

## **AGTech Makes Breakthrough in Official China Poker Market**

(18 January 2017, Hong Kong): - **AGTech Holdings Limited** (together with its subsidiaries “AGTech”) is pleased to announce that AGTech was recently awarded an exclusive 5-year priority operation right in China by the Chess and Poker Games Administrative Centre under the General Administration of Sport of China (the “Chess and Poker Centre”) for all competitive play of the Chinese card game Guan Dan through an open tender. Furthermore, AGTech has recently become one of the strategic partners and organisers of the China Competition Two-on-One Poker Championship.

Hosted by the Chess and Poker Centre, the China Competition Two-on-One Poker Championship is the most authoritative state-level Two-on-One event in China. Players who participate in relevant poker competitions will be awarded, among other things, national-level ratings, technical registration titles and bonuses.

The launch of AGTech’s poker business under governmental authorization marks AGTech’s official entry into the mind sports field of the China sports industry and is the reward for many years of work and investment in the development of its mind sports business. Regulated competition poker is entirely complementary to AGTech’s regulated lottery activities and is expected to contribute to the growth of AGTech’s revenue through the provision of an enriched range of entertainment products to its customers in China.

### **About Poker in China**

Poker is a popular game among Chinese people with a large base of enthusiasts in China and worldwide. The two popular poker games, Guan Dan and Two-on-One, are gradually being recognised as mind sports events. Another well-known card game, contract bridge, together with Go, Chinese chess, chess and checkers are amongst five sporting events already governed by the International Mind Sports Association (a SportAccord member).

As a classic variation of board and card games, poker has a stable and large player base, and it has always played an active role in the games market in China. In 2016, according to DataEye’s industry report, the playing population of board and card games in China grew by 5.9% year-on-year to reach 258 million, or approximately one in five Chinese adults. Data from CNG 中新遊戲研究 indicates that the market size of board and card games was approximately RMB5.86 billion in 2016, increasing by approximately RMB1.91 billion from 2015. The market has entered a stage of rapid growth, with board and card games of mobile portals becoming the future driving force for the entire market.

“Guan Dan” is a popular poker game in Jiangsu and Anhui provinces, tracing its origins back to a local poker game. The game is highly entertaining and exhilarating. The common phrase “a meal is tasteless without playing a round of Guan Dan first” gives an indication of its popularity.

“Two-on-One” is based on a poker game called “Fight the Landlord”, which originated in the areas of Hanyang District of Wuhan in Hubei Province. It has now gained nationwide popularity and is played extensively online. Fight the Landlord, Texas Hold'em poker and Baccarat are now the three most popular poker games in the world.

**Background information on AGTech**

AGTech was incorporated in Bermuda and its shares are listed on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (Stock Code: 8279). AGTech is an integrated lottery technology and services company in the China lottery market and is the exclusive platform of Alibaba Group and Ant Financial Group for lottery. AGTech is an associate member of each of the World Lottery Association (WLA) and the Asia Pacific Lottery Association (APLA).

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