

ABRIDGED UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2024

Business Registration Number: C07009339

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	THE GROUP				
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	Quarter ended	Quarter ended	9 months ended	9 months ended	Year ended
	Sep 2024	Sep 2023	Sep 2024	Sep 2023	Dec 2023
	Rs M	Rs M	Rs M	Rs M	Rs M
Income	73.0	88.6	178.2	220.6	317.1
Government taxes & duties	(34.0)	(38.0)	(72.7)	(92.6)	(134.6)
Payment to National Solidarity Fund	(3.9)	(3.1)	(8.1)	(7.1)	(10.9)
Net Income	35.1	47.5	97.4	120.9	171.6
Other income	-	0.3	1.8	0.5	0.7
Selling expenses	(4.3)	(11.2)	(9.9)	(30.0)	(40.8)
Operating expenses	(27.6)	(27.7)	(80.9)	(79.6)	(112.8)
Impairment losses	-	-	-	-	(43.1)
Payments to Horse Racing Organiser	(6.0)	(9.4)	(8.7)	(16.2)	(23.7)
Operating (loss) / profit	(2.8)	(0.5)	(0.3)	(4.4)	(48.1)
Finance Income	-	-	-	-	1.4
Finance costs	(0.5)	(0.1)	(1.8)	(0.5)	(2.4)
(Loss) / profit before income tax	(3.3)	(0.6)	(2.1)	(4.9)	(49.1)
Income tax expense	0.5	(2.2)	0.4	(8.8)	(11.5)
(Loss) / profit for the period	(2.8)	(2.8)	(1.7)	(13.7)	(60.6)
Other comprehensive income:					
Items that will not be reclassified to profit or loss					
Changes in the fair value of equity instruments at FVOCI	-	-	-	-	0.1
Re-measurements of post-employment benefit obligations	-	-	-	-	0.3
Deferred tax charge relating to re-measurements of post-employment benefits	-	-	-	-	(0.1)
Re-measurements of post-employment benefit obligations - net of tax	-	-	-	-	0.2
Total other comprehensive loss for the period	-	-	-	-	0.3
Total comprehensive (loss) / income for the period	(2.8)	(2.8)	(1.7)	(13.7)	(60.3)
Earnings per share	Rs (0.78)	(0.79)	(2.63)	(3.88)	(17.15)
Number of shares in issue	3,535,000	3,535,000	3,535,000	3,535,000	3,535,000

SEGMENT INFORMATION

	THE GROUP			
	Unaudited	Unaudited	Unaudited	Unaudited
	Quarter ended	Quarter ended	9 months ended	9 months ended
	Sep 2024	Sep 2023	Sep 2024	Sep 2023
	Rs M	Rs M	Rs M	Rs M
Income				
Horse racing	36.4	55.3	52.9	95.8
Foreign football matches	36.6	23.4	125.2	94.4
All other segments	-	9.9	-	30.4
Total	73.0	88.6	178.1	220.6
EBITDA				
Horse racing	(0.2)	1.7	2.5	(16.5)
Foreign football matches	(0.2)	(3.5)	2.0	5.0
All other segments	-	3.7	-	14.5
Total	(0.4)	1.9	4.5	3.0
Depreciation	(2.4)	(2.4)	(8.3)	(7.4)
Finance costs	(0.5)	(0.1)	1.7	(0.5)
(Loss) / profit before income tax	(3.3)	(0.6)	(2.1)	(4.9)

	Sep 2024	Sep 2023
	Rs M	Rs M
Total assets		
Horse racing	84.5	152.6
Foreign football matches	69.2	38.1
All other segments	11.2	14.3
TOTAL	164.9	205.0
Additions to non-current assets (other than financial instruments and deferred income tax assets)		
Horse racing	0.5	3.0
Foreign football matches	0.1	0.7
All other segments	-	-
TOTAL	0.6	3.7
Total liabilities		
Horse racing	62.6	75.8
Foreign football matches	51.2	19.0
All other segments	2.1	7.8
TOTAL	115.9	102.6

CONSOLIDATED BALANCE SHEET

	THE GROUP	
	Unaudited	Audited
	Sep 2024	Dec 2023
	Rs M	Rs M
ASSETS		
Non current assets	76.8	78.8
Current assets	88.2	95.3
Total assets	165.0	174.1
EQUITY AND LIABILITIES		
Owners' interests	49.1	50.7
Total equity	49.1	50.7
Non current liabilities	14.3	15.3
Current liabilities	101.6	108.1
Total liabilities	115.9	123.4
Total equity and liabilities	165.0	174.1

CONSOLIDATED STATEMENT OF CASH FLOWS

	THE GROUP	
	Unaudited	Unaudited
	9 months ended	9 months ended
	Sep 2024	Sep 2023
	Rs M	Rs M
Net cash (used in) / from operating activities	3.2	(9.6)
Net cash used in investing activities	1.2	(16.9)
Net cash used in financing activities	(7.1)	(23.6)
Net (decrease) / increase in cash and cash equivalents	(2.7)	(50.1)
Cash and cash equivalents at the beginning of period	(10.2)	45.4
Cash and cash equivalents at the end of period	(12.9)	(4.7)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

THE GROUP	Attributable to owners of the parent					
	Share Capital	Share Premium	Post-employment Benefits Reserve	Fair value Reserve	Retained Earnings	Total Equity
	Rs M	Rs M	Rs M	Rs M	Rs M	Rs M
Balance as at 01 January 2023	24.7	1.2	(2.3)	(7.0)	99.5	116.1
Profit for the period	-	-	-	-	(13.7)	(13.7)
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	(13.7)	(13.7)
Transaction with owners						
Dividends	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-
Balance as at 30 September 2023	24.7	1.2	(2.3)	(7.0)	85.8	102.4
Balance as at 01 January 2024	24.7	1.2	(2.0)	(7.0)	33.9	50.8
Loss for the period	-	-	-	-	(1.7)	(1.7)
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	(1.7)	(1.7)
Transaction with owners						
Dividends	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-
Balance as at 30 September 2024	24.7	1.2	(2.0)	(7.0)	32.2	49.1

COMMENTS ON RESULTS

ACCOUNTING STANDARDS

The abridged condensed financial statements for the quarter and nine months ended 30 September 2024 are unaudited and have been prepared using the same accounting policies as those adopted in the financial statements for the year ended 31 December 2023.

QUARTERLY RESULTS

Group's Income (bets struck net of winnings) for the third quarter ending 30 September 2024 decreased by 176%, from Rs 88.6M in 2023 to Rs 73.0M:

- Net income on Horse Racing decreased by 34.2% to Rs 36.4M due to a significant drop in turnover.
- Football income increased by 56.4% to Rs 36.6M. This was attributed to a significant decrease in payouts to winners.
- No revenues were derived from Megawin as no agreements have been concluded in Africa so far this year.
- Group losses for the period were on par with the previous year at Rs 2.8M.

NINE MONTHS RESULTS

The Group's income for the nine months ending 30 September 2024 reached Rs 178.2M compared to Rs 220.6M for last year's corresponding period:

- Income from horse racing dropped by 44.8% to reach Rs 52.9M due to a sharp drop in average turnover per race meeting, from Rs 13.0M in 2023 to Rs 7.8M in 2024.
- Football turnover has slightly decreased by 7.6% to reach Rs 396.5M compared to Rs 429.3M in 2023. However, football income increased by 32.6% standing at Rs 125.2M compared to Rs 94.4M in 2023. This is directly related to a significant decrease in payment to winners representing 78.0% of the turnover net of betting tax compared to 89.7% in 2023.

Losses of Rs 1.7M were realised for the reporting quarter as opposed to losses of Rs 13.7M for the quarter to 30 September 2023.

PROSPECTS

The directors remain very concerned by the significant drop in income from horse racing, a major component of the Company's activities. The horse racing season stopped in October and the increased uncertainty concerning the industry allows little visibility about its future. On the other hand, football income has significantly increased this year, helping to contain group losses to a minimum. The Company's last quarter's results remain unpredictable as they will solely depend on the income generated by the football betting segment.

By order of the Board

Box Office Ltd

Company Secretary

This 14 November 2024

The above abridged unaudited financial statements are issued pursuant to Listing Rule 12.20 and the Securities Act 2005.

The statement of direct and indirect interests of insiders of the Company required under Rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available upon request from the Secretary.

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

Copies of the abridged unaudited financial statements of the Company are available free of charge at the registered office of the Company c/o Box Office Ltd, 2nd floor, Palm Square, 90906 La Mivoie, Tamarin, Mauritius.