

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Quarter ended 30 June 2020	Quarter ended 30 June 2019	6 months ended 30 June 2020	6 months ended 30 June 2019
	MUR	MUR	MUR	MUR
	Unaudited	Unaudited	Unaudited	Unaudited
Revenue	79,337,883	324,290,513	331,058,959	647,067,371
Operating (loss)/profit	(16,458,560)	40,554,424	13,427,797	85,542,789
Finance income	563,379	793,033	1,537,768	1,525,982
Finance costs	(435,715)	(933,784)	(742,785)	(1,885,257)
Net finance income/(costs)	127,664	(140,751)	794,983	(359,275)
(Loss)/Profit before income tax	(16,330,896)	40,413,673	14,222,780	85,183,514
Income tax expense	743,138	(6,513,873)	(9,114,686)	(14,610,119)
(Loss)/Profit before income tax	(15,587,758)	33,899,800	5,108,094	70,573,395
Other comprehensive income - net of tax	-	-	-	-
Total comprehensive income for the period	(15,587,758)	33,899,800	5,108,094	70,573,395
Basic and diluted (loss)/earnings per share	(0.05)	0.10	0.02	0.21

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	30 June 2020	31 December 2019
	MUR	MUR
	Unaudited	Audited
ASSETS		
Non-current assets	151,636,500	139,112,741
Current assets	143,280,430	385,433,831
Total assets	294,916,930	524,546,572
EQUITY AND LIABILITIES		
Equity and reserves		
Stated capital	100,000,000	100,000,000
(Accumulated losses)/Retained earnings	(12,029,610)	91,662,296
Total equity	87,970,390	191,662,296
Non-current liabilities	26,462,132	18,205,499
Current liabilities	180,484,408	314,678,777
Total liabilities	206,946,540	332,884,276
Total equity and liabilities	294,916,930	524,546,572

CONSOLIDATED STATEMENTS OF CASH FLOWS

	6 months ended 30 June 2020	6 months ended 30 June 2019
	MUR	MUR
	Unaudited	Unaudited
Net cash (used in)/generated from operating activities	(57,087,088)	17,812,194
Net cash used in investing activities	(8,596,136)	(55,168,481)
Net cash used in financing activities	(112,069,332)	(77,125,794)
Net decrease in cash and cash equivalents	(177,752,556)	(114,482,081)
Cash and cash equivalents at the beginning of the period	265,600,074	346,016,782
Cash and cash equivalents at the end of the period	87,847,518	231,534,701

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Stated capital MUR Unaudited	(Accumulated losses)/Retained earnings MUR Unaudited	Total equity MUR Unaudited
At 01 January 2019	100,000,000	79,792,657	179,792,657
Profit for the period	-	70,573,395	70,573,395
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	70,573,395	70,573,395
Transactions with owners			
Dividends	-	(74,800,000)	(74,800,000)
At 30 June 2019	100,000,000	75,566,052	175,566,052
At 01 January 2020	100,000,000	91,662,296	191,662,296
Profit for the period	-	5,108,094	5,108,094
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	5,108,094	5,108,094
Transactions with owners			
Dividends	-	(108,800,000)	(108,800,000)
At 30 June 2020	100,000,000	(12,029,610)	87,970,390

COMMENTS

Principal Activity

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

Results

Revenue for the six months ended 30 June 2020 amounted to MUR331m compared to prior corresponding period of MUR647m. The profit after tax was MUR5.1m for the six months ended 30 June 2020 compared to MUR70.6m for the prior corresponding period.

The Company temporarily suspended the sale of its products on 20 March 2020, to comply with the Government of Mauritius' order of confinement of non-essential businesses and services and to protect the health and safety of all its stakeholders. The lockdown has adversely impacted Lottotech Ltd in the second quarter of 2020. Since the Covid-19 outbreak, Lottotech Ltd has been closely monitoring and adopting all necessary measures in order to protect its customers and employees and also ensuring continuity of its business activities. Once the safety of all employees was ensured, management started reviewing the business operations and quickly adopted measures to reflect the changing environment and needs of its stakeholders. As part of the gradual lifting of restrictive measures for containing the spread of the COVID-19 virus, Lottotech Ltd resumed operations on 6 June 2020.

Outlook

The financial performance for the remainder of the year will be subject to volatility and uncertainty. The Company will have adequate funds to discharge any existing commitments and obligations. The Board and Management will continue to monitor the evolving uncertain market conditions.

Pending regulatory approval, the Company is ready to launch a new Loterie Vert game as part of the Mediation agreement with the authorities reached on 13 June 2018 and to roll out a solution for all of its games which is in line with government policy to introduce a cashless betting system. This solution is particularly relevant as it would protect the health and safety of its stakeholders in line with sanitary measures introduced by the government in the context of Covid-19; and sustain the future of the business in the interest of its shareholders.

Earnings per share

The calculation of earnings per share is based on the profit attributable to the shareholders of the Company MUR5.1m (June 2020: MUR70.6m) and the number of the shares in issue of 340,000,000 (June 2019: 340,000,000).

Dividend

A final dividend of MUR108.8m (June 2019: MUR74.8m) was declared on 18 March 2020 and paid by latest 30 June 2020 in respect of the financial year ended 31 December 2019.

Others

The abridged consolidated financial statements for the quarter and six months ended 30 June 2020 are unaudited. The accounting policies and standards used in the preparation of these abridged unaudited consolidated financial statements are consistent with those used in the audited consolidated financial statements for the year ended 31 December 2019, except for relevant amendments to published standards issued and which are effective as from 1 January 2020. This interim report complies with IAS 34.

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

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

By Order of the Board

Gamma Corporate Services Ltd
Company Secretary

5 August 2020

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

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