

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | Year Ended 31 December 2020 MUR Audited | Year Ended 31 December 2019 MUR Audited |
|--|---|---|
| Revenue | 962,336,650 | 1,357,226,033 |
| Operating profit | 79,094,405 | 185,715,346 |
| Finance income | 1,507,386 | 3,102,654 |
| Finance costs | (1,836,460) | (1,331,211) |
| Net finance (costs)/income | (329,074) | 1,771,443 |
| Profit before income tax | 78,765,331 | 187,486,789 |
| Income tax expense | (17,698,488) | (31,826,960) |
| Profit for the year | 61,066,843 | 155,659,829 |
| Other comprehensive income: Items that will not be reclassified to profit or loss | | |
| Remeasurement of post-employment benefit obligations | (1,404,000) | (1,193,000) |
| Deferred tax on remeasurement of post-employment benefit obligations | 240,210 | 202,810 |
| Other comprehensive income for the year | (1,163,790) | (990,190) |
| Total comprehensive income for the year | 59,903,053 | 154,669,639 |
| Number of shares in issue | 340,000,000 | 340,000,000 |
| Dividend per share | 0.32 | 0.42 |
| Basic and diluted earnings per share | 0.18 | 0.46 |

STATEMENT OF FINANCIAL POSITION

| | 31 December 2020 MUR Audited | 31 December 2019 MUR Audited |
|-------------------------------------|---------------------------------------|---------------------------------------|
| ASSETS | | |
| Non-current assets | 190,514,548 | 139,112,741 |
| Current assets | 325,963,016 | 385,433,831 |
| Total assets | 516,477,564 | 524,546,572 |
| EQUITY AND LIABILITIES | | |
| Equity and reserves | | |
| Stated capital | 100,000,000 | 100,000,000 |
| Retained earnings | 42,765,349 | 91,662,296 |
| Total equity | 142,765,349 | 191,662,296 |
| Non-current liabilities | 30,353,137 | 18,205,499 |
| Current liabilities | 343,359,078 | 314,678,777 |
| Total liabilities | 373,712,215 | 332,884,276 |
| Total equity and liabilities | 516,477,564 | 524,546,572 |

STATEMENT OF CHANGES IN EQUITY

| | Stated capital MUR Audited | Retainings MUR Audited | Total equity MUR Audited |
|--|----------------------------------|------------------------------|--------------------------------|
| At 01 January 2019 | 100,000,000 | 79,792,657 | 179,792,657 |
| Profit for the year | - | 155,659,829 | 155,659,829 |
| Other comprehensive income for the year | - | (990,190) | (990,190) |
| Total comprehensive income for the year | - | 154,669,639 | 154,669,639 |
| Transactions with owners | | | |
| Dividends | - | (142,800,000) | (142,800,000) |
| At 31 December 2019 | 100,000,000 | 91,662,296 | 191,662,296 |
| At 01 January 2020 | 100,000,000 | 91,662,296 | 191,662,296 |
| Profit for the year | - | 61,066,843 | 61,066,843 |
| Other comprehensive income for the year | - | (1,163,790) | (1,163,790) |
| Total comprehensive income for the year | - | 59,903,053 | 59,903,053 |
| Transactions with owners | | | |
| Dividends | - | (108,800,000) | (108,800,000) |
| At 31 December 2020 | 100,000,000 | 42,765,349 | 142,765,349 |

STATEMENT OF CASH FLOWS

| | Year Ended 31 December 2020 MUR Audited | Year Ended 31 December 2019 MUR Audited |
|--|--|--|
| Net cash generated from operating activities | 194,277,267 | 193,948,291 |
| Net cash used in investing activities | (54,647,833) | (128,954,403) |
| Net cash used in financing activities | (116,289,006) | (147,602,808) |
| Net increase/(decrease) in cash and cash equivalents | 23,340,428 | (82,608,920) |
| Net foreign exchange difference | 111,872 | 2,192,212 |
| Cash and cash equivalents at 01 January | 265,600,074 | 346,016,782 |
| Cash and cash equivalents at 31 December | 289,052,374 | 265,600,074 |

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

The drop in revenue and operating profit is largely attributable to lockdown, restrictions associated with the Covid-19 pandemic and as well as the drop in lottery ticket sales in the periods following the end of the confinement. Revenue for the year ended 31 December 2020 amounted to MUR962.3m compared to prior corresponding year of MUR1,357.2m. Profit after tax was MUR61.1m for the year ended 31 December 2020 compared to MUR155.7m for the prior corresponding year. Lottotech Ltd mitigated the impact on the business by reducing operating costs, expenses and cash outlays.

The Company was ready to resume and rebuild its business on 6 June 2020 which marked the end of the confinement period. The Company launched a new Loterie Vert game on 30 October 2020 which was part of the 2018 mediation agreement between the Ministry of Finance and the Gambling Regulatory Authority.

Outlook

Covid-19 pandemic continues to pose a threat in Mauritius. On 9 March 2021, the Government of Mauritius announced a national confinement for 16 days to protect the health and safety of its citizens. The current vaccination campaign is encouraging to ensure borders opening and economic recovery. The domestic and international business environment remains uncertain and challenging. Lottotech Ltd will continue to adopt all necessary measures to mitigate the downside risks caused by the pandemic and also ensure the safety of its employees, customers and partners. 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.

In the Agreement reached between the Company, the Gambling Regulatory Authority (GRA) and the Ministry of Finance on 13 June 2018 before the Mediation Division of the Supreme Court, the parties agreed that the Company shall operate a modernised Loterie Vert with the objective of ensuring complete transparency, integrity and accountability through the Company's technology, communications network and distribution networks. The Company launched phase one of its modernised strategy on 30 October 2020 and it intends to complete phase two throughout 2021 which will diversify its distribution strategy.

The Company has also made a formal application on 12 July 2018 with the GRA for authorization to implement its cashless solution for its other products, in the context of regulations relating to anti-money laundering and combating the financing of terrorism. The Company is looking forward to a positive response.

The Company remains focused on its sustainable development goals, values of responsibility, trustworthiness and teamwork and community involvement.

Earnings per share

The calculation of earnings per share is based on the profit attributable to the shareholders of the Company MUR61.1m (December 2019: MUR155.7m) and the number of the shares in issue of 340,000,000 (December 2019: 340,000,000).

Dividend

A final dividend of MUR108.8m was declared on 18 March 2020 and payable by latest 30 September 2020 in respect of the financial year ended 31 December 2019.

Others

The abridged audited consolidated financial statements for the year ended 31 December 2019 have been extracted from the annual financial statements of the Group, which have been prepared in accordance with the Companies Act 2001 and the Financial Reporting Act 2004 and comply with International Financial Reporting Standards ("IFRS"), taking into consideration all revised International Accounting Standards and new IFRS effective for accounting periods beginning on 01 January 2020. The independent auditor's report to financial statements is unqualified.

Copies of the above abridged audited 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

25 March 2021

These abridged audited consolidated financial statements are issued pursuant to Listing Rule 12.14.

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