepted and the Company was selected in July 2008 as the preferred bidder for the implementation and operation of the Mauritius National Lottery. In April 2009, the Gambling Regulatory Authority (GRA) issued an exclusive licence to Lottotech Ltd to operate the Mauritius National Lottery, which has been renewed in 2018 until April 2029. In June 2018, following the conclusion of the mediation between the Company, the Gambling Regulatory Authority (GRA) and the Ministry of Finance and Economic Development before the Supreme Court of Mauritius (Commercial Division), the Company was awarded the brand name and mark of the Loterie Vert. The new Loterie Vert game was launched in Nov 2020. Lottotech acquired 100% of Pool Joseph Merven Ltd (PJML) in 2019. PJML holds the licence to operate as an agent of a foreign pool company, The Football Pools, a sports betting operator in UK. This offers the opportunity to have a more diversified portfolio and provide new games to its player base.

Directors

The name of the Directors who have served the Company and its subsidiaries for the year ended 31 December 2024 were as follows:

	Lottotech Ltd	Loterie Vert Ltd	Pool Joseph Merven Ltd
Mr Chian Tat Ah Teck	○		
Mr Chian Luck Ah Teck	○		
Mrs Sui Lien Chong Ah Yan	○		
Mrs Catherine Marguerite Halpin	○		
Mrs Michelle Carinci	○	○	○
Mr Ganeshanlall Cheeneebash	○		
Mr Allagappen Veeramootoo	○	○	○
Mr Goolabchund Goburdhun, GOSK[1]	○		
Mr Jacques Paul Rene De Chasteigner Du Mée	○		
Mr Jack Michael Jason Ah Teck	○	○	○

[1] Resignation of Mr Goolabchund Goburdhun on 13 December 2024.

Directors' and Senior Officers' Interests in Shares

Statement of Direct and Indirect Interest of insiders as at 31 December 2024:

	No. of Shares	
Names of Directors	Direct	Indirect
Mr Chian Luck Ah Teck	147,840	33,186,975
Mr Chian Tat Ah Teck	-	33,283,460
Mr Jack Michael Jason Ah Teck	11,108	265,845
Mrs Sui Lien Chong Ah Yan	153,808	8,443,370
Mrs Michelle Jane Carinci	38,796	14,434
Mr Ganeshanlall Cheeneebash	-	-
Mr Allagappen Veeramootoo	52,632	-
Mr Jacques Paul Rene De Chasteigner Du Mee	-	-
Mrs Catherine Marguerite Halpin	-	-

CORPORATE GOVERNANCE REPORT 2024 (Cont'd)

Directors' Remuneration and Benefits

The split of the aggregate remuneration and benefits received and receivable by the Directors from the Company is as follows:

Directors	%
Mr Chian Luck Ah Teck	13%
Mr Chian Tat Ah Teck	13%
Mr Jack Michael Jason Ah Teck	9%
Mrs Sui Lien Chong Ah Yan	9%
Mrs Michelle Jane Carinci	2%
Mr Ganeshanlall Cheeneebash *	2%
Mr Goolabchund Goburdhun, GOSK *	2%
Mr Allagappen Veeramootoo	44%
Mr Jacques Paul Rene De Chasteigner Du Mee	2%
Mrs Catherine Marguerite Halpin	4%

*The % payable to Messrs Goolabchund Goburdhun, GOSK and Ganeshanlall Cheeneebash have been credited to a bank account provided by the State Investment Corporation (SIC)

Directors' service contracts

None of the Directors of the Company have service contracts with the Company.

Contract of Significance

The Company has no contract of significance with either a director or a controlling shareholder.

Directors' Insurance

The Directors of Lottotech Ltd are insured under a policy contracted by Lottotech Ltd for its directors and officers, which includes a liability insurance.

Political and Charitable Donations

Lottotech Ltd remains committed to its engagement towards making a difference in the community. Over and above the statutory amount for CSR of Rs 2,360,268, the Company contributed Rs 746,529 to support initiatives in line with its sustainable policy. The Company's political donation amounted to Rs 2,000,000 for the year under review.

Auditors' remuneration

The remuneration payable by the Company and its subsidiaries for the financial year ended 31 December 2024 was as follows:

	Group	Company
Audit fees:	Rs	Rs
- Principal auditors	2,099,900	1,891,175
Internal audit fees:		
- Other auditors	1,517,147	1,517,147

Director

Director

Date: 17 March 2025

COMPANY INFORMATION

DIRECTORS:
Chian Tat Ah Teck (Executive Chairman)
Allagappen Veeramootoo
Chian Luck Ah Teck
Ganeshanlall Cheeneebash
Goolabchund Goburdhun, GOSK (Resigned on 13 December 2024)
Jack Michael Jason Ah Teck
Michelle Carinci
Sui Lien Chong Ah Yan
Jacques Paul Rene De Chasteigner Du Mee
Catherine Marguerite Halpin

SECRETARY:
Gamma Corporate Services Ltd
Silver Bank Tower
Cybercity, Ebene
72201
Republic of Mauritius

REGISTERED OFFICE:
Royal Road
Chapman Hill
Beau Bassin
Republic of Mauritius

PRINCIPAL PLACE OF BUSINESS:
Ground Floor
Silver Bank Tower
18, Bank Street
Cybercity, Ebene
72201
Republic of Mauritius

AUDITOR:
Deloitte
7th-8th Floor, Standard Chartered Tower
19-21 Bank Street, Cybercity
Ebène
Republic of Mauritius

PRINCIPAL BANKERS:
SBM Bank (Mauritius) Ltd
SBM Tower
1, Queen Elizabeth II Avenue
Port Louis
Republic of Mauritius

Absa Bank (Mauritius) Limited
Absa House, 68 Wall Street
Cybercity
Ebène 72201
Republic of Mauritius

LEGAL ADVISOR:
Anwar Moollan, SC
6th Floor, PCL Building, Sir William Newton Street
Port Louis
Republic of Mauritius

DIRECTOR'S REPORT

The directors are pleased to present the annual report and the audited consolidated financial statements of Lottotech Ltd ("the Company" or "Lottotech") and its subsidiaries (the "Group") for the year ended 31 December 2024.

Principal activity

The Company offers a diverse portfolio of games comprising of lottery and sports games. Over the years, the Company has been able to secure multiple licences including the sole operator of The Mauritius National Lottery on behalf of the Government of Mauritius, an exclusive partnership with the Football Pools UK for the African Region and the owner of Loto Vert products.

Statement of directors' responsibilities

Directors are responsible for preparing the annual report and financial statements in accordance with applicable laws and regulations.

Company law requires Directors to prepare financial statements in accordance with International Financial Reporting Standards (""IFRS"") as issued by the International Accounting Standards Board for each financial year. Financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year. The external auditors are responsible for reporting on whether the financial statements are fairly presented. In preparing these financial statements, Directors confirm that they have:

- Selected suitable accounting policies and then apply them consistently.
- Made judgements and accounting estimates that are reasonable and prudent.
- Stated that IFRS Accounting Standards have been adhered to, subject to any material departures being disclosed and explained in the financial statements.
- Prepared the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.
- Ensured application of the Code of Corporate Governance and provided reasons in case of non-application with the Code.

Directors are responsible for keeping proper accounting records, which disclose reasonable accuracy at any time, the financial position of the Group and the Company, to enable them to ensure that the financial statements comply with the Companies Act 2001 and the Financial Reporting Act 2004.

Directors have the duty to safeguard the assets of the Company and the Group, and for taking reasonable steps for the prevention and detection of fraud and other irregularities. They are also responsible for maintaining an effective system of internal control and risk management.

The Directors hereby confirm that they have complied with the above requirements.

Results and performance

Group

Group Statement of Profit or Loss and Other Comprehensive Income	
Turnover from lottery tickets	Profit for the year
Dec 2024: MUR 2,870 M	Dec 2024: MUR 100 M
Dec 2023: MUR 2,997 M	Dec 2023: MUR 157 M

Company

Group Statement of Profit or Loss and Other Comprehensive Income	
Turnover from lottery tickets	Profit for the year
Dec 2024: MUR 2,870 M	Dec 2024: MUR 96 M
Dec 2023: MUR 2,997 M	Dec 2023: MUR 150 M

The Company contributed MUR681m to the Consolidated Fund in 2024 compared to the contribution of MUR715m in 2023.

The Company achieved a turnover of MUR2,870m for 2024 with a decrease of 4% compared to 2023 mainly due to lower aggregate jackpots on the main game as compared to 2023. The launch of Loto Vert second draw as well as the new product, Hotpicks, have contributed positively to revenue.

For the year ended 31 December 2024, the Group and the Company reported a profit after tax of MUR100m and MUR96m respectively. The introduction of Wage Relativity Adjustment and the Corporate Climate Responsibility Levy (CCRL) of 2% have impacted the reported net profit.

Retailer network

The retailer network of the Company exceeds 680 retailers, comprising mainly small family-owned businesses. Total commissions paid to retailers in 2024 were: Group - MUR 159.6M (2023: MUR 167.3 M); Company - MUR 159.2 M (2023: MUR 166.5 M). MUR 1.3 M (2023: MUR 2.0 M) was paid to 70 retailers for selling the jackpot winning tickets.

Corporate social responsibility (CSR)

The Company is a member of the World Lottery Association (WLA). The WLA is recognised as the global authority on the lottery business and upholds the highest ethical principles. There are terms and conditions that the Company must fulfil to be a member of the WLA, namely:

The member organisation must be licensed or authorised to conduct lotteries and/or sports betting operations by a jurisdiction domiciled in a state recognised by the United Nations.

Sales of games of chance and/or skill must account for the majority of the organisation's total annual gross revenues.

The majority of the organisation's net revenues must be dedicated to the public good.

The organisation's business practices must conform to the aims and objectives of the Association.

The Company received the WLA Responsible Gaming certification Level 4 which is the highest international standard. Further, the ISO 27001 certification was renewed demonstrating the commitment to world class information security management.

For the year ended 31 December 2024, the CSR budget as per the legal requirements amounted to MUR 2.4m (2023: MUR1.4m).

In line with its long term sustainability strategy, the Company continued to focus on its key areas namely community engagement, empowerment, diversity, education, climate actions and responsible gaming. Through multistakeholder partnerships and its volunteering programme, the Company increased its positive impact.

Consolidated fund and national solidarity fund

The Company contributed MUR681.1m (2023: MUR 714.8M) to the Consolidated Fund of the Government of Mauritius in 2024. As per the Gambling Regulatory Authority Act 2007, 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.

In addition, the National Solidarity Fund received over MUR 60m (2023: MUR 68M) representing unclaimed prizes during the year. The National Solidarity Fund is used to improve the lives of the most vulnerable Mauritian citizens.

Future outlook

The Company is looking to expand and diversify its product portfolio with a view of improving value creation for its stakeholders.

Authorised for issue by the Board of directors on and signed on its behalf by:

Director | **Director**

DATE: 17 March 2025

SECRETARY'S REPORT

LOTTOTECH LTD

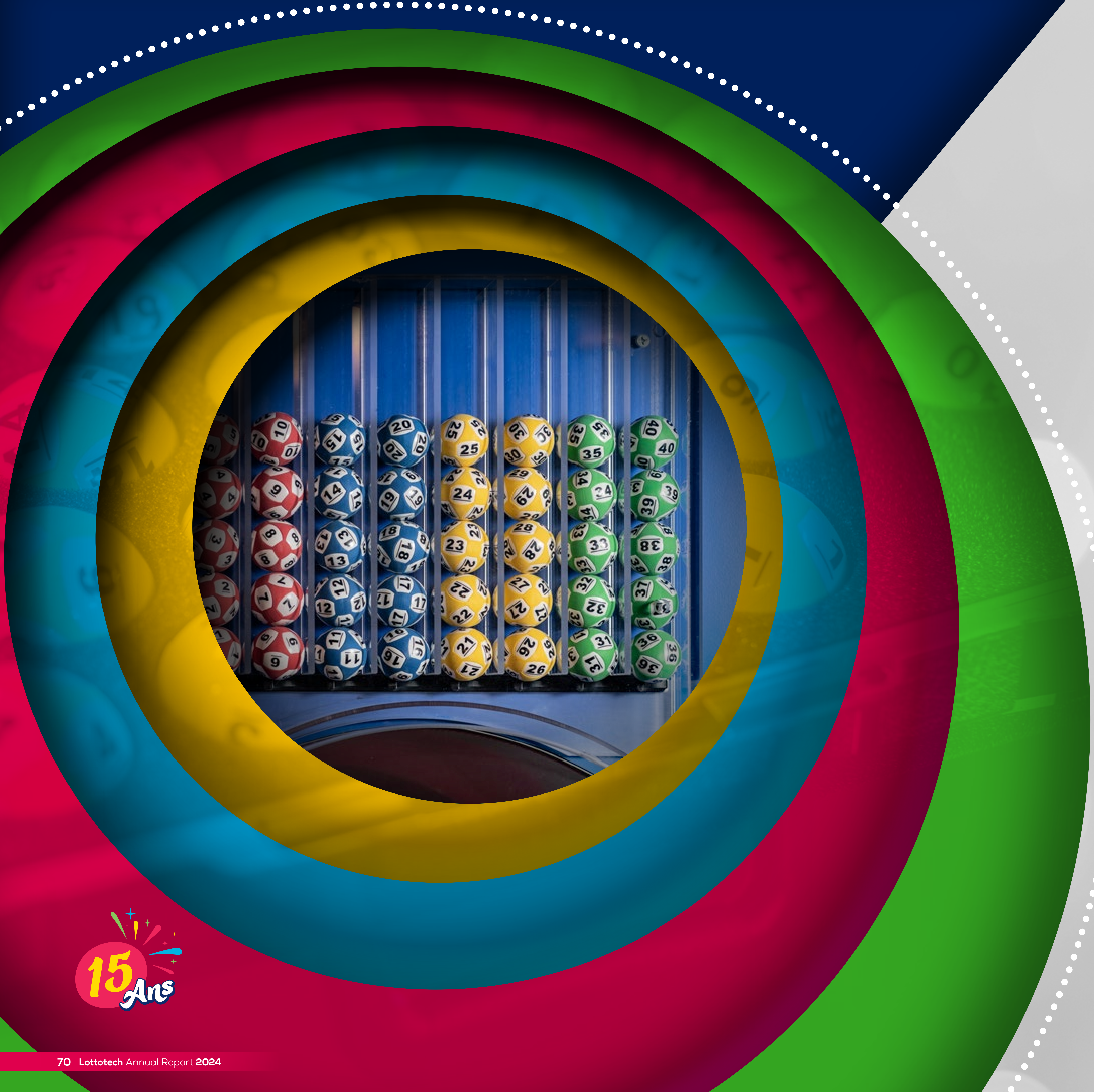
Under Section 166(d) of the Companies Act 2001

We confirm that, based on records and information made available to us by the directors and shareholders of the Company, the Company has filed with the Registrar of Companies, for the year ended 31 December 2024, all such returns as are required of the Company under the Companies Act 2001.

Gamma Corporate Services Ltd

COMPANY SECRETARY

DATE: 17 March 2025



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Financial Statements

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF LOTTOTECH LTD

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated and separate financial statements of LOTTOTECH LTD (the "Company" and the "Public Interest Entity") and its subsidiary (the "Group") set out on pages 74 to 107, which comprise the consolidated and separate statements of financial position as at 31 December 2024, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a material accounting policy information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the financial position of the Group and the Company as at 31 December 2024, and of their consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and comply with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standard Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We did not identify any key audit matters during the year.

Other information

The directors are responsible for the other information. The other information comprises the Company Information, Directors' Report , Secretary's Report, Corporate Governance Report, Statement of Compliance and Statutory Disclosures, but does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards as issued by the IASB and in compliance with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004 and they are also responsible for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and 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 Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities For The Audit Of The Consolidated And Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 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 consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report On Other Legal And Regulatory Requirements

Mauritius Companies Act 2001

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or interest in, the Company and its subsidiaries other than in our capacity as auditor;
- we have obtained all information and explanations that we have required; and
- in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

Corporate Governance Report

Our responsibility under the Financial Reporting Act 2004 is to report on the compliance with the Code of Corporate Governance disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the annual report, the Public Interest Entity has, pursuant to section 75 of the Financial Reporting Act 2004, complied with the requirements of the Code.

Use of this report

This report is made solely to the Company's shareholders, as a body, in accordance with section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte
Deloitte
Chartered Accountants

Rajeev Tatiah, FCCA
Licensed by FRC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the Year Ended 31 December 2024

		GROUP		COMPANY	
	Notes	Dec-24 MUR	Dec-23 MUR	Dec-24 MUR	Dec-23 MUR
Turnover from lottery tickets		**2,869,758,894**	2,996,703,450	**2,869,758,894**	2,996,703,450
Prizes		**(1,425,549,526)**	(1,481,020,756)	**(1,425,549,526)**	(1,481,020,756)
Revenue from lottery tickets		**1,444,209,368**	1,515,682,694	**1,444,209,368**	1,515,682,694
Commission income		**6,734,242**	4,149,048	**–**	–
Revenue	4	**1,450,943,610**	1,519,831,742	**1,444,209,368**	1,515,682,694
Consolidated fund and levy		**(681,089,138)**	(714,795,960)	**(681,089,138)**	(714,795,959)
Net income		**769,854,472**	805,035,782	**763,120,230**	800,886,735
Other income	5	**4,269,418**	3,993,914	**4,293,418**	4,017,914
		774,123,890	809,029,696	**767,413,648**	804,904,649
Retailers' and other commissions		**(159,561,060)**	(167,262,899)	**(159,211,925)**	(166,536,456)
Gaming systems and data communication costs	6	**(171,251,276)**	(170,314,500)	**(171,893,570)**	(173,935,529)
Other operating expenses	7	**(320,421,886)**	(288,048,380)	**(319,838,636)**	(287,723,380)
Net impairment (charge)/reversal on receivables	17	**(409,429)**	286,119	**(411,839)**	304,158
Operating profit		**122,480,239**	183,690,036	**116,057,678**	177,013,442
Finance income from an effective interest rate	8(a)	**3,451,732**	6,753,609	**3,504,885**	6,862,806
Finance costs	8(b)	**(699,336)**	(5,346,094)	**(874,574)**	(5,346,094)
Profit before income tax		**125,232,635**	185,097,551	**118,687,989**	178,530,154
Income tax expense	10	**(25,157,907)**	(28,392,312)	**(23,160,190)**	(28,111,465)
Profit for the year		**100,074,728**	156,705,239	**95,527,799**	150,418,689
Other comprehensive income:					
Items that will not be reclassified to profit or loss					
Remeasurement of post-employment benefit obligations	22	**(4,066,000)**	(3,984,000)	**(4,066,000)**	(3,984,000)
Deferred tax on remeasurement of post-employment benefit obligations	21	**772,540**	677,280	**772,540**	677,280
Other comprehensive income – net of tax		**(3,293,460)**	(3,306,720)	**(3,293,460)**	(3,306,720)
Total comprehensive income for the year		**96,781,268**	153,398,519	**92,234,339**	147,111,969
Earnings per share	11	**0.29**	0.46	**0.28**	0.44

The notes on pages 78 to 107 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

as at 31 December 2024

		GROUP		COMPANY	
	Notes	Dec-24 MUR	Dec-23 MUR	Dec-24 MUR	Dec-23 MUR
Assets					
Non-current assets					
Property, plant and equipment	12	91,626,001	108,345,506	**92,469,371**	110,453,971
Intangible assets	13	164,377,209	177,206,554	**141,124,069**	153,953,414
Investments in subsidiaries	14	–	–	**50,251,797**	50,251,797
Deferred tax assets	21	243,973	1,880,887	**-**	-
Non-current deposit	15	400,000	400,000	**-**	-
		256,647,183	287,832,947	**283,845,237**	314,659,182
Current assets					
Inventories	16	2,880,129	3,429,176	**2,719,630**	3,170,444
Trade and other receivables	17	87,113,836	155,784,245	**91,118,649**	159,581,715
Cash and short-term deposit	18	216,066,730	133,555,433	**208,962,996**	128,296,627
		306,060,695	292,768,854	**302,801,275**	291,048,786
Total assets		562,707,878	580,601,801	**586,646,512**	605,707,968
Equity and liabilities					
Equity and reserves					
Stated capital	19	100,000,000	100,000,000	**100,000,000**	100,000,000
Retained earnings		45,290,207	74,308,939	**47,279,327**	80,844,988
Total equity		145,290,207	174,308,939	**147,279,327**	180,844,988
Non-current liabilities					
Deferred tax liabilities	21	19,796,799	20,566,002	**19,799,455**	20,566,002
Lease liabilities	20	2,404,930	7,647,713	**2,404,930**	9,610,727
Post-employment benefits	22	20,569,000	14,725,000	**20,569,000**	14,725,000
		42,770,729	42,938,715	**42,773,385**	44,901,729
Current liabilities					
Trade and other payables	23	362,852,835	346,311,233	**383,200,138**	360,093,575
Lease liabilities	20	5,795,262	8,474,332	**7,758,276**	11,299,094
Current income tax liabilities	10	5,998,845	8,568,582	**5,635,386**	8,568,582
		374,646,942	363,354,147	**396,593,800**	379,961,251
Total liabilities		417,417,671	406,292,862	**439,367,185**	424,862,980
Total equity and liabilities		562,707,878	580,601,801	**586,646,512**	605,707,968

Approved and authorised for issue by the Board of directors on 17 March 2025 and signed on its behalf by:

Director

Director

The notes on pages 78 to 107 form an integral part of these financial statements.

STATEMENT CHANGES IN EQUITY

for the Year Ended 31 December 2024

GROUP	Stated capital MUR	Retained earnings MUR	Total equity MUR
At 01 January 2023	100,000,000	90,910,420	190,910,420
Profit for the year	-	156,705,239	156,705,239
Other comprehensive income for the year	-	(3,306,720)	(3,306,720)
Total comprehensive income for the year	-	153,398,519	153,398,519
Transactions with owners			
Dividends (Note 27)	-	(170,000,000)	(170,000,000)
At 31 December 2023	100,000,000	74,308,939	174,308,939
At 01 January 2024	**100,000,000**	**74,308,939**	**174,308,939**
Profit for the year	-	100,074,728	100,074,728
Other comprehensive income for the year	-	(3,293,460)	(3,293,460)
Total comprehensive income for the year	-	96,781,268	96,781,268
Transactions with owners			
Dividends (Note 27)	-	(125,800,000)	(125,800,000)
At 31 December 2024	**100,000,000**	**45,290,207**	**145,290,207**

COMPANY	Stated capital MUR	Retained earnings MUR	Total equity MUR
At 01 January 2023	100,000,000	103,733,019	203,733,019
Profit for the year	-	150,418,689	150,418,689
Other comprehensive income for the year	-	(3,306,720)	(3,306,720)
Total comprehensive income for the year	-	147,111,969	147,111,969
Transactions with owners			
Dividends (Note 27)	-	(170,000,000)	(170,000,000)
At 31 December 2023	100,000,000	80,844,988	180,844,988
At 01 January 2024	**100,000,000**	**80,844,988**	**180,844,988**
Profit for the year	-	95,527,799	95,527,799
Other comprehensive income for the year	-	(3,293,460)	(3,293,460)
Total comprehensive income for the year	-	92,234,339	92,234,339
Transactions with owners			
Dividends (Note 27)	-	(125,800,000)	(125,800,000)
At 31 December 2024	**100,000,000**	**47,279,327**	**147,279,327**

The notes on pages 78 to 107 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

for the Year Ended 31 December 2024

	Notes	GROUP Dec-24 MUR	GROUP Dec-23 MUR	COMPANY Dec-24 MUR	COMPANY Dec-23 MUR
Cash flows from operating activities					
Profit before income tax		**125,232,635**	185,097,551	**118,687,989**	178,530,154
Adjustments for:					
Depreciation on property and equipment	12	**31,950,051**	28,055,517	**33,215,145**	29,300,470
Amortisation of intangibles assets	13	**20,738,451**	17,771,392	**20,738,451**	17,771,392
Net foreign exchange differences		**(1,372,623)**	(354,540)	**(1,327,957)**	(377,864)
Provision for impairment of receivables	17	**409,429**	(286,119)	**411,839**	(304,158)
Gain on disposal of property and equipment	5	**(10,404)**	(49,000)	**(10,404)**	(49,000)
Other employee benefits		**696,000**	–	**696,000**	–
Movement in post-employment benefits	22	**1,082,000**	(3,590,000)	**1,082,000**	(3,590,000)
Interest expense	8(b)	**699,336**	5,346,094	**874,574**	5,346,094
Interest income	8(a)	**(3,451,732)**	(6,753,609)	**(3,504,885)**	(6,862,806)
Operating profit before working capital changes		**175,973,143**	225,237,286	**170,862,752**	219,764,282
Decrease/(increase) in inventories		**549,047**	(933,957)	**450,814**	(809,897)
(Increase)/ decrease in trade and other receivables		**(11,739,020)**	13,480,339	**(11,948,773)**	13,776,772
Increase/(decrease) in trade and other payables		**16,541,603**	(119,116,365)	**23,106,564**	(115,236,829)
Loan repaid from related party	25	**-**	60,000,000	**-**	60,000,000
Cash generated from operations		**181,324,773**	178,667,303	**182,471,357**	177,494,328
Interest paid		**(699,336)**	(5,346,094)	**(874,574)**	(5,346,094)
Interest received		**3,672,732**	6,974,609	**3,504,885**	7,083,806
Income tax paid	10	**(26,087,393)**	(36,459,626)	**(26,087,393)**	(36,459,626)
Net cash generated from operating activities		**158,210,776**	143,836,192	**159,014,275**	142,772,414
Cash flows from investing activities					
Purchase of property and equipment	12	**(13,970,911)**	(10,889,790)	**(13,970,910)**	(10,889,790)
Purchase of intangibles assets	13	**(7,909,107)**	(36,745,363)	**(7,909,107)**	(36,745,363)
Proceeds from sale of property and equipment	5	**12,000**	49,000	**12,000**	49,000
Net cash used in investing activities		**(21,868,018)**	(47,586,153)	**(21,868,017)**	(47,586,153)
Cash flows from financing activities					
Lease liabilities	20	**(9,404,084)**	(8,040,769)	**(12,007,846)**	(10,728,045)
Loan refunded by /(granted to) related party	25	**80,000,000**	(80,000,000)	**80,000,000**	(80,000,000)
Repayment of loan	24	**-**	(77,157,895)	**-**	(77,157,895)
Dividends paid	27	**(125,800,000)**	(170,000,000)	**(125,800,000)**	(170,000,000)
Net cash used in financing activities		**(55,204,084)**	(335,198,664)	**(57,807,846)**	(337,885,940)
Net increase/(decrease) in cash and cash equivalents		**81,138,674**	(238,948,625)	**79,338,412**	(242,699,679)
Net foreign exchange differences		**1,372,623**	354,540	**1,327,957**	377,864
Cash and cash equivalents at 01 January		**133,555,433**	372,149,518	**128,296,627**	370,618,442
Cash and cash equivalents at 31 December	18	**216,066,730**	133,555,433	**208,962,996**	128,296,627

The notes on pages 78 to 107 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31 December 2024

1. General Information

Lottotech Ltd (the "Company") is incorporated and domiciled in the Republic of Mauritius as a public company, and its shares are publicly traded on the Stock Exchange of Mauritius. Its registered office is situated at Royal Road, Chapman Hill, Beau Bassin, Republic of Mauritius.

The Group is engaged in the Lottery and Gaming activities. Lottotech Ltd is the operator of the Mauritius National Lottery.

The financial statements of Lottotech Ltd include the separate financial statements of the parent company, Lottotech Ltd, (the "Company") and the consolidated financial statements of the Company and its subsidiaries (the "Group").

2. Material Accounting Policy Information

2.1 Basis of preparation

The financial statements have been prepared under the historical cost convention, and are presented in Mauritian Rupees ('MUR'). All values are rounded to the nearest rupee, except when otherwise indicated. The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

2.2 Statement of compliance

The financial statements of the Group and the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and comply with the requirements of the Companies Act 2001 and the Financial Reporting Act 2004.

2.3 Basis of consolidation

The consolidated financial statements comprise the financial statements of Lottotech Ltd and its subsidiaries as at 31 December 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

2.4 Significant accounting judgements and estimates

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires the directors to exercise judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed below.

Judgements

Revenue

The Group assessed its revenue arrangement on the operation of the lottery and determined that it is the principal as it controls the service before it is transferred to the customer. The primary responsibility for fulfilling the promise to provide the service toward the customers resides with the Group. The Group underwrites the jackpots and other prize money for the game and bears the risk associated with guaranteed jackpots. The Group is liable under the Civil Code should it default in making payment to the winners of the draw. The Group also bears the risk associated with prize pool, and has no recourse to any other party in the event that it suffers losses in fulfilling its responsibilities under its licence.

Going concern

Following the conclusion of the mediation with the authorities, the Company was granted two consecutive five year periods licence to operate up to April 2029.

As of 31 December 2024, the Group is in a net current liability position of MUR 69m (Company: MUR 94m). However, the Group maintains a substantial cash balance of MUR 216m (Company: MUR 209m), ensuring sufficient liquidity to meet its short-term obligations.

The directors have assessed the Group's and the Company's ability to continue as a going concern, considering the liquidity position, ongoing operations, and strategic initiatives. Based on this assessment, they are satisfied that the Group and the Company have adequate financial resources to meet existing commitments and obligations and to continue operations for the foreseeable future.

Furthermore, the directors are not aware of any material uncertainties that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. Accordingly, the financial statements have been prepared on a going concern basis."

2.5 Standards, amendments to published standards and interpretations effective in the reporting period

The following standards, amendments and interpretations were applicable for the first time in 2024, but did not have any impact on the financial statements of the Group.

	Effective for accounting period beginning on or after
IAS 1: Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants	01 January 2024
IFRS 16: Lease liability in sale and leaseback	01 January 2024
IAS 7: Supplier Finance Arrangements	01 January 2024

2.6 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

The following standards, amendments to existing standards and interpretations were in issue but not yet effective. They are mandatory for accounting periods beginning on the specified dates, but the Group has not early adopted them:

New or revised standards and interpretations:

Amendments	Effective for accounting period beginning on or after
IAS 21: Lack of Exchangeability	01 January 2025
IFRS 9 and **IFRS 7**: Classification and Measurement of Financial Instruments	01 January 2026
IFRS 19: Subsidiaries without Public Accountability:	01 January 2027
IFRS 18: Presentation and Disclosure in Financial Statements:	01 January 2027

The Group is still assessing the impact of the adoption of these standards on its financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the Year Ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.7 Summary of material accounting policies

(a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

(b) Turnover

The Group's turnover consists of proceeds from lottery tickets, which are the wagers placed on lottery tickets on the Group's draw-based game.

(c) Revenue from contracts with customers

Revenue from contracts with customers consist of turnover, net of prizes. Prizes are considered as consideration payable to the winning customers, and thus reduce the transaction price.

The Group's revenue recognition occurs at the point in time when the draw has been held and the results have been certified by the Gambling Regulatory Authority. Where players wager in advance, the income is deferred and recorded as contract liabilities, until the draw has taken place when it is then recognised as revenue in the statement of profit or loss and other comprehensive income.

Commission is received on the betting price excluding betting tax from the foreign pool promoter, calculated as a % of wagers placed on football betting or on a revenue share basis depending on the products sold. The Group's revenue recognition occurs at the point in time when the football competition has been held.

Revenue from commission

Revenue from commission consists of commission received from the foreign pool promoter, which is a percentage of wagers placed on football betting. The Group's revenue recognition occurs when a wager is placed and confirmed.

Contract balances

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (r) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

Contract liabilities are proceeds from tickets for which the draw has not been held. The contract liability is recognised when a customer purchases a lottery ticket. Contract liabilities are subsequently recognised as turnover when the Group performs under the contract, which is at the point when the draw has been held and the results have been certified by the Gambling Regulatory Authority.

(d) Interest income

Interest income is recorded using the effective interest rate (EIR) method. The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in finance income in the statement of profit or loss and other comprehensive income.

(e) Prizes

The draw-based game is operated under a prize pool mechanism under which a predetermined percentage of the ticket sales is allocated to prizes. To the extent that the actual prizes won on the draw vary from the predetermined percentage, the relevant prize is carried forward under a rollover to subsequent draws. The Group may also set guaranteed jackpots for any particular draw. The liability (prize liability and reserve fund as per note 23) for prizes is recognised at the time of the draw in line with the predetermined percentage for that game and for any shortfall that Lottotech may be required to settle. Lottery prizes are consideration payable to the customers and are deducted from the proceeds from lottery tickets to reach the revenue from a particular draw.

If prizes remain unclaimed for 184 days from the date of the draw-based game, the unclaimed prizes are remitted to the National Solidarity Fund.

(f) Consolidated Fund and levy

The Group has a legal requirement to contribute a set proportion of net proceeds from lottery games to the Consolidated Fund managed by the Government of Mauritius.

The amount of Consolidated Fund represents the predetermined percentage of gross ticket sales net of prizes.

(g) Retailers' and other commissions

The Group pays commissions to third party retailers who act as agents of the Group under a standard commission structure, fixed at a percentage of total sales. In addition, validation commission is paid on prizes. A similar commission structure is applicable for the Field Sales and Technical Representatives in Rodrigues.

Retailers' and other commissions include sales, jackpot and validation commission.

(h) Property and equipment

Property and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation is calculated on the straight-line method to allocate their costs to their residual values over their estimated useful lives as follows:

Right-of-use assets	3 – 10 years
Leasehold improvements	3 – 10 years
Equipment	3 – 10 years
Furniture and fittings	3 – 10 years
Motor vehicles	6 – 7 years
Work in progress	Nil

Depreciation is provided in full in the month of addition and in respect of assets written off and disposed, up to the month of write off and disposal. Gains and losses on disposal are determined by comparing proceeds with carrying amount and are included in profit or loss.

Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's fair value less cost to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest level from which there are separately identifiable cash flows.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial year in which they are incurred.

An item of property and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the Year Ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.7 Summary of material accounting policies (continued)

(h) Property and equipment (continued)

The assets' residual values and useful lives are reviewed and adjusted if necessary, at end of each reporting period.

Work in progress relates to capital projects and expenditures which are not completed or ready to be used and are stated at cost less any recognised impairment loss. No depreciation is charged on work in progress since depreciation on an asset commences when it is available for use, that is, when it is in the condition necessary for it to be capable of operating.

The accounting policy in respect of the right of use of asset is included in Note 2.7 (k).

(i) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

A summary of the policies applied to the Group's intangible assets is as follows:	Software licences
Amortisation method used	Finite - 3 - 10 years

(j) Investment in subsidiaries

The subsidiaries are fully consolidated in the Group's financial statements from the date control is obtained by the Group until the date that control ceases.

Separate financial statements of the investor

In the separate financial statements of the Company, the investment in subsidiaries is carried at cost, net of any impairment. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is recognised in profit or loss. Upon disposal of the investment, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

(k) Leases

At the commencement date of a lease, a lessee will recognise a lease liability and right of use (ROU) asset representing the right to use the underlying asset during the lease term. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group applies the short-term lease recognition exemption to its short-term leases of motor vehicles (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

For any new contracts entered, the Group considers whether a contract is, or contains a lease. A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the Group has the right to direct the use of the identified asset throughout the period of use.

The Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Group recognises a right-of-use asset (under Property, Plant and Equipment) and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

(l) Inventories

Inventories are stated at lower of cost and net realisable value. Cost is determined using the first-in, first-out ("FIFO") method. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The cost includes cost of ticket rolls, bet slips and any other direct costs. Inventories are written-off when not usable.

(m) Cash and cash equivalents

For the purpose of the consolidated statement of cash flows and consolidated statement of financial position, cash and cash equivalents comprise cash at bank and cash in hand.

(n) Stated capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(o) Current and deferred income tax

The tax expense for the period comprises current and deferred income tax, Corporate Climate Responsibility (CCR) Levy and Corporate Social Responsibility ("CSR") tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted by the end of the reporting period. The directors periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation.

Current income tax assets and liabilities are measured at the amount expected to be received or paid to the taxation authorities.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the Year Ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.7 Summary of material accounting policies (continued)

(o) Current and deferred income tax (continued)

Deferred income tax is provided in full, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The principal temporary differences arise from accelerated capital allowances, provision for post-employment benefits and provision for impairment on receivables.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. The directors apply judgement to determine whether sufficient future taxable profit will be available after considering, amongst others, factors such as cash flows and budgets. The carrying amount of deferred tax asset is reviewed at each reporting date.

The Group offsets deferred income tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current income tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred income tax liabilities or assets are expected to be settled or recovered.

(p) Employee benefits

(i) Short-term employee benefits

Short term employee benefits are employee benefits that are expected to be settled wholly before twelve months after the end of the reporting period in which the employees render the related services and include wages, salaries, social security contributions, and travelling expenses, profit sharing and bonuses. These costs are charged to profit or loss when incurred.

(ii) Defined contribution

The Group operates a defined contribution pension plan for certain qualifying employees. The assets of the plan are held separately from those of the company in funds under the control of an independent management committee. Where employees leave the plan prior to full vesting of the contributions, the contributions payable by the company are reduced by the amount of forfeited contributions. Any residual gratuities under the Workers Rights Act 2019 for the qualifying employees after allowing for permitted deductions in respect of the pension plan are included in the post-employment benefits in respect of the Workers Rights Act 2019.

(iii) Post-employment benefits

Employees are entitled to a gratuity payment on retirement under the terms of the Workers Rights Act 2019. The Group recognises a liability for employees whose benefits under the defined contribution plan are not expected to fully offset the retirement gratuity.

The net present value of post-employment benefits payable under the Workers Rights Act 2019 is calculated by a qualified actuary and is provided for. The obligations arising from this item is not funded.

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates on government bonds in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past and current service costs are recognised immediately in profit or loss.

(q) Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements and deducted from equity in the period in which the dividend is declared.

(r) Financial Instruments

(i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes trade receivables, receivables from related parties and cash at bank. These financial assets are held to collect cash flows which represent solely payment of principal and interest.

Impairment

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Derecognition

Financial assets are primarily derecognised (i.e., removed from the Group's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the Year Ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.7 Summary of material accounting policies (continued)

(r) Financial Instruments (continued)

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Group's financial liabilities consist of trade and other payables, lease liabilities and interest-bearing loans and borrowings.

Subsequent measurement

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer).

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(iii) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(s) Foreign currency translation

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates the "functional currency". The financial statements are presented in Mauritian rupee ("MUR"), which is the presentation currency of the Company.

Transactions and balances

Foreign currency transactions are translated into Mauritian rupees using the exchange rates prevailing at the date of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss consistent with the nature of the underlying items.

(t) Segment information

Segmental reporting is based on the internal reports regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess their performance. There is only one operating segment which is the gaming segment.

Since there is only one operating segment, the Group has not prepared a segment report.

(u) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

Impairment losses of continuing operations are recognised in the statement of profit or loss in expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

(v) Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the Year Ended 31 December 2024

3. Financial Risk Management

The Group's activities expose it to a variety of financial risks, including market risk (foreign exchange risk and interest rate risk); credit risk and liquidity risk. A description of the significant risk factors is given below together with the risk management policies applicable.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's performance.

Risk management is carried out by management under policies approved by the Board of Directors.

(a) Market risk

(i) Foreign exchange risk

Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the Group's functional currency.

The Group carries its operations locally and therefore is not exposed to foreign exchange risk except for transactions with suppliers and bank accounts denominated in foreign currency, which are mainly United States dollars ("USD"). As such, the Group is exposed to the exchange rate movement of the Mauritian rupee against the United States dollar.

The currency profile of the Group's and the Company's financial assets and liabilities is summarised as follows:

	2024 Financial assets	2024 Financial liabilities	2023 Financial assets	2023 Financial liabilities
GROUP	MUR	MUR	MUR	MUR
Mauritian rupee	**268,246,565**	**370,061,327**	265,142,811	344,109,230
United states dollar	**5,139,754**	**-**	8,835,783	-
Euro	**3,858,262**	**-**	2,976,305	-
Great britain pounds	**860,847**	**991,700**	916,565	2,202,003
	278,105,428	**371,053,027**	277,871,464	346,311,233
COMPANY				
Mauritian rupee	**264,322,858**	**393,363,344**	264,325,093	360,093,575
United states dollar	**5,139,754**	**-**	8,835,783	-
Euro	**3,858,262**	**-**	2,976,305	-
	273,320,874	**393,363,344**	276,137,181	360,093,575

At 31 December 2024, if the Mauritian rupee ("MUR") had weakened/strengthened by 5% against the United States dollar ("USD") with all other variables held constant, post-tax profit and equity for the year for the Group and the Company would have increased/decreased by **MUR256,988** (2023 – MUR441,789).

At 31 December 2024, if the Mauritian rupee ("MUR") had weakened/strengthened by 5% against the EURO ("EUR") with all other variables held constant, post-tax profit for the year and equity for both the Group and the Company would have increased/decreased by **MUR192,913** (2023 MUR148,815), mainly as a result of currency differences on translation of EUR denominated bank balances.

At 31 December 2024, if the Mauritian rupee ("MUR") had weakened/strengthened by 5% against the Great Britain Pound ("GBP") with all other variables held constant, post-tax profit for the year and equity for the Group would have decreased/increased by **MUR6,542** (2023 MUR45,828), mainly as a result of currency differences on translation of GBP denominated bank balances.

The directors believe that a 5% fluctuation in foreign exchange rate is an appropriate basis for the sensitivity analysis. The sensitivity analysis has been based on the financial assets and liabilities at the reporting date.

(ii) Interest rate risk

The Group's income and operating cash flows may be affected by changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

At 31 December 2024, the Group did not have any floating interest debt obligation and therefore no sensitivity risk diclosure has been made.

(b) Credit risk

Credit risk is managed on company-wide basis. Credit risk arises from cash and cash equivalents as well as credit exposures to retailers, including outstanding receivables and receivable from related parties.

For cash and cash equivalents, the Group manages its credit risk by banking with reputable financial institutions. Management assess the credit quality of the retailer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal ratings in accordance with limits set by the management. The utilisation of credit limits is regularly monitored. The Group engages with retailers having the appropriate credit rating only.

The Group fully provides for balances in default which are balances due from retailers for more than 90 days; these balances are considered to be credit impaired. The Group has a general short credit period of less than one week to collect its trade receivables. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows, for example the point at which the Group is aware of bankruptcy of the debtor or the Company has not recovered the debt through legal actions. The Group makes use of a provision matrix and determine the expected credit loss on its trade receivables on a collective basis with the customers grouped according to days past due. The provision matrix takes into consideration the historical data on default rate. The Group determined that forward looking information is insignificant due to the short-term nature of the trade receivables. At the reporting date, the Group determined that its expected credit loss on trade receivables not in default is insignificant.

The credit risk on the balances receivable from related parties have been assessed in 2024 and the ECL is immaterial.

The maximum exposure with respect to credit risk arise from default of the counter party with a maximum exposure equal to the carrying amount of the Group's financial assets.

The directors believe that the Group has no significant concentration of credit risk and services are rendered to retailers with an appropriate credit history.

The aged analysis of trade receivables is disclosed in Note 17.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities and the ability to close our market positions.

The table below analyses the Group's and the Company's financial liabilities into relevant maturing groupings based on the remaining period at the end of the reporting period to maturity date. The amounts disclosed in the table are contractual undiscounted cash flows.

	Within six months	Between six months to 1 year	Between 1 to 5 years	Above 5 years	Total
GROUP	MUR	MUR	MUR	MUR	MUR
As at 31 December 2024					
Liabilities					
Lease liabilities	**4,696,504**	**1,295,684**	**2,482,280**	**-**	**8,474,468**
Trade and other payables	**362,852,835**	**-**	**-**	**-**	**362,852,835**
	367,549,339	**1,295,684**	**2,482,280**	**-**	**371,327,303**
As at 31 December 2023					
Liabilities					
Lease liabilities	4,569,717	4,569,717	7,957,642	-	17,097,076
Trade and other payables	346,311,233	-	-	-	346,311,233
	350,880,950	4,569,717	7,957,642	-	363,408,309

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the Year Ended 31 December 2024

3. Financial Risk Management (Continued)

(c) Liquidity risk (continued)

COMPANY	Within six months MUR	Between six months to 1 year MUR	Between 1 to 5 years MUR	Above 5 years MUR	Total MUR
As at 31 December 2024					
Liabilities					
Lease liabilities	**6,196,504**	**1,795,684**	**2,482,280**	**–**	**10,474,468**
Trade and other payables	**383,200,138**	**–**	**–**	**–**	**383,200,138**
	389,396,642	**1,795,684**	**2,482,280**	**–**	**393,674,606**
As at 31 December 2023					
Liabilities					
Lease liabilities	6,096,716	6,096,716	9,957,642	–	22,151,074
Trade and other payables	360,093,575	–	–	–	360,093,575
	366,190,291	6,096,716	9,957,642	–	382,244,649

The carrying amounts of trade and other receivables, cash in hand and at bank, trade and other payables approximate their fair values largely due to their short-term maturities of these instruments.

(d) Capital management

The Group's objectives when managing capital are to safeguard its ability to continue as a going-concern in order to provide returns to shareholders. Capital is represented by the total equity comprising of stated capital and retained earnings.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce any debt.

There were no changes in the objectives, policies or processes for managing capital during the years ended 31 December 2024.

(e) Financial instruments by category

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
	Financial assets at amortised cost	Financial assets at amortised cost	**Financial assets at amortised cost**	Financial assets at amortised cost
Financial assets				
Trade and other receivables	**62,038,698**	144,316,031	**64,357,878**	147,840,554
Cash and cash equivalents	**216,066,730**	133,555,433	**208,962,996**	128,296,627
	278,105,428	277,871,464	**273,320,874**	276,137,181
Trade and other receivables include related party balances.				
	Financial liabilities at amortised cost	Financial liabilities at amortised cost	**Financial liabilities at amortised cost**	Financial liabilities at amortised cost
Financial liabilities				
Trade and other payables	**362,852,835**	346,311,233	**383,200,138**	360,093,575
Lease liabilities	**8,200,192**	16,122,045	**10,163,206**	20,909,821
	371,053,027	362,433,278	**393,363,344**	381,003,396

4. Revenue

4.1 Revenue information

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Type of good or service				
Revenue from lottery tickets	**1,444,209,368**	1,515,682,694	**1,444,209,368**	1,515,682,694
Commission income	**6,734,242**	4,149,048	**–**	–
Total revenue from contract with customers	**1,450,943,610**	1,519,831,742	**1,444,209,368**	1,515,682,694
Geographical market				
Mauritius	**1,450,943,610**	1,519,831,742	**1,444,209,368**	1,515,682,694
Total revenue from contract with customers	**1,450,943,610**	1,519,831,742	**1,444,209,368**	1,515,682,694
Timing of revenue recognition				
Revenue recognised at a point in time	**1,450,943,610**	1,519,831,742	**1,444,209,368**	1,515,682,694
Total revenue from contract with customers	**1,450,943,610**	1,519,831,742	**1,444,209,368**	1,515,682,694

4.2 Revenue from contracts with customers

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Trade receivables	**61,158,738**	62,649,089	**59,125,496**	62,076,086
Contract liabilities				
At 01 January	**2,243,870**	645,690	**10,256,417**	645,690
Movement	**13,036,640**	1,598,180	**5,024,093**	9,610,727
At 31 December	**15,280,510**	2,243,870	**15,280,510**	10,256,417

Trade receivables are amounts due from retailers for tickets sold in the ordinary course of business. Refer to note 17 for expected credit losses recognised on trade receivables.

Contract liabilities consist of ticket sales for which the draw has not yet been held. The revenue is recognised when the draws are held (Tuesday, Wednesday, Friday and Saturday) and the results are certified by the Gambling Regulatory Authority.

5. Other Income

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Management fees from subsidiaries	**–**	–	**24,000**	24,000
Income from entities under common control	**4,136,697**	3,038,428	**4,136,697**	3,038,428
IT services	**122,317**	906,486	**122,317**	906,486
Gain on disposal of equipment	**10,404**	49,000	**10,404**	49,000
	4,269,418	3,993,914	**4,293,418**	4,017,914

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the Year Ended 31 December 2024

6. Gaming Systems And Data Communication Costs

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Depreciation (Note 12)	**31,950,051**	28,055,517	**33,215,145**	29,300,470
Amortisation of intangibles (Note 13)	**20,738,451**	17,771,392	**20,738,451**	17,771,392
Communication costs	**56,347,396**	57,380,434	**54,395,123**	57,159,728
Lottery technological support	**35,603,305**	36,838,963	**35,603,305**	36,838,963
Consumables (Note 16)	**22,879,988**	24,540,850	**22,675,803**	24,499,310
Draw operations	**2,862,676**	4,452,060	**5,262,676**	6,852,060
Other expenses	**869,409**	1,275,284	**3,067**	1,513,606
	171,251,276	170,314,500	**171,893,570**	173,935,529

7. Other Operating Expenses

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Staff costs (Note 9)	**153,283,256**	126,291,116	**153,283,256**	126,291,116
Management fee	**62,216,531**	70,392,661	**62,216,531**	70,392,661
Rent and utilities	**9,351,140**	8,046,851	**9,351,140**	8,046,851
Legal and professional fees	**13,809,005**	12,230,731	**13,809,005**	12,264,841
Software licence and other information technology cost	**29,391,844**	26,428,849	**29,391,844**	26,428,849
Motor vehicle expenses	**5,596,804**	5,498,903	**5,596,804**	5,498,903
Municipal fees and licences	**6,443,537**	5,358,586	**6,413,537**	5,343,586
Insurance costs	**6,172,451**	5,661,162	**6,172,451**	5,661,162
Medical expenses	**2,563,207**	1,500,671	**2,563,207**	1,500,671
Maintenance contracts	**19,356,916**	12,035,189	**19,356,916**	12,035,189
Printing, postages and stationery	**1,339,560**	3,376,844	**1,336,705**	3,372,903
Repairs and maintenance	**747,632**	104,906	**747,632**	104,906
Other expenses	**6,532,956**	9,157,594	**6,191,286**	9,018,675
Fees payable to auditor for:				
External and internal audit services	**3,617,047**	1,964,317	**3,408,322**	1,763,067
	320,421,886	288,048,380	**319,838,636**	287,723,380

8. Finance Income/(Costs)

(a) Finance income

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Interest income on:				
Non-current deposits	**71,790**	15,746	**-**	-
Interest on related party loans	**1,276,940**	2,563,808	**1,401,883**	2,688,751
Other finance income from an effective interest rate	**2,103,002**	4,174,055	**2,103,002**	4,174,055
	3,451,732	6,753,609	**3,504,885**	6,862,806

Other finance income from an effective interest rate represents interest earned on short term fixed deposit and treasury bills.

(b) Finance cost

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Interest expense on:				
Interest on debts and borrowings	**-**	(4,247,429)	**-**	(3,934,705)
Lease liabilities (Note 20)	**(699,336)**	(1,098,665)	**(874,574)**	(1,411,389)
	(699,336)	(5,346,094)	**(874,574)**	(5,346,094)

9. Staff Costs

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Wages and salaries	**141,062,292**	118,736,882	**141,062,292**	118,736,882
Staff welfare benefits	**4,957,063**	4,962,333	**4,957,063**	4,962,333
Defined contribution costs	**6,181,901**	6,181,901	**6,181,901**	6,181,901
Post-employment benefits (Note 22)	**1,082,000**	(3,590,000)	**1,082,000**	(3,590,000)
	153,283,256	126,291,116	**153,283,256**	126,291,116

10. Income Tax

The Group is liable to income tax on its profits, as adjusted for income tax purposes, at the rate of 19% (2023 - 17%). The 19% tax rate consists of 15% corporate income tax, corporate climate responsibility (CCR) levy and 2% Corporate Social Responsibility tax ("CSR").

(a) Charge for the year

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Current income tax	**23,517,656**	22,106,618	**23,154,197**	22,106,618
Deferred income tax (Note 21)	**1,159,180**	5,132,301	**78,277**	4,853,942
Under/(over) provision of deferred tax in prior year	**481,071**	1,153,393	**(72,284)**	1,150,905
Income tax expense	**25,157,907**	28,392,312	**23,160,190**	28,111,465

A reconciliation between the actual rate of income tax charge of MUR24,316,856 incurred by the Group (2023 – MUR28,392,312) and the tax calculated at the applicable income tax rate of 19% (2023 – 17%) is as follows:

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Profit before income tax	**125,232,635**	185,097,551	**118,687,989**	178,530,154
Tax on the profit at 19% (2023–17%)	**21,289,548**	31,466,584	**22,550,718**	30,350,126
Non-tax deductible expenses	**4,605,083**	(3,170,730)	**1,899,551**	(2,332,631)
Income not subject to tax	**(1,217,795)**	(1,056,935)	**(1,217,795)**	(1,056,935)
Under/(over) provision of deferred tax in prior year	**481,071**	1,153,393	**(72,284)**	1,150,905
Effective income tax charge	**25,157,907**	28,392,312	**23,160,190**	28,111,465

Non-tax deductible expenses include legal and professional fees.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the Year Ended 31 December 2024

10. Income Tax (Continued)

(b) Current income tax liabilities

Income tax liabilities amounted to **MUR5,998,845** at 31 December 2024 (2023 - MUR8,568,582).

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
At 01 January	**8,568,582**	22,921,590	**8,568,582**	22,921,590
Income tax charge for the year	**23,517,656**	22,106,618	**23,154,197**	22,106,618
Income tax paid	**(26,087,393)**	(36,459,626)	**(26,087,393)**	(36,459,626)
At 31 December	**5,998,845**	8,568,582	**5,635,386**	8,568,582

11. Earnings Per Share

Earnings per share is calculated by dividing the profit for the year of the Group and the Company by the weighted average number of ordinary shares in issue during the year.

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Profit attributable to shareholders	**100,074,728**	156,705,239	**95,527,799**	150,418,689
Number of shares entitled to dividends	**340,000,000**	340,000,000	**340,000,000**	340,000,000
Earnings per share	**0.29**	0.46	**0.28**	0.44

12. Property And Equipment

GROUP	Right-of-use asset Building MUR	Right-of-use asset Vehicles MUR	Leasehold improvement MUR	Equipment MUR	Furniture and fittings MUR	Motor vehicles MUR	Work-in progress MUR	Total MUR
Cost:								
At 01 January 2023	28,068,567	7,192,932	77,385,770	415,255,905	15,208,238	773,629	20,147,313	564,032,354
Additions	–	–	–	–	–	–	10,889,790	10,889,790
Disposals	–	–	(30,769,555)	(8,784,121)	–	–	–	(39,553,676)
Transfer	–	–	–	30,881,246	–	–	(30,881,246)	–
At 31 December 2023	**28,068,567**	**7,192,932**	**46,616,215**	**437,353,030**	**15,208,238**	**773,629**	**155,857**	**535,368,468**
Additions	**–**	**–**	**–**	**–**	**–**	**–**	**13,970,911**	**13,970,911**
Disposals	**–**	**–**	**–**	**(4,784,748)**	**–**	**–**	**–**	**(4,784,748)**
Lease modification	**790,214**	**–**	**–**	**–**	**–**	**–**	**–**	**790,214**
At 31 December 2024	**28,858,781**	**7,192,932**	**46,616,215**	**432,568,282**	**15,208,238**	**773,629**	**14,126,768**	**545,344,845**
Accumulated depreciation:								
At 01 January 2023	8,137,382	3,476,579	72,566,038	339,596,288	13,971,205	773,629	–	438,521,121
Charge for the year (Note 6)	6,816,633	1,438,587	730,249	18,877,211	192,837	–	–	28,055,517
Scrapped	–	–	(30,769,555)	(8,784,121)	–	–	–	(39,553,676)
At 31 December 2023	**14,954,015**	**4,915,166**	**42,526,732**	**349,689,378**	**14,164,042**	**773,629**	**–**	**427,022,962**
Charge for the year (Note 6)	**7,354,658**	**1,438,587**	**1,196,682**	**21,752,334**	**207,790**	**–**	**–**	**31,950,051**
Disposals	**–**	**–**	**–**	**(4,783,152)**	**–**	**–**	**–**	**(4,783,152)**
Lease modification	**(471,017)**	**–**	**–**	**–**	**–**	**–**	**–**	**(471,017)**
At 31 December 2024	**21,837,656**	**6,353,753**	**43,723,414**	**366,658,560**	**14,371,832**	**773,629**	**–**	**453,718,844**
Net carrying amount:								
At 31 December 2024	**7,021,125**	**839,179**	**2,892,801**	**65,909,722**	**836,406**	**–**	**14,126,768**	**91,626,001**
At 31 December 2023	13,114,552	2,277,766	4,089,483	87,663,652	1,044,196	–	155,857	108,345,506

The Group has pledged all the immovable and movable assets, first rank floating charge with the State Bank of Mauritius Ltd, with whom the Company has an overdraft facility.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the Year Ended 31 December 2024

12. Property And Equipment (Continued)

COMPANY	Right-of-use asset Building MUR	Right-of-use asset Vehicles MUR	Leasehold improvement MUR	Equipment MUR	Furniture and fittings MUR	Motor vehicles MUR	Work-in progress MUR	Total MUR
Cost:								
At 01 January 2023	41,349,491	7,192,932	77,359,312	408,199,364	15,208,238	1,809,475	20,147,313	571,266,125
Additions	–	–	–	–	–	–	10,889,790	10,889,790
Transfer	–	–	–	30,881,246	–	–	(30,881,246)	–
Scrapped	–	–	(30,769,555)	(8,784,121)	–	–	–	(39,553,676)
At 31 December 2023	**41,349,491**	**7,192,932**	**46,589,757**	**430,296,489**	**15,208,238**	**1,809,475**	**155,857**	**542,602,239**
Additions	**–**	**–**	**–**	**–**	**–**	**–**	**13,970,910**	**13,970,910**
Disposals	**–**	**–**		**(4,784,748)**	**–**	**–**	**–**	**(4,784,748)**
Transfer	**–**	**–**	**59,665**	**8,760,422**	**287,970**	**–**	**(9,108,057)**	**–**
Lease modification (Note 20)	**790,214**	**–**	**–**	**–**	**–**	**–**	**–**	**790,214**
At 31 December 2024	**42,139,705**	**7,192,932**	**46,649,422**	**434,272,163**	**15,496,208**	**1,809,475**	**5,018,710**	**552,578,615**
Accumulated depreciation:								
At 01 January 2023	14,320,731	3,476,579	72,566,038	336,257,446	13,971,205	1,809,475	–	442,401,474
Charge for the year (Note 6)	9,466,826	1,438,587	730,249	17,471,971	192,837	–	–	29,300,470
Disposals	–	–	(30,769,555)	(8,784,121)	–	–	–	(39,553,676)
At 31 December 2023	**23,787,557**	**4,915,166**	**42,526,732**	**344,945,296**	**14,164,042**	**1,809,475**	**–**	**432,148,268**
Charge for the year (Note 6)	**10,004,198**	**1,438,587**	**1,196,682**	**20,367,888**	**207,790**	**–**	**–**	**33,215,145**
Disposals	**–**	**–**	**–**	**(4,783,152)**	**–**	**–**	**–**	**(4,783,152)**
Lease modification	**(471,017)**	**–**	**–**	**–**	**–**	**–**	**–**	**(471,017)**
At 31 December 2024	**33,320,738**	**6,353,753**	**43,723,414**	**360,530,032**	**14,371,832**	**1,809,475**	**–**	**460,109,244**
Net carrying amount:								
At 31 December 2024	**8,818,967**	**839,179**	**2,926,008**	**73,742,131**	**1,124,376**	**–**	**5,018,710**	**92,469,371**
At 31 December 2023	17,561,934	2,277,766	4,063,025	85,351,193	1,044,196	–	155,857	110,453,971

The Company has pledged all the immovable and movable assets, first rank floating charge with the State Bank of Mauritius Ltd, with whom the Company has an overdraft facility.

13. Intangible Assets

	GROUP	COMPANY			GROUP
	Goodwill and other intangibles MUR	Software MUR	Work-in progress MUR	Total MUR	Grand Total MUR
Cost:					
At 01 January 2023	23,253,140	136,134,015	16,996,630	153,130,645	176,383,785
Additions	**–**	–	36,745,363	36,745,363	36,745,363
Transfer	**–**	37,759,828	(37,759,828)	–	–
At 31 December 2023	**23,253,140**	**173,893,843**	**15,982,165**	**189,876,008**	**213,129,148**
Additions	**–**	**–**	**7,909,107**	**7,909,107**	**7,909,107**
Transfer	**–**	**16,685,029**	**(16,685,029)**	**–**	**–**
At 31 December 2024	**23,253,140**	**190,578,872**	**7,206,242**	**197,785,115**	**221,038,255**
Amortisation:					
At 01 January 2023	**–**	18,151,202	–	18,151,202	18,151,202
Charge for the year (Note 6)	**–**	17,771,392	–	17,771,392	17,771,392
At 31 December 2023	**–**	**35,922,594**	**–**	**35,922,594**	**35,922,594**
Charge for the year (Note 6)	**–**	**20,738,451**	**–**	**20,738,451**	**20,738,451**
At 31 December 2024	**–**	**56,661,045**	**–**	**56,661,045**	**56,661,045**
Net carrying amount:					
At 31 December 2024	**23,253,140**	**133,917,827**	**(2,404,485)**	**141,124,069**	**164,377,209**
At 31 December 2023	23,253,140	137,971,249	15,982,165	153,953,414	177,206,554

The goodwill and other indefinite intangibles assets of MUR23,253,140 comprises the value of expected synergies arising from the acquisition of Pool Joseph Merven Limited ("PJML") and a licence in 2019. The licence and the synergies were not separately recognised due to the high level of uncertainty involved in the fair valuation of the licence under IAS 38. None of the goodwill recognised is expected to be deductible for income tax purposes. The assessment of impairment of goodwill has been disclosed in Note 14.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the Year Ended 31 December 2024

14. Investment In Subsidiaries

	COMPANY	
	2024 MUR	2023 MUR
At 01 January and at 31 December	**50,251,797**	50,251,797

Details pertaining to the subsidiaries:

	Country of incorporation	Principal activity	Proportion of ownership
Loterie Vert Ltd	Mauritius	Gaming	100%
Pool Joseph Merven Limited ("PJML")	Mauritius	Agent of a foreign pool promoter	100%

The directors of the Group are responsible for the impairment assessment of investments including the accounting policies. The valuation of the investment in subsidiaries have been performed using a five year discounted cash flow model with the discount rate in the range of of 13.4% to 15.15%. The enterprise value of Loterie Vert Ltd is estimated at **MUR32m** and that of PJML is **MUR74m**.

A sensitivity analysis has been performed around the base assumptions and the directors have concluded that no reasonable change in these assumptions would result in the recoverable amount of the investment in subsidiaries to be less than the carrying value.

15. Non-Current Deposit

Non-current deposit relates to a fixed deposit held by the Group with the Mauritius Commercial Bank. The deposit bears floating interest between 2.63% and 3.98% per annum during the year and will mature on 21 February 2026.

16. Inventories

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
At cost:				
Ticket rolls, bet slips and others	**2,880,129**	3,429,176	**2,719,630**	3,170,444

Inventories recognised as an expense during the year ended amounted to **MUR22,879,988** (2023 - MUR24,540,850) for the Group and **MUR22,675,803** (2023- MUR24,499,310) for the Company.

17. Trade And Other Receivables

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Trade receivables	**61,735,886**	62,816,808	**59,687,015**	62,225,766
Allowance for expected credit losses	**(577,148)**	(167,719)	**(561,519)**	(149,680)
	61,158,738	62,649,089	**59,125,496**	62,076,086
Receivables from related parties (Note 25 (ii)):				
Amount due from subsidiaries	**–**	–	**4,752,422**	4,497,526
Amount due from ultimate holding company	**214,707**	81,011,693	**214,707**	81,011,693
Entities under common control	**265,253**	255,249	**265,253**	255,249
Prepayments and deposits	**25,475,138**	11,868,214	**26,760,771**	11,741,161
	87,113,836	155,784,245	**91,118,649**	159,581,715

Trade and other receivables are unsecured, bear no interest and are due within one year.

Trade receivables are summarised as follows:

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Not yet due	**7,416,131**	166,087	**5,900,107**	166,087
Past due	**53,742,607**	62,483,002	**53,225,389**	61,909,999
In default	**577,148**	167,719	**561,519**	149,680
	61,735,886	62,816,808	**59,687,015**	62,225,766
Allowance for expected credit losses	**(577,148)**	(167,719)	**(561,519)**	(149,680)
	61,158,738	62,649,089	**59,125,496**	62,076,086

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Past due				
Less than 3 months	**53,742,607**	62,483,002	**53,225,389**	61,909,999

Expected credit losses

At 31 December 2024, trade receivables was impaired for an amount of **MUR577,148** (2023 – MUR167,719) for Group and **MUR561,519** (2023 – MUR149,850) for the Company.

The increase in loss allowance is mainly attributable to the total increase in the gross carrying amounts of trade receivables.

The movement in the allowance of expected credit losses for trade receivables are as follows:

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
At 01 January	**167,719**	453,838	**149,680**	453,838
Expected credit losses recognised	**409,429**	(286,119)	**411,839**	(304,158)
At 31 December	**577,148**	167,719	**561,519**	149,680

The provision for credit losses has been included in profit or loss. The information about the credit exposures are disclosed in Note 3(b). All items within trade and other receivables are denominated in Mauritian Rupee and no collaterals are held against trade and other receivables at the reporting date.

The net movement recognised in profit or loss in the allowance of expected credit losses for trade and other receivables is as follows:

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Trade receivables:				
Expected credit losses	**(409,429)**	286,119	**(411,839)**	304,158
	(409,429)	286,119	**(411,839)**	304,158

NOTES TO THE FINANCIAL STATEMENTS

1. FOR THE YEAR ENDED 31 DECEMBER 2024

17. Trade And Other Receivables (Continued)

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

GROUP	Days past due					
	Current MUR	Less than 30 days MUR	30-60 days MUR	61-90 days MUR	Above 90 days MUR	Total MUR
31 December 2024						
Expected credit loss rate	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**100.00%**	
Total gross carrying amount at default	**7,416,131**	**53,156,109**	**522,183**	**64,315**	**577,148**	**61,735,886**
Expected credit losses	**–**	**–**	**–**	**–**	**(577,148)**	**(577,148)**
31 December 2023						
Expected credit loss rate	0.00%	0.00%	0.00%	0.00%	100.00%	
Total gross carrying amount at default	166,087	62,165,355	201,659	115,988	167,719	62,816,808
Expected credit losses	–	–	–	–	(167,719)	(167,719)

COMPANY	Days past due					
	Current MUR	Less than 30 days MUR	30-60 days MUR	61-90 days MUR	Above 90 days MUR	Total MUR
31 December 2024						
Expected credit loss rate	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**100.00%**	
Total gross carrying amount at default	**5,900,107**	**52,716,417**	**508,972**	**-**	**561,519**	**59,687,015**
Expected credit losses	**–**	**–**	**–**	**–**	**(561,519)**	**(561,519)**
31 December 2023						
Expected credit loss rate	0.00%	0.00%	0.00%	0.00%	100.00%	
Total gross carrying amount at default	166,087	61,629,931	178,376	101,692	149,680	62,225,766
Expected credit losses	–	–	–	–	(149,680)	(149,680)

18. Cash And Short Term Deposits

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Cash at bank	**216,066,730**	133,555,433	**208,962,996**	128,296,627

Short term deposits included in cash at bank are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. During the year interest were earned in the range of 2.30% to 5%.

19. Stated Capital

	GROUP AND COMPANY			
	2024 Number	2024 MUR	2023 Number	2023 MUR
Issued and fully paid:				
At 01 January and at 31 December	**340,000,000**	**100,000,000**	340,000,000	100,000,000

Each Ordinary share confers to its holder the right to vote and a proportional right to dividends.

20. Lease Liabilities

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Amount recognised in the Statement of financial position:				
Right-of-use assets (Note 12)	**7,860,304**	15,392,318	**9,658,146**	19,839,700
As at 1 January	**16,122,045**	24,162,814	**20,909,821**	31,637,866
Modification to lease	**790,214**	–	**790,214**	–
Accretion of interest	**699,336**	1,098,665	**874,574**	1,411,389
Payments	**(9,411,403)**	(9,139,434)	**(12,411,403)**	(12,139,434)
As at 31 December	**8,200,192**	16,122,045	**10,163,206**	20,909,821
Lease liability:				
Current	**5,795,262**	8,474,332	**7,758,276**	11,299,094
Non-current	**2,404,930**	7,647,713	**2,404,930**	9,610,727
	8,200,192	16,122,045	**10,163,206**	20,909,821

The right-of-use assets amount includes building and vehicles.

The maturity analysis of lease liabilities has been disclosed in Note 3(c).

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Amount recognised in the Statement of profit or loss:				
Depreciation charge on right-of-use assets (Note 12)	**8,793,245**	8,255,220	**11,442,785**	10,905,413
Interest expense included in finance cost (Note 8)	**699,336**	1,098,665	**874,574**	1,411,389
	9,492,581	9,353,885	**12,317,359**	12,316,802
Amount recognised in the Statement of cash flows:				
Repayment of lease liability – principal portion	**8, 712,067**	8,040,769	**11,536,829**	10,728,045
Repayment of lease liability – interest portion	**699,336**	1,098,665	**874,574**	1,411,389
	9,411,403	9,139,434	**12,411,403**	12,139,434
Other information:				
Weighted average remaining lease term	**2.0 years**	2.0 years	**2.0 years**	2.0 years

The Group leases its offices under non-cancellable lease agreements. The lease terms are for 3 to 10 years.

The Incremental Borrowing Rate of the leases were in the range of 5.0% to 5.9%.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the Year Ended 31 December 2024

21. Deferred Income Tax (Assets)/Liabilities

The net movement on the deferred income tax (assets)/liabilities is as follows:

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
At 01 January	18,685,115	13,076,701	20,566,002	15,238,435
Charge to profit or loss (Note 10)	1,159,180	5,132,301	78,277	4,853,942
Credit to other comprehensive income	(772,540)	(677,280)	(772,540)	(677,280)
Under/(over) provision of deferred tax in prior year	481,071	1,153,393	(72,284)	1,150,905
At 31 December	19,552,826	18,685,115	19,799,455	20,566,002
Reflected in the statement of financial position as follows:				
Deferred tax assets	(243,973)	(1,880,887)	–	–
Deferred tax liabilities	19,796,799	20,566,002	19,799,455	20,566,002
Net deferred tax liabilities	19,552,826	18,685,115	19,799,455	20,566,002

The movement in deferred income tax liabilities/(assets) is as follows:-

GROUP	Accelerated capital allowances MUR	Post-employment benefits MUR	Provision for impaired receivables MUR	Accumulated tax losses MUR	Total MUR
At 01 January 2023	17,377,940	(2,396,609)	(74,667)	(1,829,963)	13,076,701
Charge/ (credit) to profit or loss (Note 10)	4,107,260	572,730	51,707	400,604	5,132,301
Credit to other comprehensive income	–	(677,280)	–	–	(677,280)
(Over)/ under provision of deferred tax in prior year	1,153,393	–	–	–	1,153,393
At 31 December 2023	22,638,593	(2,501,159)	(22,960)	(1,429,359)	18,685,115
Charge to profit or loss (Note 10)	372,101	(337,820)	(78,249)	1,203,148	1,159,180
Credit to other comprehensive income	–	(772,540)	–	–	(772,540)
Under provision of deferred tax in prior year	481,071	–	–	–	481,071
At 31 December 2024	23,491,765	(3,611,519)	(101,209)	(226,211)	19,552,826

COMPANY	Accelerated capital allowances MUR	Post-employment benefits MUR	Provision for impaired receivables MUR	Accumulated tax losses MUR	Total MUR
At 01 January 2023	17,711,803	(2,398,701)	(74,667)	–	15,238,435
Charge/ (credit) to profit or loss (Note 10)	4,229,505	572,730	51,707	–	4,853,942
Credit to other comprehensive income	–	(677,280)	–	–	(677,280)
Under provision of deferred tax in prior year	1,150,905	–	–	–	1,150,905
At 31 December 2023	23,092,213	(2,503,251)	(22,960)	–	20,566,002
Charge to profit or loss (Note 10)	494,346	(337,820)	(78,249)	–	78,277
Credit to other comprehensive income	–	(772,540)	–	–	(772,540)
Under provision of deferred tax in prior year	(72,284)	–	–	–	(72,284)
At 31 December 2024	23,514,275	(3,613,611)	(101,209)	–	19,799,455

22. Post-Employment Benefits

The Group participates in a defined contribution (DC) pension plan to which it contributes 6%, 8% or 10% of its eligible employees' salaries depending on age. These contributions amounted to **MUR6,550,503** for the year ended 31 December 2024 (2023 – MUR7,824,826).

Since 1 January 2022, employers are required to make contributions into the Portable Retirement Gratuity Fund (PRGF) for their employees who are not covered under any approved pension schemes. As such, the estimated plan assets of MUR 1,319,000 for the Company as at 31 December 2024 are in respect of the total contributions for all employees to the PRGF (January 2024 to December 2024) without investment return as this is not yet known.

The Group has recognised a net defined benefit liability of **MUR20,569,000** as at 31 December 2024 (2023: MUR14,725,000) in respect of any additional retirement gratuities that are expected to be paid out of the Group's cash flow to its employees under the Workers Rights Act (WRA) 2019.

The Group is subject to an unfunded defined contribution plan for the employees. The plan exposes the Group to normal risks described below:

Interest rate risk: A decrease in the bond interest rate will increase the plan liability; however, this may be partially offset by an increase in the return on the plan's debt investments and a decrease in inflationary pressures on salary and pension increases.

Salary risk: The plan liability is calculated by reference to the future projected salaries of plan participants. As such, an increase in the salary of the plan participants above the assumed rate will increase the plan liability whereas an increase below the assumed rate will decrease the liability.

The Group had a residual obligation imposed by WRA 2019 on top of its defined contribution plan. It is therefore exposed to investment under-performance of the DC plan.

There has been no plan amendment, curtailment or settlement during the year, except for the past service cost due to some employees who moved to the DC plan.

The liability arising from the DC plan, as recorded in the Statement of Financial Position and the movements in the liability during the year are set out below, along with other information that is required to be disclosed in accordance with International Financial Reporting Standards.

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Liability recognised in statement of financial position				
Post-employment benefits obligation	**20,569,000**	14,725,000	**20,569,000**	14,725,000
Amounts recognised in profit or loss (Note 9)				
Past service cost	**–**	(5,074,000)	**–**	(5,074,000)
Current service cost	**2,499,000**	1,775,000	**2,499,000**	1,775,000
Interest cost	**729,000**	795,000	**729,000**	795,000
Planned assets	**(1,319,000)**	(696,000)	**(1,319,000)**	(696,000)
Other benefits paid	**(827,000)**	(390,000)	**(827,000)**	(390,000)
	1,082,000	(3,590,000)	**1,082,000**	(3,590,000)
Amounts recognised in other comprehensive income				
Liability experience loss	**6,218,000**	2,886,000	**6,218,000**	2,886,000
Liability loss due to change in financial assumptions	**(2,204,000)**	1,068,000	**(2,204,000)**	1,068,000
Return on plan assets below interest income	**52,000**	30,000	**52,000**	30,000
	4,066,000	3,984,000	**4,066,000**	3,984,000
Movements in liability recognised in statement of financial position				
At 01 January	**14,725,000**	14,110,000	**14,725,000**	14,110,000
Amounts recognised in profit or loss	**3,228,000**	(2,504,000)	**3,228,000**	(2,504,000)
Amounts recognised in other comprehensive income	**4,066,000**	3,984,000	**4,066,000**	3,984,000
Employer contributions	**(1,450,000)**	(865,000)	**(1,450,000)**	(865,000)
At 31 December	**20,569,000**	14,725,000	**20,569,000**	14,725,000

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the Year Ended 31 December 2024

22. Post-Employment Benefits (Continued)

PRINCIPAL ACTUARIAL ASSUMPTIONS AT END OF YEAR	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Discount rate	**5.20%**	5.20%	**5.20%**	5.20%
Rate of salary increases	**3.70%**	4.20%	**3.70%**	4.20%
Average retirement age (ARA)	**65 years**	65 years	**65 years**	65 years
Sensitivity analysis on defined benefit obligation at end of year				
- Increase due to 1% decrease in discount rate	**259,000**	143,000	**259,000**	143,000
- Decrease due to 1% increase in discount rate	**204,000**	112,000	**204,000**	112,000

The above sensitivity analysis has been carried out by recalculating the present value of obligation at end of period after increasing or decreasing the discount rate while leaving all other assumptions unchanged. Any similar variation in the other assumptions would have shown smaller variations in the defined benefit obligation.

The impact of changes in rate of salary increases and rate of pension increases are not considered to be significant on the amount of post-employment benefits.

Allocation of Plan assets at end of year	%	%
-Cash and other	100	100

Since no information is yet available on the investment mix of the PRGF, we have assumed 100% cash.

Future cash flows

The funding policy is to pay contributions to PRGF and top up benefits out of the reporting entity's cash flow as and when due.

	GROUP 2024 MUR	GROUP 2023 MUR	COMPANY 2024 MUR	COMPANY 2023 MUR
- Expected employer contributions to PRGF and top up benefits for the next year	**994,000**	698,000	**994,000**	698,000
- Weighted average duration of the defined benefit obligation	**16 years**	16 years	**16 years**	16 years
Reconciliation of Fair Value of Plan Assets				
Opening Balance	**696,000**	221,000	**696,000**	221,000
Interest Income	**52,000**	30,000	**52,000**	30,000
Employer contributions	**1,450,000**	865,000	**1,450,000**	865,000
Benefits paid	**(827,000)**	(390,000)	**(827,000)**	(390,000)
Return on plan assets excluding interest income	**(52,000)**	(30,000)	**(52,000)**	(30,000)
	1,319,000	696,000	**1,319,000**	696,000

	GROUP 2024 MUR	GROUP 2023 MUR	COMPANY 2024 MUR	COMPANY 2023 MUR
Reconciliation of the present value of defined benefit obligation				
Present value of obligation at 01 January	15,421,000	14,331,000	**15,421,000**	14,331,000
Past service cost	-	(5,074,000)	**-**	(5,074,000)
Current service cost	2,499,000	1,775,000	**2,499,000**	1,775,000
Interest cost	781,000	825,000	**781,000**	825,000
Other benefits paid	(827,000)	(390,000)	**(827,000)**	(390,000)
Liability experience loss	6,218,000	2,886,000	**6,218,000**	2,886,000
Liability gain due to change in financial assumptions	(2,204,000)	1,068,000	**(2,204,000)**	1,068,000
Present value of obligation at 31 December	21,888,000	15,421,000	**21,888,000**	15,421,000
Net defined benefit liability	20,569,000	14,725,000	**20,569,000**	14,725,000

23. Trade And Other Payables

	GROUP 2024 MUR	GROUP 2023 MUR	COMPANY 2024 MUR	COMPANY 2023 MUR
Trade payables	13,243,659	28,317,421	11,936,620	26,094,655
Accruals	80,803,412	22,966,996	80,005,204	21,989,014
Contract liabilities	15,280,510	2,243,870	15,280,510	2,243,870
Amounts due to related parties (Note 25 (ii))	22,777,648	29,334,057	45,255,938	46,412,347
Prize liability and reserve fund	80,790,685	113,107,359	80,764,945	113,012,159
Unclaimed prizes	19,903,915	18,199,368	19,903,915	18,199,368
Consolidated fund	130,053,006	132,142,162	130,053,006	132,142,162
	362,852,835	346,311,233	383,200,138	360,093,575

Trade and other payables are unsecured, bear no interest and are due within one year.

24. Interest-Bearing Loans And Borrowings

The movement in interest-bearing loans and borrowings is as follows:

	GROUP 2024 MUR	GROUP 2023 MUR	COMPANY 2024 MUR	COMPANY 2023 MUR
At 1 January	-	77,157,895	-	77,157,895
Repayments of loans	-	(77,157,895)	-	(77,157,895)
At 31 December	-	-	-	-

The loan was fully repaid as at 31 December 2023.

The loan was secured by way of first rank floating charge over all immovable and movable assets of the Company.

Interest on loan was charged on daily balance at 0.65% less SBM Prime Lending Rate (PLR) with a minimum rate of 3.60% per annum. The purpose of the loan was to upgrade the Company's Lottery Software System.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the Year Ended 31 December 2024

25. Related Party Transactions

The directors consider Gamma-Civic Ltd, a company incorporated and domiciled in the Republic of Mauritius, as the ultimate parent and controlling party.

(i) Transactions carried out with related parties

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Rent and utilities charged by entities under common control of Gamma-Civic Ltd	**2,802,651**	2,816,383	**2,802,651**	2,816,383
Purchase of services from entities under common control of Gamma-Civic Ltd	**68,420,831**	33,638,793	**68,420,831**	33,638,793
Other Income from ultimate holding company	**456,000**	438,000	**456,000**	438,000
Branding fee and rental income from subsidiary	**–**	–	**5,400,000**	5,400,000
Management fee and interest income from subsidiary	**–**	–	**124,943**	124,943
Interest Income from ultimate holding company	**1,276,940**	2,563,808	**1,276,940**	2,563,808
Management fees from subsidiaries	**–**	–	**24,000**	24,000
Management fees from entities under common control	**4,136,697**	3,038,428	**4,136,697**	3,038,428
Loan to ultimate holding company	**80,000,000**	80,000,000	**80,000,000**	80,000,000
Loan refund from ultimate holding company	**(80,000,000)**	(60,000,000)	**(80,000,000)**	(60,000,000)
	77,093,119	62,495,412	**82,642,062**	68,044,355

(ii) Balances with related parties at the reporting date

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Amounts receivable from related parties (Note 17):				
Amount due from subsidiaries	**–**	–	**4,752,422**	4,497,526
Amount due from ultimate holding company	**214,707**	81,011,693	**214,707**	81,011,693
Entities under common control	**265,253**	255,249	**265,253**	255,249
	479,960	81,266,942	**5,232,382**	85,764,468

The transactions between related parties have been made exclusively with entities under common control of Gamma Civic Ltd under normal commercial terms and in the normal course of business. The amounts receivable from related parties are unsecured,and repayable on demand. An interest of 4.60% was earned from the advance of MUR80m due from ultimate holding company. The advance has been fully repaid during the year.

The receivables from subsidiaries represents amount due from Pool Joseph Merven Limited and Loterie Vert Ltd.

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Amounts due to related parties (Note 23):				
Subsidiaries	**–**	–	**15,280,510**	17,078,290
Entities under common control	**22,777,648**	29,334,057	**29,975,428**	29,334,057
	22,777,648	29,334,057	**45,255,938**	46,412,347

The amounts payable to related parties are unsecured, interest free and repayable within one year.

An amount of MUR1,244,439 was held by the Company on trust for Gamma Leisure Ltd, Maurilot Investments Ltd, Natlot Investments, Glot Holdings (Mauritius) Ltd and State Investment Corporation at 31 December 2022. The amount was fully utilised for the payment of legal expenses in 2023.

(iii) Key management personnel compensation

The compensation to key management personnel is shown below:

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Salaries and other short-term employee benefits	**38,111,067**	32,284,872	**38,111,067**	32,284,872
Post-employment benefits	**2,538,698**	2,229,435	**2,538,698**	2,229,435
	40,649,765	34,514,307	**40,649,765**	34,514,307

26. Bank Guarantee

The Company has contingent liabilities in respect of bank guarantees of MUR5,000,000 for the Loto game and a further MUR5,000,000 for Loto Vert game provided to the Gambling Regulatory Authority (GRA) to comply with the rule in the ordinary course of business and from which it is anticipated that no material liabilities will arise.

27. Dividends

	COMPANY	
	2024 MUR	2023 MUR
Final dividend for 2023: 23 cents per share (2022: 20 cents per share)	**78,200,000**	68,000,000
Interim dividend for 2024: 14 cents per share (2023: 30 cents per share)	**47,600,000**	102,000,000
	125,800,000	170,000,000

A final dividend of **MUR78,200,000** (2023: MUR102,000,000) was declared on 14 March 2024 and payable by latest 6 May 2024 in respect of the financial year ended 31 December 2023.

An interim dividend of **MUR47,600,000** (2023: MUR68,000,000) was declared on 14 August 2024 and payable by latest 25 September 2024 in respect of the financial year ended 31 December 2024.

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