



Press Release

For immediate release

LET GROUP HOLDINGS LIMITED REPORTS INTERIM RESULTS FOR 1H 2023 UPDATES ON PROJECT DEVELOPMENTS AND OUTLOOK

Hong Kong, 29 August 2023 – LET Group Holdings Limited (“LET”, the “Group” or “Company”) (Hong Kong Stock Exchange code: 1383) today reported financial data for the first half of the year ending 30 June 2023. All amounts are expressed in Hong Kong dollars unless otherwise stated, except for the financial performance of Hoiana which is reported in US dollars.

1H 2023 RESULTS HIGHLIGHTS

Group 1H 2023: Focus Development on Westside City Project

- 1H 2023 Group Total Revenue of HK\$190.9 million, up 0.3% YoY
- 1H 2023 Group Consolidated Adjusted EBITDA from continuing operations of HK\$21.0 million, down 58% YoY
- 1H 2023 Profit Attributable to Equity Holders of the Company of HK\$584.7 million, versus a Loss Attributable to Equity Holders of the Company of HK\$(253.0) million in 1H 2022
- Through the Group’s subsidiary Suntrust, the Group will focus on the development Westside City Project as top priority

Group & Segmental Results

- 1H 2023 Operations of integrated resort in the Russian Federation contributed revenue of approximately HK\$182.0 million, up 2% YoY
- 1H 2023 Management and operation of malls segment revenue of approximately HK\$8.9 million, down 29% YoY
- No revenue has been recorded in the operation of integrated resort in the Philippines as Westside City Project is still construction in progress

Hoiana, Vietnam: Significant Growth in GGR and Adjusted EBITDA; First Reporting Period Without Travel Restrictions

- 1H 2023 Net Gaming Revenue of US\$29.3 million, up 546% compared to 1H 2022
- 1H 2023 Total Gross Gaming Revenue (“GGR”) of US\$113.8 million, up 687% compared 1H 2022
- 1H 2023 Adjusted EBITDA of US\$10.1 million, versus negative US\$(25.8) million in 1H 2022

Tigre de Cristal, Russia: Local Mass and Slots Volumes Steady

- 1H 2023 Net Revenue from Gaming Operations of HK\$167.3 million, down 0.2% YoY
- 1H 2023 Total GGR of HK\$197.0 million, down 0.6% compared to 1H 2022
- 1H 2023 Adjusted EBITDA of Tigre de Cristal was HK\$57.0 million, down 5% YoY
- Average Hotel Occupancy was 63% during weekends and 30% during weekdays in 1H 2023



1H 2023 RESULTS HIGHLIGHTS (cont')

Balance Sheet:

- Bank Balances & Cash of HK\$873.5 million as of 30 June 2023
- Total Other Borrowings of approximately HK\$150 million as of 30 June 2023
- Gearing ratio was approximately 7.6% as of 30 June 2023 (31 Dec 2022: 29.3%)

A LETTER FROM THE CHAIRMAN

Dear valued Shareholders and Stakeholders,

I extend my warmest greetings to each and every one of you. As the Chairman of LET Group Holdings Limited, it is with great pleasure that I provide you with an update on our organisation's current flagship project, Westside City Project, in the Philippines. Likewise, I wish to emphasise our unwavering commitment to delivering unparalleled Asian hospitality experiences to our esteemed guests when Westside City Project soft opens in late 2024.

Since assuming the role of Chairman in August 2022, I am delighted to report that LET Group has achieved significant milestones. Through meticulous efforts, we successfully rebranded our listed company, restructured our balance sheet to reduce debt, and secured a substantial loan from a prominent local financial institution. These decisive actions have empowered us to persevere in the face of prevailing market sentiment adversities within the gaming sector hindered by travel restrictions previously.

I am pleased to inform you that our subsidiary Suntrust, the operator of Westside City Project, has made strides in securing its future financial stability. The successful drawdown of the loan signifies not only the confidence bestowed upon the Group's managerial prowess and operational capabilities, but also serves as a resounding vote of confidence from financial institutions familiar with the local business environment. This development stands as a significant milestone, bolstering our shareholders' confidence in LET Group's ability to execute the delivery of an exceptional integrated resort with superior profitability. Furthermore, the financial backing received serves as a testament that the project remains on track, both in terms of timely completion and adherence to the budget.

As Chairman of LET Group, I take immense pride in leading an exceptional team that is wholeheartedly committed to the creation and delivery of a truly extraordinary integrated resort entertainment complex. Our newly created brand LETX Lifestyle is characterised by its youthful dynamism and distinguished by the provision of bespoke care and exceptional product offerings, accompanied by authentic services. Allow me to assert that every endeavour undertaken by us is aimed at surpassing the realms of conventional excellence.



Our core values of Leisure, Entertainment, and Taste serve as the guiding principles in our pursuit of creating a transcendent experience that seamlessly merges contemporary and traditional luxury. Westside City Project is poised to emerge as the iconic destination for both local residents and Asian tourists seeking respite and entertainment, particularly those from Japan and South Korea. To cater to their discerning tastes, we offer an array of exceptional food and beverage offerings. I have also searched globally for the finest whiskeys and cigars to stock Asia's finest cigar and whiskey bar. As a member of the rapidly growing economy in the developing country, the middle class in the Philippines is increasingly pursuing a higher quality of life with increasing sophistication. Our brand epitomises a lifestyle incubator, where bespoke care, authentic services, and exceptional product offerings converge, creating an oasis of tranquillity amidst the ceaseless clamour of our dynamic world.

Meanwhile, in Vietnam, Hoiana is experiencing a surge in demand from both domestic and international visitors. It is noteworthy that, for the first time in our financial reporting history, Hoiana's Adjusted EBITDA has surpassed that of Tigre de Cristal's in the first half of 2023, a true testament of the quality of Hoiana as an integrated resort when travel restrictions is no longer in force. Encouraging arrival data signals the return of tourists to Vietnam, and our dedicated team remains steadfast in providing our esteemed guests with superlative services and authentic experiences. In Russia, the persisting political instability has been a source of disappointment; nonetheless, local business contribution has been stable while we remain resolute in our pursuit of exploring new opportunities to diversify our operations to locations that yield the highest and most favourable returns.

At LET Group, we take pride in our unwavering commitment to delivering exceptional product offerings and bespoke care that transcend the ordinary. Our valued guests, partners, and stakeholders have played a pivotal role in our success. With your unwavering support, we harbour utmost confidence that our flagship resort, Westside City Project, will flourish in the years ahead.

Thank you for your trust and confidence in LET Group.

Warm regards,

Mr. Lo Kai Bong (Andrew)
Chairman
LET Group Holdings Limited

Development Update

Westside City Project, Philippines

Significant progress has been made in the construction of the Mian Hotel Casino, with the exterior podium now completed, and the focus turned towards building upwards. Façade works are ongoing while the hotel's interior fit-out should commence soon, given that the podium has



reached a water-tight condition. With the structural topping-off milestone has also been achieved, the team is looking forward to a soft opening by the end of 2024, with the grand opening slated for 2025. Meanwhile, Suntrust has already started recruiting operations staff for the upcoming launch of the integrated resort.

When all phases of Westside City Project are ready, it will consist of:

- Approximately 300 tables
- Over 1,300 electronic gaming machines
- Over 450 five-star hotel rooms including state-of-the-art party rooms and suites
- All sorts of amenities that fits our LET theme Leisure, Entertainment and Taste, including the privileged LET Club, Cigar and Wine bars, night clubs, Wellness Spa, and a Director's Club
- Approximately 1,000 car park spaces

Westside City Project will be integrated with the shopping malls, theatres, restaurants, and shopping streets, etc. to be built by our local partner Westside/Travellers. They will also build additional hotel rooms, a shopping mall, a Grand Opera House, restaurants, a theatre district and an additional of approximately 2,000 car park spaces.



Figure 1 Construction progress at Westside City Project in August 2023



Hoiana, Vietnam

Hoiana Resort & Golf, Vietnam's premier world-class beachfront integrated resort, graces the pristine coastline near the UNESCO World Heritage Site in Hoi An, Vietnam. The stunning 4-kilometer beachfront complex features four luxury hotels - Hoiana Hotel & Suites, offering 141 beautifully appointed suites; New World Hoiana Hotel, with 476 guestrooms; New World Hoiana Beach Resort, boasting 330 elegantly and sustainably designed rooms and suites; and Rosewood Hoi An (opening soon). Additionally, Hoiana Residences provides a home away from home with 270 luxuriously and spaciouly appointed apartments.

Hoiana has completed its first phase of an overall \$4 billion development project, encompassing 1000-hectares of land just south of Hoi An, Quảng Nam. With an ambitious development plan in the pipeline, Hoiana will continue to set a new benchmark for luxurious tourism in Vietnam while balancing its cultural heritage, to bring economic prosperity and opportunity to the central province of Quang Nam.

Tigre de Cristal, Russia

Due to the unpredictable and volatile geopolitical tensions, we are now taking a conservative approach to investing in Russia.

Outlook

We are pleased to announce that our company has achieved its first-ever financial results unencumbered from the impact of COVID-19 restrictions in 2023 1H. Notably, the return of tourists to Vietnam has resulted in a remarkable increase in the Adjusted EBITDA of Hoiana, surpassing that of Tigre de Cristal for the first time ever. This is a testament to Hoiana's superior quality and untapped potential as an integrated resort that has overcome temporary operational difficulties due to pandemic-related travel restrictions. With our expertise in gaming operations, we believe that there is still considerable potential to be unlocked in the Vietnamese integrated resort market. Nevertheless, our favourite location is the Philippines and we will delve into why below.

In terms of our integrated resort portfolio perspective, our investment in Westside City Project in the Philippines offers the greatest potential for significant returns compared to Hoiana and Tigre de Cristal in the future. Westside City Project, with its soft opening set to launch in late 2024, will be the crowning jewel in the already impressive collection of integrated resorts in the Entertainment City in Manila, the Philippines. Our gaming operation experience reinforces our position to become one of the most prominent and latest integrated resorts, incorporating state-of-the-art technology in the region.

The Manila gaming market has tremendous growth potential, with a compound annual growth



rate (CAGR) of over 24% leading up to the pandemic, the highest growth rate in the entire Asian region. Entertainment City in Manila stands head and shoulders above other gaming destinations in Asia in terms of growth, boasting an impressive integrated resort cluster-effect that connects the area to the Manila Ninoy International Airport. Westside City Project also has a strategic location advantage, with connectivity to the existing Ayala Mall, and the conjoined access to Megaworld's largest hotel complex in the country, Westside City Project is seamlessly blending into the heart of Manila's growing resort metropolis.

Our exclusive agreement with Alliance Global Group Companies, a Philippine leader in the corporate world, adds to the allure of the best minds in the Philippines working together to build the next integrated resort. As the controlling shareholder of Suntrust Resorts, Inc., we will become a Hong Kong listed corporate reporting the performance of the Philippines' gaming business in our consolidated financial statements. With the disposal of non-core assets such as the property development business in China, the aircraft, and land parcels in Niseko, Hokkaido, the Group is now fully focused on developing integrated resorts in a location with the highest and best returns.

Together with our flagship Westside City Project in the Philippines, Hoiana in Vietnam, and Tigre de Cristal in Russia, the Group is well-positioned to capture the growth of tourism in Asia.



About LET Group Holdings Limited (HKEx: 1383)

LET Group Holdings Limited (“**LET Group**” or “**the Group**”) develops and operates integrated resorts across Asia, including the Philippines, the Russian Federation and Vietnam. The Group also operates in the mall operation segment.

LET Group is the parent company of Suntrust Resort Holdings, Inc. (“**Suntrust**”, PSE: SUN), the developer and operator of Westside City Project in the heart of Entertainment City in Manila, the Philippines. When the integrated resort is completed, Westside City Project will consist of entertainment facilities and five-star hotel rooms that conceptualise our theme *Leisure, Entertainment* and *Taste*. LET Group is also the parent company of Summit Ascent Holdings Limited (“**Summit Ascent**”, HKEx: 102). Summit Ascent is the operator of the largest integrated resort in Russia, known as Tigre de Cristal, based in Vladivostok in the Far East. Hoiana is an integrated resort that LET Group jointly develops with our investment partners. Located in Central Vietnam, Hoiana Phase 1 is an integrated resort with over 1,000 rooms, award-winning golf course and pristine beaches. In addition, the Group operates a shopping mall in China.

For more information about LET Group, please visit <https://www.letgroupholdings.com/>

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