

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	GROUP		
	COMPANY		2017 MUR
	2018 MUR	2018 MUR	
			Re-presented
Turnover from lottery tickets	2,019,570,160	2,019,570,160	1,852,490,380
Prizes	(979,491,528)	(979,491,528)	(898,457,834)
Revenue	1,040,078,632	1,040,078,632	954,032,546
Operating profit	133,075,931	134,473,246	135,672,285
Net finance income/(costs)	405,139	405,139	(43,083)
Profit before income tax	133,481,070	134,878,385	135,629,202
Income tax expense	(23,601,602)	(23,601,602)	(24,783,883)
Profit for the year	109,879,468	111,276,783	110,845,319
Other comprehensive income:			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of post-employment benefit obligations	435,000	435,000	333,000
Deferred tax on remeasurement of post-employment benefit obligations	(73,950)	(73,950)	(56,610)
Other comprehensive income for the year	361,050	361,050	276,390
Total comprehensive income for the year	110,240,518	111,637,833	111,121,709
Basic and diluted earnings per share	0.32	0.33	0.33

STATEMENTS OF FINANCIAL POSITION

	GROUP		
	COMPANY		2017 MUR
	2018 MUR	2018 MUR	
ASSETS			
Non-current assets	65,346,271	67,882,238	103,373,494
Current assets	421,229,022	419,767,006	351,899,373
Total assets	486,575,293	487,649,244	455,272,867
EQUITY AND LIABILITIES			
Equity and reserves			
Stated capital	100,000,000	100,000,000	100,000,000
Retained earnings	79,792,657	81,189,972	71,552,139
Total equity	179,792,657	181,189,972	171,552,139
Non-current liabilities	2,368,000	2,368,000	6,559,768
Current liabilities	304,414,636	304,091,272	277,160,960
Total liabilities	306,782,636	306,459,272	283,720,728
Total equity and liabilities	486,575,293	487,649,244	455,272,867

STATEMENTS OF CASH FLOWS

	GROUP		
	COMPANY		2017 MUR
	2018 MUR	2018 MUR	
Net cash generated from operating activities	160,846,880	163,382,847	213,379,491
Net cash used in investing activities	(5,204,745)	(7,740,712)	(950,592)
Net cash used in financing activities	(102,000,000)	(102,000,000)	(78,200,000)
Net increase in cash and cash equivalents	53,642,135	53,642,135	134,228,899
Net foreign exchange difference	769,284	769,284	569,678
Cash and cash equivalents at 01 January	291,605,363	291,605,363	156,806,786
Cash and cash equivalents at 31 December	346,016,782	346,016,782	291,605,363

STATEMENTS OF CHANGES IN EQUITY

GROUP	Stated capital	Retained earnings	Total equity
	MUR	MUR	MUR
At 01 January 2018	100,000,000	71,552,139	171,552,139
Profit for the year	-	109,879,468	109,879,468
Other comprehensive income for the year	-	361,050	361,050
Total comprehensive income for the year	-	110,240,518	110,240,518
Transactions with owners			
Dividends	-	(102,000,000)	(102,000,000)
At 31 December 2018	100,000,000	79,792,657	179,792,657
COMPANY			
	Stated capital	Retained earnings	Total equity
	MUR	MUR	MUR
At 01 January 2017	100,000,000	38,630,430	138,630,430
Profit for the year	-	110,845,319	110,845,319
Other comprehensive income for the year	-	276,390	276,390
Total comprehensive income for the year	-	111,121,709	111,121,709
Transactions with owners			
Dividends	-	(78,200,000)	(78,200,000)
At 31 December 2017	100,000,000	71,552,139	171,552,139
At 01 January 2018	100,000,000	71,552,139	171,552,139
Profit for the year	-	111,276,783	111,276,783
Other comprehensive income for the year	-	361,050	361,050
Total comprehensive income for the year	-	111,637,833	111,637,833
Transactions with owners			
Dividends	-	(102,000,000)	(102,000,000)
At 31 December 2018	100,000,000	81,189,972	181,189,972

COMMENTS

Principal Activity
Lottotech Ltd (the "Company") is the operator of the Mauritius National Lottery on behalf of the Government of Mauritius. The Company incorporated Loterie Vert Ltd in October 2018.

Results
Turnover from lottery tickets for the year ended 31 December 2018 for the Group and Company amounted to MUR2,019.6m compared to the prior corresponding period turnover of MUR1,852.5m.

For the year ended 31 December 2018, the Group and the Company reported net profit after tax of MUR109.9m and MUR111.3m respectively. The Company's profit after income tax for the year ended 31 December 2017 was MUR110.8m.

Outcome of the Mediation Process
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 informed its shareholders that:

- The Company's licence has been renewed until 2029;
- The Company has been granted approval to launch a second weekly draw of the Loto 6/40, and to launch a new game under the Loterie Vert brand.

The introduction of a Wednesday Loto draw from 05 September 2018 has resulted in a positive increase in gross ticket sales.

Future Outlook
The fundamentals of the Group's business remain strong. The introduction of the second weekly Loto draw (on Wednesdays) as from 05 September 2018 has had a positive impact on sales and profit. The introduction of the new Loterie Vert game in 2019 will further boost sales, and the contribution to the consolidated fund for good causes in Mauritius. The Group will continue to explore opportunities to diversify its product portfolio and services to continue to meet consumer expectations.

Lottotech Ltd will continue its efforts to make a difference and participate in our communities through its involvement in multiple projects to enhance the education of vulnerable groups and women entrepreneurs. The Group will strive to successfully be certified at the highest level of World Lottery Association (WLA) for Responsible Gaming.

The Group will continue to operate within its responsible gaming strategy. Our international experience lends itself to working closely with the GRA to develop an overall responsible gaming strategy and gaming alternatives in the regulated market.

Earnings per share
The calculation of earnings per share is based on the profit attributable to the shareholders of the Company of MUR109.9m (December 2017: MUR110.8m) and the number of the shares in issue of 340,000,000.

Dividend
The Company declared and paid dividends of MUR102.0m in the year ended 31 December 2018 (December 2017: MUR78.2m).

Others
The abridged audited financial statements for the year ended 31 December 2018 have been extracted from the annual financial statements of the Group and Company, which have been prepared in accordance with the Companies Act 2001 and the Financial Reporting Act 2004 and comply with International Financial Reporting Standards ("IFRS"), taking into consideration all revised International Accounting Standards and new IFRS effective for accounting periods beginning on 01 January 2018. The independent auditor's report to financial statements is unqualified.

The prior year figures for the Company's Statement of Profit or Loss and Other Comprehensive Income have been re-presented to reflect the impact of the adoption of the revised accounting policy for revenue recognition following the introduction of IFRS 15 (Revenue from contracts with customers).

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

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

By Order of the Board
Gamma Corporate Services Ltd

Company Secretary
27 March 2019

These abridged audited financial statements are issued pursuant to Listing Rule 12.14.

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