



AGTech Announces First Quarterly Results 2019

(Hong Kong, May 10, 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 first quarterly results for the three months ended March 31, 2019.

“We are pleased to announce that AGTech delivered a 14% increase in revenue in the first three months of 2019 compared to the same period last year. In the first quarter, we continued to grasp 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 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, in order to achieve the objectives of assisting Tianjin SLAC in brand building, efficient dissemination, and expansion of new user groups, by means of multi-category media promotions of responsible lottery and public welfare.”

“During the Three-Month Period, the Group has won hardware tenders to supply lottery terminals to the Sports Lottery Administration Centers in Tianjin and Hainan province of the PRC. This demonstrates the Group’s continued industry leading position and commitment in China’s lottery hardware market.”

“In addition, Gamepind, our joint venture with One97 Communications Limited in India, has launched a dedicated cricket channel on their mobile gaming and entertainment platform to roll-out further interactive sporting content. We also collaborated with AliExpress, the global e-commerce retail platform of Alibaba Group, to launch a new “e-commerce + sports interactive entertainment” product in Europe. Going forward, we believe that having a robust sports-oriented solution will help the Group to develop quickly in the sports-entertainment sector and to capture opportunities in popular international sporting events such as the ICC Cricket World Cup and the Euro Cup.”

FINANCIAL HIGHLIGHTS

- Revenue of the Group for the Three-Month Period amounted to approximately HK\$20.2million, representing an increase of approximately 14.1% 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 increase in revenue for the Three-Month Period was caused by the increase in sales of lottery hardware of approximately HK\$3.5 million, and increase of approximately HK\$0.9 million from the lottery games and systems, which increases were partially offset by a decrease of approximately HK\$1.7 million in revenue from the provision of lottery distribution and ancillary services.
- The loss for the Three-Month Period was approximately HK\$71.0 million (Three months ended 31 March 2018: profit of approximately HK\$170.7million). The change from profit to loss for the Three-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.

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