

# ABRIDGED UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER AND SIX MONTHS ENDED 30 JUNE 2023

Business Registration Number: C07009339

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	THE GROUP				
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	Quarter ended	Quarter ended	6 months ended	6 months ended	Year ended
	Jun 2023	Jun 2022	Jun 2023	Jun 2022	Dec 2022
	Rs M				
Income	84.6	75.7	132.0	112.1	420.0
Government taxes & duties	(32.7)	(25.4)	(54.6)	(40.9)	(160.5)
Payment to National Solidarity Fund	(2.9)	(1.7)	(4.0)	(2.6)	(14.4)
<b>Net income</b>	<b>49.0</b>	<b>48.6</b>	<b>73.4</b>	<b>68.6</b>	<b>245.1</b>
Other income	0.2	0.2	0.2	0.2	1.1
Selling expenses	(10.3)	(10.3)	(18.8)	(18.4)	(44.0)
Operating expenses	(26.6)	(25.4)	(51.9)	(50.9)	(118.3)
Payments to Horse Racing Organiser	(6.3)	(4.3)	(6.8)	(4.4)	(40.6)
<b>Operating (loss) / profit</b>	<b>6.0</b>	<b>8.8</b>	<b>(3.9)</b>	<b>(4.9)</b>	<b>43.3</b>
Finance costs	(0.2)	(0.1)	(0.4)	(0.3)	(0.5)
<b>(Loss) / profit before income tax</b>	<b>5.8</b>	<b>8.7</b>	<b>(4.3)</b>	<b>(5.2)</b>	<b>42.8</b>
Income tax expense	(1.5)	(0.2)	(6.6)	(0.3)	(14.6)
<b>(Loss) / profit for the period</b>	<b>4.3</b>	<b>8.5</b>	<b>(10.9)</b>	<b>(5.5)</b>	<b>28.2</b>
<b>Other comprehensive income:</b>					
<b>Items that will not be reclassified to profit or loss</b>	-	-	-	-	-
Changes in the fair value of equity instruments at FVOCI	-	-	-	-	0.1
Re-measurements of post-employment benefit obligations	-	-	-	-	(3.5)
Deferred tax charge relating to re-measurements of post-employment benefits	-	-	-	-	0.6
Re-measurements of post-employment benefit obligations - net of tax	-	-	-	-	(2.9)
Total other comprehensive loss for the period	-	-	-	-	(2.8)
<b>Total comprehensive (loss) / income for the period</b>	<b>4.3</b>	<b>8.5</b>	<b>(10.9)</b>	<b>(5.5)</b>	<b>25.4</b>
<b>Total comprehensive (loss) / income attributable to:</b>					
Owners of the company	4.3	8.5	(10.9)	(5.5)	28.2
Non-controlling interests	-	-	-	-	-
	4.3	8.5	(10.9)	(5.5)	28.2
<b>Total comprehensive (loss) / income attributable to:</b>					
Owners of the company	4.3	8.5	(10.9)	(5.5)	25.4
Non-controlling interests	-	-	-	-	-
	4.3	8.5	(10.9)	(5.5)	25.4
<b>Earnings per share</b>	<b>Rs 1.21</b>	<b>2.41</b>	<b>(3.09)</b>	<b>(1.55)</b>	<b>7.97</b>
<b>Number of shares in issue</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>3,535,000</b>

## SEGMENT INFORMATION

	THE GROUP			
	Unaudited	Unaudited	Unaudited	Unaudited
	Quarter ended	Quarter ended	6 months ended	6 months ended
	Jun 2023	Jun 2022	Jun 2023	Jun 2022
	Rs M	Rs M	Rs M	Rs M
<b>Income</b>				
Horse racing	37.4	23.9	40.5	23.9
Foreign football matches	37.3	40.3	71.0	67.4
All other segments	9.9	11.5	20.5	20.8
<b>Total</b>	<b>84.6</b>	<b>75.7</b>	<b>132.0</b>	<b>112.1</b>
<b>EBITDA</b>				
Horse racing	(4.3)	(6.4)	(18.2)	(21.4)
Foreign football matches	7.9	13.3	8.5	14.1
All other segments	4.9	5.6	10.8	9.8
<b>Total</b>	<b>8.5</b>	<b>12.5</b>	<b>1.1</b>	<b>2.5</b>
Depreciation	(2.5)	(3.7)	(5.0)	(7.4)
Finance costs	(0.2)	(0.1)	(0.4)	(0.3)
<b>(Loss) / profit before income tax</b>	<b>5.8</b>	<b>8.7</b>	<b>(4.3)</b>	<b>(5.2)</b>
			<b>Jun 2023</b>	<b>Jun 2022</b>
			Rs M	Rs M
<b>Total assets</b>				
Horse racing			148.3	131.4
Foreign football matches			37.1	32.9
All other segments			12.4	20.9
<b>TOTAL</b>			<b>197.8</b>	<b>185.2</b>
<b>Additions to non-current assets (other than financial instruments and deferred income tax assets)</b>				
Horse racing			13.8	1.7
Foreign football matches			3.4	0.4
All other segments			-	-
<b>TOTAL</b>			<b>17.2</b>	<b>2.1</b>
<b>Total liabilities</b>				
Horse racing			71.8	60.6
Foreign football matches			17.9	15.2
All other segments			2.9	3.2
<b>TOTAL</b>			<b>92.6</b>	<b>79.0</b>

## CONSOLIDATED BALANCE SHEET

	THE GROUP	
	Unaudited	Audited
	Jun 2023	Dec 2022
	Rs M	Rs M
<b>ASSETS</b>		
Non current assets	126.8	106.9
Current assets	71.0	113.0
<b>Total assets</b>	<b>197.8</b>	<b>219.9</b>
<b>EQUITY AND LIABILITIES</b>		
Owners' interests	105.2	116.1
<b>Total equity</b>	<b>105.2</b>	<b>116.1</b>
Non current liabilities	15.9	11.2
Current liabilities	76.7	92.6
<b>Total liabilities</b>	<b>92.6</b>	<b>103.8</b>
<b>Total equity and liabilities</b>	<b>197.8</b>	<b>219.9</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

	THE GROUP	
	Unaudited	Unaudited
	6 months ended	6 months ended
	Jun 2023	Jun 2022
	Rs M	Rs M
<b>Net cash (used in) / from operating activities</b>	(5.8)	5.0
<b>Net cash used in investing activities</b>	(17.2)	(2.1)
<b>Net cash used in financing activities</b>	(22.8)	(23.2)
<b>Net decrease in cash and cash equivalents</b>	<b>(45.8)</b>	<b>(20.3)</b>
Cash and cash equivalents at the beginning of year	45.4	35.1
<b>Cash and cash equivalents at the end of period</b>	<b>(0.4)</b>	<b>14.8</b>

## 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	Non-controlling Interests	Total Equity
	Rs M	Rs M	Rs M	Rs M	Rs M	Rs M	Rs M	Rs M
<b>Balance as at 01 January 2022</b>	24.7	1.2	0.6	(7.1)	92.3	111.7	-	111.7
Loss for the period	-	-	-	-	(5.5)	(5.5)	-	(5.5)
Other comprehensive income for the period	-	-	-	-	-	-	-	-
<b>Total comprehensive loss for the period</b>	-	-	-	-	(5.5)	(5.5)	-	(5.5)
<b>Transaction with owners</b>								
Dividends	-	-	-	-	-	-	-	-
<b>Total transactions with owners</b>	-	-	-	-	-	-	-	-
<b>Balance as at 30 June 2022</b>	24.7	1.2	0.6	(7.1)	86.8	106.2	-	106.2
<b>Balance as at 01 January 2023</b>	24.7	1.2	(2.3)	(7.0)	99.5	116.1	-	116.1
Loss for the period	-	-	-	-	(10.9)	(10.9)	-	(10.9)
Other comprehensive income for the period	-	-	-	-	-	-	-	-
<b>Total comprehensive loss for the period</b>	-	-	-	-	(10.9)	(10.9)	-	(10.9)
<b>Transaction with owners</b>								
Dividends	-	-	-	-	-	-	-	-
<b>Total transactions with owners</b>	-	-	-	-	-	-	-	-
<b>Balance as at 30 June 2023</b>	24.7	1.2	(2.3)	(7.0)	88.6	105.2	-	105.2

## COMMENTS ON RESULTS

### ACCOUNTING STANDARDS

The abridged condensed financial statements for the quarter and six months ended 30 June 2023 are unaudited and have been prepared using the same accounting policies as those adopted in the financial statements for the year ended 31 December 2022.

### RESULTS

#### The Company

For the second quarter, football income decreased from Rs 40.3 million for the period to 30 June 2022 to Rs 37.3 million for the period to 30 June 2023 as payment to winners represented 88.2% of turnover in 2023 compared to 83.6% in 2022.

Total income for the quarter at 30 June 2023 increased to reach Rs 37.4 million compared to Rs 23.9 million at 30 June 2022. Eleven race meetings were organized in 2023 compared to five in 2022. Income derived from Megawin Ltd for the quarter was Rs 9.9 million in 2023 compared to Rs 11.5 million in 2022.

#### The Group

The Group's income for the second quarter increased slightly from Rs 75.7 million in 2022 to Rs 84.6 million in 2023, attributable to the greater number of race meetings held during the period. The Group's operating profit for the quarter ended 30 June 2023 was Rs 6.0 million compared to Rs 8.8 million for the corresponding 2022 quarter.

For the six months, the Group's income reached Rs 132.0 million compared to Rs 112.1 million for the same period last year and operating losses Rs 3.9 million compared to a loss of Rs 4.9 million at 30 June 2022.

### PROSPECTS

Football betting turnover is expected to maintain the growth shown during the first two quarters. Income, however, depends on the percentage paid back to winners. On the actual trend, income should be on par with the previous year.

The Directors note with concern a significant decrease in the Totalisator turnover since 2021. The average turnover per meeting compared to 2022 has dropped by 32.8%. This material drop in Totalisator revenue will have an impact on the Company's performance for this financial year. The Board is concerned about the company's profitability in light of the current trends.

By order of the Board  
**Box Office Ltd**

This 11 August 2023

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, 2<sup>nd</sup> floor, Palm Square, 90906 La Mivoie, Tamarin, Mauritius.