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AGTech Holdings Limited
亞博科技控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 8279)

PROFIT ALERT
REDUCTION OF LOSS

This announcement is made by AGTech Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 17.10(2)(a) of The Rules Governing the Listing of Securities on GEM (the "**GEM Listing Rules**") of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the "**Board**") wishes to inform the shareholders of the Company and potential investors that, based on its preliminary assessment of the latest unaudited consolidated management accounts of the Group, it is expected that the loss for the three months ended 31 March 2021 ("**2021Q1**") will decrease by around 38% to 45% from approximately HK$64.6 million as recorded for the three months ended 31 March 2020 ("**2020Q1**").

The expected decrease in the loss as mentioned above was primarily attributable to the combination of factors including:

(i) businesses of the Group have been gradually rebounding from the impact of the COVID-19 pandemic since the second half of 2020 through 2021Q1, resulting in an increase in revenue by not less than 50% in 2021Q1 as compared with that for 2020Q1;

(ii) the Group continues to implement various measures to strengthen cost controls over operating costs and expenses to enhance the Group's competitive position in the industry, resulting in a decrease in employee benefits expenses by over 10% as compared with that for 2020Q1;

(iii) the Group is expected to record a foreign exchange gain for 2021Q1, as opposed to the foreign exchange loss of approximately HK$13.8 million for 2020Q1. This change mainly arose from the Group's cash and bank balances which are denominated in United States dollars ("**US$**") and the appreciation of US$ against HK$ during 2021Q1; and

(iv) investments accounted for using equity method amounted to HK$Nil as at 31 December 2020 and since then no share of results of the investments accounted for using equity method was recognized for 2021Q1 (Share of results of investments accounted for using equity method amounted to a loss of approximately HK$13.2 million for 2020Q1).

The expected reduction of loss for 2021Q1 as described in this announcement is based only on a preliminary assessment by the Board with reference to the Group's unaudited consolidated management accounts and information currently available to the Company. This information has not been audited or reviewed by the auditors or the audit committee of the Company.

As the Company is still in the process of finalizing its first quarterly results for 2021Q1 (the "**2021Q1 Results**"), the actual results may differ from what is disclosed in this announcement. Further details of the Company's 2021Q1 Results will be provided in the Company's 2021Q1 Results announcement.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
AGTech Holdings Limited
Sun Ho
Chairman & CEO

* *For identification purpose only*

The Hong Kong Special Administrative Region of
the People's Republic of China, 23 April 2021

As at the date of this announcement, the Board comprises (i) Mr. Sun Ho and Ms. Hu Taoye as executive directors; (ii) Mr. Yang Guang, Mr. Li Faguang, Mr. Ji Gang and Mr. Zou Liang as non-executive directors; and (iii) Ms. Monica Maria Nunes, Mr. Feng Qing and Dr. Gao Jack Qunyao as independent non-executive directors.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Listed Company Information" page of the GEM website operated by the Stock Exchange at www.hkgem.com for at least seven days from the day of its posting and will be published on the website of the Company at www.agtech.com.