



## **AGTech Announces First Quarterly Results Ended March 31, 2023**

**(Hong Kong, May 9, 2023)** – **AGTech Holdings Limited** (“AGTech” or the “Group”, HKEX stock code: 8279) today announced its first quarterly results for the three months ended March 31, 2023.

### **FINANCIAL HIGHLIGHTS**

- Revenue of the Group for the Three-Month Period amounted to approximately HK\$169.9 million, representing an increase of approximately 381.6% over the corresponding period in 2022. For the Three-Month Period, revenue contributions were mainly derived from lottery and related business of approximately HK\$53.2 million and provision of electronic payment services in Macau of approximately HK\$116.7 million .
- The profit for the Three-Month Period was approximately HK\$37.2 million (Three months ended March 31, 2022: loss of approximately HK\$10.8 million). The change from operating loss to profit was mainly due to: (1) the increase in total revenue of the Group; (2) the increase in other income by approximately HK\$3.8 million; (3) partially offset by the increase in the depreciation and amortization expenses by approximately HK\$12.3 million; (4) the increase in net finance income by approximately HK\$19.3 million.

### **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 (“AMCM”). It is principally engaged in payment card and ancillary services, e-wallet services and acquiring services.

According to the statistics of the AMCM, the number of mobile payment transactions in Macau increased from approximately 193 million in 2021 to approximately 266 million in 2022, representing a year-over-year increase of approximately 37.8%. In addition, the total transaction value rose from approximately MOP18.52 billion in 2021 to approximately MOP25.86 billion in 2022, representing a year-over-year increase of approximately 39.6% and a significant increase of more than 20 times compared to 2019.

With most travel restrictions lifted recently and the resumption of electronic visa application for Mainland China tourists to visit Macau, an increase in incoming visitors will be an important driver for Macau’s economic recovery. According to the Statistics and Census Service of the Government of Macau (the DSEC), a total of approximately 1.96 million tourists visited Macau in March 2023, representing a year-on-year increase of approximately 271.4% and a month-on-month increase of approximately 22.8%. Macau recorded more than approximately 4.96 million visitor arrivals in the first quarter of 2023, representing a year-on-year increase of approximately 1.6 times.

The “Macau Pass Card” (the “MP Card(s)”) is the most common contactless smart card for payments in Macau, can be used for bus fare payments, payments for other public transports, car parks, government services, retail consumption, food and beverage services. There are currently more than 4.5 million cumulative MP Cards in issuance. As one of the eight locally-registered mobile payment platforms, registered users of MPay account for over 90% of local residents.

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

The Group is one of the leading suppliers in China of lottery terminals. The Group continues to focus on research and development in order to broaden and improve its product spectrum and develop new hardware ranges. The Group will continue to pursue tenders to supply to the lottery and other hardware markets.

During the Three-Month Period, the Group generated revenue from the distribution of lottery through retail sales outlets, representing an increase of approximately 48% 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 23% in the number of such outlets over the corresponding period in 2022.

### **Marketing Technology Services and Entertainment**

In January 2023, coordinated by the Macau Economic and Technological Development Bureau, the Group and the five major chambers of commerce and industry in Macau jointly launched the electronic campaign, "Rewards for Consumption in Macao" (遊澳消費獎賞). Users can go to Alipay+Rewards (Macau) page to collect a wide range of coupons from over 100 Macau restaurants and retailers. Leveraging the Alipay+ global cross-border mobile payment solution, store information, discounts or instant discounts are posted on the Macau Pass-operated page. The Group looks forward to interacting directly with the growing number of domestic and international consumers of the Alipay+ partners' e-wallets, to exploring new business opportunities for Macau merchants to draw in more visitors to their shops, thereby jointly driving business efficiency.

In February 2023, the Group entered into a strategic cooperation agreement with 銀河 ICC 及綜藝館有限公司 (Galaxy ICC & Arena Limited), 北京大麥文化傳媒發展有限公司 (Beijing Damai Cultural Media Development Co., Ltd.) and Alibaba Pictures Group Limited, under which the parties have agreed to utilize their respective resources and experiences for the purpose of organizing Macau cultural and entertainment activities and promoting the development of the cultural and entertainment industry in Macau.

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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, mobile games and entertainment and marketing technical services 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) Games and entertainment and marketing technical services; 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)