



AGTech Announces 2024 Interim Results: Stable Performance and a Strategic Leap into Banking Business Ventures

(Hong Kong, November 22, 2024) – AGTech Holdings Limited (“AGTech” or the “Group”, HKEX stock code: 8279) today announced its interim results for the Six-Month Period ended September 30, 2024.

FINANCIAL HIGHLIGHTS

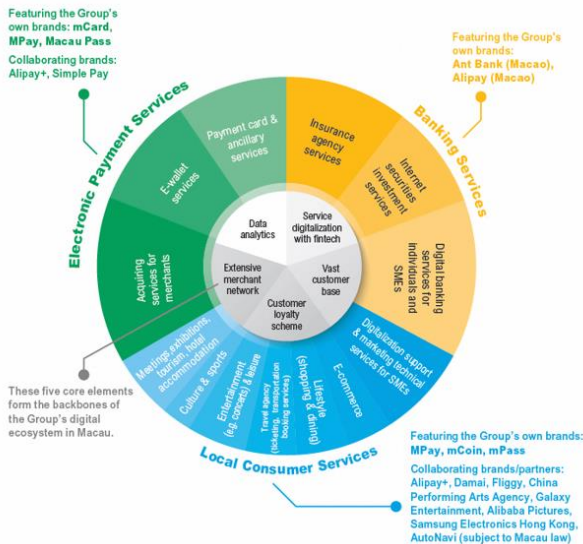
Revenue of the Group for the Six-Month Period amounted to approximately HK\$271.4 million (Six months ended September 30, 2023: approximately HK\$277.8 million), representing a decrease of approximately 2.3% compared to the six months ended September 30, 2023. For the Six-Month Period, revenue contributions were mainly derived from the following businesses:

- Electronic payment and related businesses (including local consumer services and payment-related hardware supply): The decrease in revenue by approximately HK\$25.6 million to approximately HK\$138.2 million for the Six-Month Period (Six months ended September 30, 2023: approximately HK\$163.8 million) was mainly due to the decrease in tourists’ spending in Macau and the fact that the living subsidy under the 2022 Electronic Consumption Benefits Plan came to an end in June 2023.
- Banking business: The revenue of Ant Bank (Macao) of approximately HK\$6.8 million has been consolidated into the Group’s from September 2, 2024 (being the date of completion of the attainment of a controlling stake in Ant Bank (Macao) by the Group). It mainly included interest income derived from loans to individuals and corporate customers, placements with banks and monetary bills with AMCM of approximately HK\$5.4 million and fee and commission income (derived from securities investment services, insurance agency services and account services) of approximately HK\$0.5 million.
- Lottery business: the increase in revenue by approximately HK\$12.4 million to approximately HK\$126.4 million for the Six-Month Period (Six months ended September 30, 2023: approximately HK\$114.0 million) was mainly due to the increase in revenue from the sales of lottery hardware by approximately HK\$18.9 million as a result of the increase in lottery hardware tenders awarded and their deliveries; which was partially offset by the decrease in revenue from the provision of lottery distribution and ancillary services by approximately HK\$6.0 million as a result of the shortages in the allocation and supply of instant scratch tickets in multiple provinces in the PRC.

The loss for the Six-Month Period was approximately HK\$1.6 million (Six months ended September 30, 2023: loss of approximately HK\$10.5 million). The decrease in loss was primarily due to the decrease in operating loss. In addition, there was a fair value gain on convertible term loan facilities provided by the Group to its 45%-owned joint venture company in India of approximately HK\$3.1 million for the Six-Month Period (Six months ended September 30, 2023: fair value loss of approximately HK\$0.3 million).

BUSINESS REVIEW

Digital ecosystem of the Group's business segment in Macau



Electronic Payment Business

An indirect wholly-owned subsidiary of the Group, Macau Pass is principally engaged in contactless payment card and ancillary services, e-wallet services and acquiring services.

The “mCard” is the most common contactless smart card for payments in Macau. There are currently more than 5 million mCards in issuance. During the Six-Month Period, various limited editions of mCards had been issued, such as UEFA Euro 2024 mCard, 520 Lover mCard, The Air Macau x Macau Pass collaborative edition mCard (2024 Blind Box Purchase Version) and World Heritage Site mCard.

Serving as a comprehensive platform for digital life and financial services, MPay, the e-wallet operated by Macau Pass, supports online and offline payments covering different payment scenarios. During the Six-Month Period, the accumulated number of registered users of MPay increased by approximately 17%, and the total number of MPay e-wallet transactions accounted for about 80% of the total electronic payment transactions in Macau.

Macau Pass has been committed to promoting the adoption of its cross-border mobile payment services. In August 2024, the MPay cross-border service zone went online, providing Macau residents with one-stop digital services for payment, travel, dining, and handling cross-border business when they visit Chinese Mainland. As of September 30, 2024, around 30 mini-programs from Chinese Mainland have been integrated, covering dining and tea drinks, transportation, sharing and rental services, and information services. More convenient services are set to join soon.

To further enhance the user payment experience and meet the growing demand for local and cross-border payment scenarios, starting from September 20, 2024, MPay has significantly increased the transaction and transfer limits for users at the 3A, 3B, and JR levels. Notably, 3B level users now enjoy unlimited yearly transaction and transfer limits.

Meanwhile, in late April 2024, Macao’s Transport Bureau announced that Alipay (Chinese Mainland), Alipay (Hong Kong) as well as UnionPay app users with its app linked to a non-local UnionPay card, can now travel on all public bus routes that run in every area of Macao by using the QR code through the service of Macau Pass; in September 2024, Macao’s buses support the payment of bus fares using WeChat Pay.

Banking Services

The Group’s banking services are currently carried on by Ant Bank (Macao). On September 2, 2024, the Group completed the attainment of the controlling stake in Ant Bank (Macao), further expanding the business scope into the field of digital financial services.

As a fully licensed digital bank in Macau, Ant Bank (Macao) integrates Macau’s characteristics with financial technology, continuously exploring new areas and applications of fintech to provide customers with secure, inclusive, and convenient digital financial services. In retail banking, Ant Bank (Macao) has achieved multiple innovations in the Macau market, satisfying the comprehensive financial needs in payment, deposit, wealth management and investment for various types of customers. For the Six-Month Period, the bank’s customer base has grown

substantially by approximately 33%, leading to a growth of approximately 142% in deposits. In corporate banking, Ant Bank (Macao) has continuously enhanced its services for local SMEs, providing credit support for businesses utilizing fintech solutions, and helped boost Macau's economic development. For the Six-Month Period, the balance of loans to corporate customers has seen a notable increase by approximately 193%.

Lottery Business

The Group is one of the leading suppliers of lottery terminals in China. During the Six-Month Period, the Group won multiple lottery hardware tenders to supply lottery terminals to the Sports Lottery Administration Centres in Jiangsu Province, Zhejiang Province, Guizhou Province, Jiangxi Province, Shandong Province, Hainan Province, Shaanxi Province, Shanghai Municipality, and Hubei Province of China. The Group will continue to pursue tenders to supply to the lottery hardware markets.

BUSINESS OUTLOOK

AGTech is dedicated to becoming a leading global group in banking and integrated digital financial technologies. With banking, electronic payment, and local consumer services as its core, the Group aims to build a comprehensive digital ecosystem and create a new paradigm for modern financial services.

Through offering digital financial services, e-wallet, contactless smart card and multipurpose e-payment system, the Group strives to promote mobile payment in Macau and contribute to the smart city transformation. With a vast customer base and an extensive merchant network, the digitized services provided by the Group have been ever-evolving, providing users with more convenient multi-scene services.

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, helping Macau's economic development and digital transformation of merchants, in addition to exploring commercialization opportunities within the Macau electronic payment ecosystem and cultural and entertainment market. Leveraging the advantages of Alipay+, the Group will integrate relevant industries in Macau through channels and contents, accurately present Macau's cultural tourism advantages such as entertainment, catering and shopping to potential tourists, assist collaborating merchants to increase their online exposure, and deeply build Macau into the World Centre of Tourism and Leisure. In the future, we will continue to enhance payment convenience for the elderly, foreigners coming to live and work in Macau, and other demographics. We will deepen the construction of service scenarios, enrich the provision of payment services, and continuously improve the standard of payment services and the payment experience for these relevant groups.

The Group aims to meet the consumption and financing needs of Macau's residents and SMEs by connecting scenarios and resources of the ecosystem with payment plus inclusive finance, create synergies with the Group's existing lifestyle, culture and entertainment and e-commerce businesses by utilising the resources of the ecosystems in the Alibaba Group and Ant Group, creating specialized cross-border financial service, diversifying and expanding the Group's sources of revenue.

With roots in Macau and sights set on the global stage, the Group is dedicated to investing in technological progress. Focused on user needs, we will expand our service offerings and global financial reach, seeking innovative business opportunities to ensure sustainable growth and value for the Shareholders.

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ABOUT THE GROUP

AGTech was incorporated in Bermuda and its Shares are listed on GEM (Stock Code: 8279). The Company is also included as a constituent stock in the MSCI World Micro Cap Index. As a banking and comprehensive digital financial technology group, AGTech's core business covers banking services, electronic payment services, local consumer services, lottery business and payment-related hardware supply. AGTech's businesses are broadly divided into five principal categories:

(i) Banking services:

- (a) digital banking services for individuals and SMEs (including deposits, loans, transfers and cross-border

- remittances, cross-border e-commerce/supply chain financing, wealth management, etc.);
- (b) internet securities investment services;
- (c) insurance agency services;
- (ii) Electronic payment services:
 - (a) payment card services and ancillary services;
 - (b) e-wallet services;
 - (c) acquiring services for merchants;
- (iii) Local consumer services: lifestyle, games and entertainment, marketing technical services and e-commerce;
- (iv) Lottery:
 - (a) lottery hardware sales;
 - (b) lottery distribution through physical channels and ancillary services; and
- (v) Payment-related hardware supply (including sales and leasing).

As a member of the Alibaba Group, the Group is the exclusive lottery platform of Alibaba Group and Ant Group. AGTech is an associate member of the World Lottery Association (WLA) and the Asia Pacific Lottery Association (APLA).