



## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Quarter ended 31 March 2016	Quarter ended 31 March 2015
	MUR	MUR
	Unaudited	Unaudited
Gross ticket sales	411,114,980	528,246,280
Prizes	(199,390,765)	(272,664,628)
Consolidated fund	<u>(97,731,898)</u>	<u>(120,662,310)</u>
<b>Net income</b>	<u>113,992,317</u>	<u>134,919,342</u>
<b>Operating profit</b>	31,482,802	20,717,874
Net finance income	<u>18,733</u>	<u>1,055,563</u>
<b>Profit before taxation</b>	31,501,535	21,773,437
Income tax expense	<u>(4,998,815)</u>	<u>(4,169,586)</u>
<b>Profit for the period</b>	26,502,720	17,603,851
Other comprehensive income	<u>-</u>	<u>-</u>
<b>Total comprehensive income</b>	<u>26,502,720</u>	<u>17,603,851</u>
<b>Earnings per share</b>	<u>0.08</u>	<u>0.05</u>

## STATEMENT OF FINANCIAL POSITION

	31 March 2016	31 December 2015
	MUR	MUR
	Unaudited	Audited
<b>ASSETS</b>		
Non-current assets	134,742,101	145,977,517
Current assets	<u>242,096,577</u>	<u>149,835,629</u>
<b>Total assets</b>	<u>376,838,678</u>	<u>295,813,146</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Stated capital	100,000,000	100,000,000
Retained earnings	<u>27,908,096</u>	<u>42,205,376</u>
<b>Total equity</b>	<u>127,908,096</u>	<u>142,205,376</u>
Non-current liabilities	5,299,339	6,363,756
Current liabilities	<u>243,631,243</u>	<u>147,244,014</u>
<b>Total liabilities</b>	<u>248,930,582</u>	<u>153,607,770</u>
<b>Total equity and liabilities</b>	<u>376,838,678</u>	<u>295,813,146</u>

## STATEMENT OF CASH FLOWS

	Quarter Ended 31 March 2016	Quarter Ended 31 March 2015
	MUR	MUR
	Unaudited	Unaudited
Net cash generated from / (used in) operating activities	61,389,101	(17,907,378)
Net cash used in investing activities	(733,555)	(123,178)
Net cash used in financing activities	<u>-</u>	<u>(336,051)</u>
Net increase/(decrease) in cash and cash equivalents	60,655,546	(18,366,607)
Cash and cash equivalents at start of the period	<u>123,142,408</u>	<u>199,194,170</u>
Cash and cash equivalents at end of the period	<u>183,797,954</u>	<u>180,827,563</u>

## STATEMENT OF CHANGES IN EQUITY

	Stated capital	Retained earnings	Total equity
	MUR	MUR	MUR
	Unaudited	Unaudited	Unaudited
<b>Balance at 1 January 2015</b>	100,000,000	54,826,723	154,826,723
Profit for the period	-	17,603,851	17,603,851
Other comprehensive income/ (loss) for the period	-	-	-
<b>Total comprehensive income for the period</b>	-	17,603,851	17,603,851
Dividends	<u>-</u>	<u>(54,400,000)</u>	<u>(54,400,000)</u>
<b>Balance at 31 March 2015</b>	<u>100,000,000</u>	<u>18,030,574</u>	<u>118,030,574</u>
<b>Balance at 1 January 2016</b>	100,000,000	42,205,376	142,205,376
Profit for the period	-	26,502,720	26,502,720
Other comprehensive income/ (loss) for the period	-	-	-
<b>Total comprehensive income for the period</b>	-	26,502,720	26,502,720
Dividends	<u>-</u>	<u>(40,800,000)</u>	<u>(40,800,000)</u>
<b>Balance at 31 March 2016</b>	<u>100,000,000</u>	<u>27,908,096</u>	<u>127,908,096</u>

## COMMENTS

### Principal Activity

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

### Results

Gross ticket sales revenue for the quarter ended 31 March 2016 amounted to MUR411.1m compared to the prior corresponding period revenue of MUR528.2m, which included the sale of Quick Win tickets.

The profit after taxation was MUR26.5m for the three months ended 31 March 2016 compared to a profit of MUR17.6m for the last corresponding period.

### Business Review

In March 2015, the Government announced budgetary measures that banned advertising of the lottery effective 24 March 2015 and the prohibition of the Quick Win category of games effective 30 June 2015. The company took immediate action to right size the business to the new reality resulting in a reduction of 30% of employees and decrease in administration costs.

The Board engaged PwC to evaluate the actual financial impact of the budgetary changes and these independent reports were submitted to the Gambling Regulatory Authority (GRA) with a view to claim compensation for inter alia the severance and Quick Win inventory write-off and to review the quantum of the contribution to the Consolidated Fund so as to restore value for all shareholders and stakeholders in the coming years.

While the 2015 budgetary measures continued to have a negative impact on the business, the first quarter of 2016 was profitable for the company as a result of the restructuring of operations. Profit after tax in the first quarter of 2016 was MUR26.5m compared to the first quarter of 2015 of MUR17.6m.

Lottotech continued its commitment to CSR and distributed over MUR2.6m throughout the first quarter to good causes.

### Future Outlook

The Board has not received any response from the GRA regarding its representation in respect of the review of the contribution rate to the Consolidated Fund, the quantum of the compensation receivable for the exceptional Quick Win inventory write-off and severance payments and/or the review of the structured game plan. The Board considers that it has a legitimate claim and has taken the relevant action in the interest of the shareholders, and it is now awaiting a response.

The Board continues to work with management to ensure that the company can deliver on its targets and to take appropriate actions in order to mitigate the impact and protect the value of the company.

### Earnings per share

The calculation of earnings per share is based on the profit attributable to the shareholders of the company of MUR26,502,720 (March 2015: MUR17,603,851) and the number of the shares in issue of 340,000,000.

### Dividend

A final dividend of MUR40,800,000 (March 2015: MUR54,400,000) was declared during the period under review.

### Others

The abridged financial statements of the company are unaudited and have been prepared using the same accounting policies as the audited statements for the year ended 31 December 2015.

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

11 May 2016

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

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