



AGTech Announces Interim Results For the Six Months Ended June 30, 2019

(Hong Kong, August 9, 2019) – AGTech Holdings Limited (“AGTech” or the “Group”, HKEX stock code:08279), a leading integrated lottery, games and entertainment technology company in China, today announced the interim results for the six months ended June 30, 2019.

“In the first half of the year, we continued to capitalize on many core business opportunities in the lottery and games & entertainment sectors, providing innovative and high-quality products and services to the industry, and continue to establish the foundation for future growth opportunities,” said **John Sun, Chairman and Chief Executive Officer of AGTech.**

“The Group has cooperated with Guangdong Sports Lottery Administration Center (“SLAC”) to apply an enterprise intelligent office service platform technology to its “network service platform” project, thus satisfying its demand on digital management. We aim to introduce the platform service to other provinces and regions in China in future. Meanwhile, we also collaborated with Tianjin SLAC to carry out corresponding marketing planning and implementation for a comprehensive range of sports lottery products.”

“The Group has collaborated with 中國福利彩票發行管理中心 (China Welfare Lottery Issuance and Administration Center) on the research and application of notarizable electronic lottery draw technology based on blockchain smart contract technology. Ant Financial Group’s blockchain technology will also be applied in this project. We also collaborated with 中國國家體育總局體育彩票管理中心 (SLAC of General Administration of Sport of the PRC) to provide services on research, development and operation of AR (augmented reality) technology for China Sports Lottery’s online promotion activities, to promote sports lottery products and expand its customer base to younger generation.”

“During the Six-Month Period, the Group has won six hardware tenders to supply lottery terminals to the SLACs in Tianjin, Hainan, Guangxi, Guizhou, Anhui, Beijing of the PRC. This demonstrates the Group’s continued industry leading position and commitment in China’s lottery hardware market.”

“Paytm First Games (formerly known as “Gamepind”), a mobile games and entertainment platform of the joint venture of the Group with One97 Communications Limited in India, launched a dedicated cricket channel in March 2019 and fantasy cricket in May 2019. The Group expects that Paytm First Games will continue to build its user base, paving the way to monetize this unique platform, thus capitalizing on the significant potential of the fast growing mobile entertainment market in India.”

“With respect to our international business, the Group will continue to invest in and develop fast growing mobile games and entertainment markets such as India through utilizing the Group’s extensive experience on sports products, technology, and knowledge. Outside of India, the Group will continue to seek strong suitable partners in selected international markets to leverage our platforms of games and entertainment offerings and various user engagement activities, as well as technical and operation abilities, to further globalise our business.”

FINANCIAL HIGHLIGHTS

- Revenue of the Group for the Six-Month Period amounted to approximately HK\$47.7 million, representing a decrease of approximately 22.7% over the corresponding period in 2018. Revenue contributions were mainly derived from lottery hardware, lottery games and systems, provision of lottery distribution and ancillary services, games and entertainment business in the PRC.
- The decrease in revenue for the Six-Month Period was primarily caused by the decrease in sales of lottery hardware of approximately HK\$16.5 million, partially offset by an increase of approximately HK\$5.9 million in revenue from the lottery games and systems.

• The loss for the Six-Month Period was approximately HK\$116.1 million (Six months ended 30 June 2018: profit of approximately HK\$157.3 million). The change from profit to loss for the Six-Month Period was mainly attributable to several non-cash and non-operating items relating to the fair value changes of the Convertible Bonds and the contingent consideration payables under the Score Value Transaction.

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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. A member of the Alibaba Group with around 400 employees, AGTech is the exclusive lottery platform of Alibaba Group and Ant Financial 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