



## AGTech Announces Interim Results Ended June 30, 2023

(Hong Kong, August 8, 2023) – AGTech Holdings Limited (“AGTech” or the “Group”, HKEX stock code: 8279) today announced its interim results for the six months ended June 30, 2023.

### FINANCIAL HIGHLIGHTS

- Revenue of the Group for the Six-Month Period amounted to approximately HK\$294 million, representing an increase of approximately 120.9% over the corresponding period in 2022. For the Six-Month Period, revenue contributions were mainly derived from lottery and related business of approximately HK\$92.3 million and provision of electronic payment services in Macau of approximately HK\$202.1 million .
- The profit for the Six-Month Period was approximately HK\$22.9 million (Six months ended June 30, 2022: loss of approximately HK\$84.9 million). The change from operating loss to profit was mainly due to: (1) the increase in revenue and operating profit from the Group's lottery and related businesses and the provision of electronic payment services in Macau; (2) the increase in net finance income.

### BUSINESS REVIEW

#### **Electronic Payment and Related Business**

An indirect wholly-owned subsidiary of the Group, Macau Pass, is a leading payment service provider in Macau and an “other credit institution” licensed under Autoridade Monetaria de Macau. It is principally engaged in contactless payment card and ancillary services, e-wallet services and acquiring services. As the most common contactless smart card for payments in Macau, there are currently more than 4.5 million cumulative Macau Pass Cards in issuance.

According to the “Macao Economic Bulletin (1st Quarter/2023)” of the Statistics and Census Service of the government of Macau, the Macau economy recorded a year-on-year real growth of 38.8% in the first quarter of 2023, mainly benefited from favorable factors such as the relaxation of entry quarantine measures, the full resumption of personnel exchanges between Hong Kong and Macau, and the resumption of Mainland China’s group tours to Macau. In the first quarter, the export of tourism services increased, with the increase of inbound tourists (up by 163.7%) and total consumption of tourists (up by 127.1%) driving the overall export of services up by 71.5% year-on-year in real terms, the export of other tourism services up by 72.9%, and the import of services up by 24.0%.

Macau Pass has also provided acquiring services through Alipay+ partners’ e-wallets such as GCash, Touch ‘n Go eWallet and TrueMoney, which was officially approved in May 2023. Through the cooperation with Alipay+, the innovative one-stop payment solution will accelerate the digital transformation of local merchants in Macau, create a connected international digital payment ecosystem for Macau, solve the problem of cross-border payment for international tourists, and help small and medium-sized enterprises (“SMEs”) find new marketing growth opportunities.

#### **Lottery and Related Business**

The Group is one of the leading suppliers in China of lottery terminals. During the Six-Month Period, the Group won multiple lottery hardware tenders to supply lottery terminals to the Sports Lottery Administration Centres in Anhui Province, Chongqing Municipality, Hubei Province, Hunan Province, Sichuan Province, Guizhou Province, Hainan Province and Zhejiang Province of the PRC. The Group will continue to pursue tenders to supply to the lottery and other hardware markets.

During the Six-Month Period, the Group generated revenue from the distribution of lottery through retail sales outlets, representing an increase of approximately 71% over the corresponding period in 2022. Such increase was mainly attributable to the increase in average lottery sales volume per sales outlet and the Group's continuous efforts in expanding its network of collaborating retail sales outlets for lottery distribution with an increase of approximately 20% in the number of such outlets over the corresponding period in 2022.

### **Lifestyle, Games and Entertainment, Marketing Technical Services and E-Commerce**

Macau's digital adaption in the consumer sector, especially in the e-commerce space, has seen significant and continued growth in recent years. With the emergence of innovative marketing channels and platforms, digital technology and products are expected to further integrate with the life of consumers. On the entertainment front, as tourism resumed in Macau post-COVID 19, concert activities had seen burgeoning growth in the city.

The Group has been active in building its online presence and customer-base through various online channels. The Group provides ticket sales and promotional support for live performances, concerts, cinemas, exhibitions and other entertainment, sports and cultural events. Providing marketing services and convenient payment experience will be beneficial for the Group to participate in the cultural and entertainment market.

The Group continues to assist merchants to attract customers, enhance brand exposure and increase online transactions. In response to the latest round of economic stimulus by the government of Macau, MPay has launched a series of electronic consumption promotions via the use of its e-wallet services, where users can get random discounts or payment rebates, as well as win prizes and earn loyalty points, mCoin, for redemption of merchant coupons and other exclusive offers on its platform.

In May 2023, Macau Pass and Samsung Electronics Hong Kong Limited signed a memorandum of understanding to provide a framework for the parties' initial cooperation intentions. The two parties agree to use their respective resources, strengths and experience to cooperate in the fields of e-finance, e-commerce, marketing, smart city construction and Internet of Things, so as to provide users with quality products or services, thereby promoting market development in the Guangdong-Hong Kong-Macao Greater Bay Area.

### **BUSINESS OUTLOOK**

The Group is committed to enabling consumers and small businesses with access to technology and sustainable payment experiences. Through enhancing infrastructure and platform, the Group will continue to work closely with the government of Macau to help enterprises to provide tourists with more convenient multi-scene services, and support Macau's economic recovery and growth.

The Group will also explore on strategic cooperation with Alibaba Group and Ant Group to further develop and create more diverse business scenarios within the e-commerce and digital media and entertainment landscape; provide support for more electronic payment tools from overseas countries and regions to further facilitate the consumption of visitors to Macau, exploring commercialization opportunities within the Macau electronic payment ecosystem and cultural and entertainment market.

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### **About AGTech Holdings Limited**

AGTech was incorporated in Bermuda and its Shares are listed on GEM (Stock Code: 8279). AGTech is an integrated technology and services company engaged in electronic payment services, lottery, lifestyle, games and entertainment, marketing technical services, e-commerce and non-lottery hardware supply markets with a focus on Mainland China

and Macau. As a member of the Alibaba Group, the Group is the exclusive lottery platform of Alibaba Group and Ant Group.

AGTech's businesses are broadly divided into four principal categories:

- (i) Lottery:
  - (a) lottery hardware sales;
  - (b) lottery distribution through physical channels and ancillary services;
- (ii) Electronic payment:
  - (a) provision of payment card services and ancillary services;
  - (b) provision of e-wallet services;
  - (c) provision of acquiring services for other payment platforms;
- (iii) Lifestyle, games and entertainment, marketing technical services and e-commerce; and
- (iv) Non-lottery hardware supply (including sales and leasing).

AGTech is an associate member of the World Lottery Association (WLA) and the Asia Pacific Lottery Association (APLA).

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