



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Quarter ended 31 March 2018	Quarter ended 31 March 2017
	MUR	MUR
	Unaudited	Unaudited
Gross ticket sales	395,182,540	391,762,100
Prizes	(191,663,532)	(190,004,619)
Consolidated fund	<u>(93,944,374)</u>	<u>(93,131,253)</u>
Net income	<u>109,574,634</u>	<u>108,626,228</u>
Operating profit	24,873,765	24,581,378
Net finance income/(costs)	<u>261</u>	<u>(7,028)</u>
Profit before income tax	24,874,026	24,574,350
Income tax expense	<u>(4,795,074)</u>	<u>(4,288,262)</u>
Profit for the period	20,078,952	20,286,088
Other comprehensive income - net of tax	-	-
Total comprehensive income for the period	<u>20,078,952</u>	<u>20,286,088</u>
Earnings per share	<u>0.06</u>	<u>0.06</u>

STATEMENT OF FINANCIAL POSITION

	31 March 2018	31 December 2017
	MUR	MUR
	Unaudited	Audited
ASSETS		
Non-current assets	91,923,823	103,373,494
Current assets	<u>333,907,968</u>	<u>351,899,373</u>
Total assets	<u>425,831,791</u>	<u>455,272,867</u>
EQUITY AND LIABILITIES		
Capital and reserves		
Stated capital	100,000,000	100,000,000
Retained earnings	<u>23,631,091</u>	<u>71,552,139</u>
Total equity	<u>123,631,091</u>	<u>171,552,139</u>
Non-current liabilities	5,246,488	6,559,768
Current liabilities	<u>296,954,212</u>	<u>277,160,960</u>
Total liabilities	<u>302,200,700</u>	<u>283,720,728</u>
Total equity and liabilities	<u>425,831,791</u>	<u>455,272,867</u>

STATEMENT OF CASH FLOWS

	Quarter Ended 31 March 2018	Quarter Ended 31 March 2017
	MUR	MUR
	Unaudited	Unaudited
Net cash (used in)/generated from operating activities	(7,388,072)	34,033,836
Net cash used in investing activities	<u>(278,899)</u>	<u>(167,670)</u>
Net (decrease)/increase in cash and cash equivalents	(7,666,971)	33,866,166
Cash and cash equivalents at start of the period	<u>291,605,363</u>	<u>156,806,786</u>
Cash and cash equivalents at end of the period	<u>283,938,392</u>	<u>190,672,952</u>

STATEMENT OF CHANGES IN EQUITY

	Stated capital	Retained earnings	Total equity
	MUR	MUR	MUR
	Unaudited	Unaudited	Unaudited
At 1 January 2017	100,000,000	38,630,430	138,630,430
Profit for the period	-	20,286,088	20,286,088
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	20,286,088	20,286,088
Transactions with owners			
Dividends	-	(37,400,000)	(37,400,000)
At 31 March 2017	<u>100,000,000</u>	<u>21,516,518</u>	<u>121,516,518</u>
At 1 January 2018	100,000,000	71,552,139	171,552,139
Profit for the period	-	20,078,952	20,078,952
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	20,078,952	20,078,952
Transactions with owners			
Dividends	-	(68,000,000)	(68,000,000)
At 31 March 2018	<u>100,000,000</u>	<u>23,631,091</u>	<u>123,631,091</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 2018 amounted to MUR395.2m compared to the prior corresponding quarter revenue of MUR391.8m.

The profit after income tax was MUR20.1m for the quarter ended 31 March 2018 compared to a profit of MUR20.3m for the last corresponding quarter.

Business Review

As a result of the ongoing and systematic focus on cost management, innovative communications and technological development to stem the decline in sales resulting from actions taken by the Government in 2015, the business continued to perform in line with 2017 performance.

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 significant reduction in employee and administration costs. In spite of the current restrictions imposed by the GRA to withhold approval of new games and the 2015 budgetary measures, the company continues to be profitable. The fundamentals of the company's business remain strong.

Following the "Mise En Demeure" served on the GRA by the company on 21 May 2016, a Plaintiff With Summons has been filed on 13 June 2016 before The Supreme Court of Mauritius (Commercial Division), against the GRA and the Ministry of Finance and Economic Development. As stated by a communique issued by the company on 5 June 2017, the parties to the court case have agreed to submit their dispute to the Mediation Division of the Supreme Court with a view to resolving it. The process has started and is nearing completion.

Future Outlook

The company is confident that it will generate an increase in sales and subsequently shareholder value for the long term upon the successful resolution of the mediation process.

The Board continues to work with Management to ensure that the company can deliver on its targets and continue to protect and grow 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 MUR20.1m (March 2017: MUR20.3m) and the number of the shares in issue of 340,000,000.

Dividend

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

Others

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

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

By Order of the Board

Gamma Corporate Services Ltd
Company Secretary

07 May 2018

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

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