



## **AGTech Announces First Quarterly Results Ended 31 March 2021**

**(Hong Kong, 11 May 2021)** – **AGTech Holdings Limited** (“AGTech” or the “Group”, HKEX stock code:08279), a leading integrated lottery, games and entertainment technology company in China, today announced its first quarterly results for the three months ended 31 March 2021.

According to Ministry of Finance of the PRC figures, during the Three-Month Period, PRC lottery sales amounted to approximately RMB84.5 billion, representing an increase of approximately 124% over the corresponding period in 2020. Of this, Welfare Lottery amounted to approximately RMB33.9 billion, representing an increase of approximately 88% compared to the corresponding period in 2020. Sports Lottery achieved sales of approximately RMB50.5 billion, representing an increase of approximately 157% compared to the corresponding period in 2020.

AGTech’s Hardware division primarily supplies terminals to the Sports Lottery and the Welfare Lottery and has hardware deployed in multiple provinces, cities, municipalities and autonomous regions across China. During the Three-Month Period, the Group won two lottery hardware tenders to supply lottery terminals to the SLACs in Guangxi Zhuang Autonomous Region and Fujian provinces of the PRC. These successful tenders further strengthened the Group’s top-tier position in China’s lottery hardware market and demonstrated the continued competitiveness of the Group’s lottery terminals.

Our continuing efforts to partner with additional provincial lottery authorities of China in areas such as technology and business innovation, channel expansion and distribution, smart hardware terminals, data services, and other value added ancillary services are all part of our lottery initiatives. Transformation towards digitalization will continue, as our lottery solutions will enhance synergy and create value to the lottery industry chain.

Paytm First Games, a joint venture of the Group with One97 Communications Limited, continued to develop its mobile games and entertainment platform in India. Paytm First Games offers players a unique online experience with popular games content such as rummy and fantasy sports games. While the COVID-19 pandemic affected operations of many industries on a global basis, the online gaming industry in India witnessed a significant growth this past year as more players staying home. Indeed, Paytm First Games has emerged as one of the country’s go-to gaming destinations, with its registered users grown to over 80 million in 2020. With an outlook in grooming the platform to become one of the major market players, the Group is fully committed to the development of Paytm First Games and will continue to dedicate additional resources and funding to this joint venture in order to further its future expansion.

With regard to our investment in Ant Bank (Macao) Limited, the Bank is a joint venture company held as to 66.7% by two indirectly wholly-owned subsidiaries of Ant Holdco and as to 33.3% by a 30% indirectly owned associated company of the Company. The Bank officially commenced operations in April 2019, with a business scope of providing mobile payment services and financial banking services such as deposit, loan and remittance services to residents and small and medium-sized enterprises of Macau. The Group will continue to dedicate our commitment and support to grow the business and further capitalize on opportunities in Macau and overseas.

### **FINANCIAL HIGHLIGHTS**

- Revenue of the Group for the Three-Month Period amounted to approximately HK\$20.7 million, representing an increase of approximately 51.3% over the corresponding period in 2020. Revenue contributions were mainly derived from lottery hardware, lottery games and systems, provision of distribution and ancillary services in the PRC, and games and entertainment business in India.
- The increase in revenue for the Three-Month Period was caused by the increase in sales of lottery hardware of approximately HK\$4.2 million, increase of approximately HK\$5.8 million in revenue from the provision of lottery distribution and ancillary services and increase in revenue from games and entertainment business of approximately HK\$3.0 million, partially offset by the decrease of approximately HK\$5.9 million from the lottery games and systems.
- Such increases in revenue from lottery hardware and provision of lottery distribution and ancillary services were mainly due to the gradual rebound of the Group's lottery business from the impact of the COVID-19 pandemic (which primarily hit the PRC lottery sales during the first quarter of 2020) since the second half of 2020 through the Three-Month Period. In particular, the increase in revenue from the provision of lottery distribution services was due to the increase in overall lottery sales volume.
- The increase in revenue from games and entertainment business was caused by an increase in content provision revenue from the Paytm First Games platform in India.
- The decrease in revenue from lottery games and system was due to the cessation of the sales of two virtual sports lottery games supplied by the Group, namely, “e-Ball Lottery” and “Lucky Racing”, from 1 November 2020 and 9 February 2021 respectively.
- Operating loss for the Three-Month Period was approximately HK\$43.9 million, representing a decrease of approximately 39.1% over the corresponding period in 2020.

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### **About AGTech Holdings Limited**

AGTech was incorporated in Bermuda and its shares are listed on the GEM (Stock Code: 08279). AGTech is an integrated technology and services company engaged in the lottery and mobile games and entertainment market with a focus on China and selected international markets. As a member of the Alibaba Group, AGTech is the exclusive lottery platform of Alibaba Group and Ant Group.

AGTech's businesses are broadly divided into two categories:

- Lottery (including hardware, games and systems, provision of distribution and ancillary services); and
- Games and Entertainment.

AGTech is a Gold Contributor of the World Lottery Association (WLA), an associate member of the Asia Pacific Lottery Association (APLA), and an official partner of the International Mind Sports Association (IMSA).

For more information, please visit [www.agtech.com](http://www.agtech.com)