

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Quarter Ended 30-Sep-22 MUR Unaudited	Quarter Ended 30-Sep-21 MUR Unaudited	9 months ended 30-Sep-22 MUR Unaudited	9 months ended 30-Sep-21 MUR Unaudited
Revenue	434,426,343	255,362,948	1,064,544,887	745,805,443
Operating profit	66,258,637	21,946,747	139,829,335	56,622,176
Finance income	261,346	157,618	472,450	258,666
Finance costs	(1,240,702)	(601,846)	(3,402,567)	(1,651,971)
Net finance costs	(979,356)	(444,228)	(2,930,117)	(1,393,305)
Profit before income tax	65,279,281	21,502,519	136,899,218	55,228,871
Income tax expense	(12,662,061)	(3,273,834)	(25,518,881)	(9,342,147)
Profit for the period	52,617,220	18,228,685	111,380,337	45,886,724
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	52,617,220	18,228,685	111,380,337	45,886,724
Number of shares in issue	340,000,000	340,000,000	340,000,000	340,000,000
Basic and diluted earnings per share	0.15	0.05	0.33	0.13

STATEMENT OF FINANCIAL POSITION

	30-Sep-22 MUR Unaudited	31-Dec-21 MUR Audited
ASSETS		
Non-current assets	271,523,026	267,364,424
Current assets	404,954,441	297,596,549
Total assets	676,477,467	564,960,973
EQUITY AND LIABILITIES		
Equity and reserves		
Stated capital	100,000,000	100,000,000
Retained earnings	50,058,141	64,477,804
Total equity	150,058,141	164,477,804
Non-current liabilities	109,670,534	111,296,747
Current liabilities	416,748,792	289,186,422
Total liabilities	526,419,326	400,483,169
Total equity and liabilities	676,477,467	564,960,973

STATEMENT OF CHANGES IN EQUITY

	Stated capital MUR Unaudited	Retained earnings MUR Unaudited	Total equity MUR Unaudited
At 01 January 2021	100,000,000	42,765,349	142,765,349
Profit for the period	-	45,886,724	45,886,724
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	45,886,724	45,886,724
Transactions with owners			
Dividends	-	(57,800,000)	(57,800,000)
At 30 September 2021	100,000,000	30,852,073	130,852,073
At 01 January 2022	100,000,000	64,477,804	164,477,804
Profit for the period	-	111,380,337	111,380,337
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	111,380,337	111,380,337
Transactions with owners			
Dividends	-	(125,800,000)	(125,800,000)
At 30 September 2022	100,000,000	50,058,141	150,058,141

CONSOLIDATED STATEMENTS OF CASH FLOWS

	9 months ended 30-Sep-22 MUR Unaudited	9 months ended 30-Sep-21 MUR Unaudited
Net cash generated from operating activities	253,286,233	1,052,718
Net cash used in investing activities	(23,541,702)	(102,757,263)
Net cash (used in)/generated from financing activities	(138,597,193)	23,366,167
Net increase/ (decrease) in cash and cash equivalents	91,147,338	(78,338,378)
Cash and cash equivalents at the beginning of period	254,770,621	289,052,374
Cash and cash equivalents at the end of period	345,917,959	210,713,996

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 nine months ended 30 September 2022 amounted to MUR1064.5m compared to prior corresponding period of MUR745.8m. The 43% increase in revenue for the nine months ended 30 September 2022 was mainly attributable to two high jackpot rollovers of MUR62m and MUR90m respectively and a full semester of lottery operations whereas the business was impacted in the nine months ended 30 September 2021 by Covid-19 related confinement with 13 missed draws.

Profit after tax for the nine months ended 30 September 2022 increased by 143% to MUR111.4m (September 2021: MUR45.9m) driven by improved lottery ticket sales.

Outlook

Rising inflation and interest rates are impacting the business with reduced players' disposable income, increased cost of goods and services and debt servicing costs. The Company will continue to explore and implement measures which would mitigate any downside financial risks. The Board and Management will continue to monitor the evolving uncertain market conditions.

On 12 July 2018 the Company submitted an application to the Gambling Regulatory Authority (GRA) for authorisation to implement its cashless solution in the context of modernizing its games and adopting the highest standards of compliance with anti-money laundering regulations. In February 2019 the GRA issued an industry-wide invitation to gaming and gambling operators to adopt cashless solutions. The authorisation from the GRA for the Company's cashless solution is taking longer than expected. The Company is still awaiting a positive response from the GRA.

On 3 September 2021 the Company made an application for authorisation to conduct business using remote communication as defined in the GRA Act, in accordance with the Finance Act 2021. The Company is awaiting a positive response from the GRA.

The Board is of the view that a positive response from the GRA will enhance the Company's operational resilience, will catalyse the development of new products and will strengthen risk management for all stakeholders mainly in the context of regulations relating to anti-money laundering and combatting the financing of terrorism.

Earnings per share

The calculation of earnings per share is based on the profit attributable to the shareholders of the Company MUR111.4m (September 2021: MUR45.9m) and the number of shares in issue of 340,000,000 (September 2021: 340,000,000).

Earnings per share for the nine months ended 30 September 2022 increased by 154% to 33 cents (September 2021: 13 cents).

Dividend

A final dividend of MUR74.8m (2021: MUR57.8m) was declared on 28 March 2022 and paid by 30 June 2022 in respect of the financial year ended 31 December 2021.

An interim dividend of MUR51.0m (2021: Nil) was declared on 26 July 2022 and paid by 30 August 2022 in respect of the financial year ended 31 December 2022.

Others

The abridged consolidated financial statements for the quarter and nine months ended 30 September 2022 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 2021, except for relevant amendments to published standards issued and which are effective as from 1 January 2022. 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
27-Oct-22

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.

BRN: C08079313