



AGTech Entered into Cooperation Framework Agreement with Alibaba Group

(Hong Kong, December 11, 2019) – **AGTech Holdings Limited** (“AGTech” or the “Group”, HKEX stock code:08279) announced that its wholly-owned subsidiary, Beijing GOT Technology Co., Ltd entered into the Alibaba Cooperation Framework Agreement with Alibaba China.

According to the agreement, AGTech may provide equipment and maintenance services to Alibaba through open bidding and commercial negotiations. Such equipment include, but not limited to, point-of-sales (POS) terminals and face recognition payment equipment, which may be applied to offline retail sales and lottery sales.

The Group’s lottery hardware business has been a critical component of the Group’s business. The Group supplies the Sports Lottery and the Welfare Lottery and has lottery hardware deployed in multiple provinces, cities and municipalities across the PRC, making the Group one of the leading manufacturers and suppliers of lottery terminals and other hardware in the PRC. In 2018, the Group won 19 lottery hardware tenders, accounting for over 41% of the overall Sports Lottery terminal tenders in the PRC during the same period, calculated by the number of terminals tendered. The Group did especially well in new Android sports lottery terminals tenders in the PRC, winning over 67% of such tenders in 2018, calculated by the number of terminals in such tenders.

The Group believes that Alibaba Group’s new retail initiatives present a great opportunity for the further development of the Group’s lottery hardware business. New retail represents the convergence of online and offline retail by leveraging digitalised operating systems, in-store technology, supply chain systems, consumer insights and the mobile ecosystem to provide a seamless shopping experience for consumers.. In particular, new retail initiatives require the supply of an enormous amount of hardware supplies, such as POS terminals, and payment and settlement devices. Many of these hardware supplies share similar designs, technologies and components that underlie the lottery hardware products supplied by the Group throughout the years.

The Group has been collaborating with Alibaba Group’s retail ecosystem including Lingshoutong to enhance on lottery distribution models. Through Alibaba Group’s physical new retail distribution channel and networks, supplying the relevant hardware products in relation to Alibaba Group’s new retail initiatives is

able to bring lottery opportunities and resources to more customers, therefore presents direct opportunities for the further development of the Group's domain expertise of lottery technology and services.

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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 360 employees, the Group 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