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LET GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1383)

DISCLOSEABLE TRANSACTION: DSD AGREEMENT AND INSTALLATION AGREEMENT OF STRUCTURED CABLING SYSTEM IN RESPECT OF THE PROJECT AND CONTINUED SUSPENSION OF TRADING

THE DSD AGREEMENT AND THE INSTALLATION AGREEMENT

On 14 May 2024 (after trading hours), Suntrust and Contractor (CCSPC) entered into (i) the DSD Agreement pursuant to which Suntrust appointed Contractor (CCSPC) as the contractor to undertake the DSD Works of the Project, at the contract sum of PHP332,264,950.12 (equivalent to approximately HK\$45,516,000) and (ii) the Installation Agreement pursuant to which Suntrust appointed Contractor (CCSPC) as the contractor to undertake the Installation Works of the Project, at the contract sum of PHP135,382,787 (equivalent to approximately HK\$18,546,000).

LISTING RULES IMPLICATIONS

The DSD Agreement and the Installation Agreement have to be aggregated for the purpose of calculating the percentage ratios under Rule 14.22 as the counterparty to both agreements is the same entity, i.e. Contractor (CCSPC). As one of the applicable percentage ratios (as defined in Rule 14.07) in respect of the DSD Agreement and the Installation Agreement is more than 5% but less than 25%, the DSD Agreement and the Installation Agreement constitute a discloseable transaction for the Company under Chapter 14 and is subject to the notification and announcement requirements under Chapter 14.

CONTINUED SUSPENSION OF TRADING

Trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 14 February 2024 and will remain suspended until the Company has (i) met all Resumption Guidance (as defined in the Company's announcement dated 8 April 2024), (ii) remedied the issues causing its trading suspension; and (iii) fully complied with the Listing Rules to the satisfaction of the Stock Exchange.

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

INTRODUCTION

By the DSD Agreement, Suntrust appointed Contractor (CCSPC) as the contractor to undertake the DSD Works of the Project, with the date of the agreement, parties and terms as set out below.

By the Installation Agreement, Suntrust appointed Contractor (CCSPC) as the contractor to undertake the Installation Works of the Project, with the date of the agreement, parties and terms as set out below.

DSD AGREEMENT

Date: 14 May 2024

Parties:

- (i) Suntrust, as employer
- (ii) Contractor (CCSPC), as contractor

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Contractor (CCSPC) and its ultimate beneficial owners is an Independent Third Party.

Subject matter: Contractor (CCSPC) as contractor is to undertake the design, supply and delivery of structured cabling system of the Project, including but not limited to:

1. site wide backbone cabling system;
2. supply and delivery of all necessary open racks and closed type of equipment racks;

3. horizontal cabling system;
4. fiber cabling system;
5. all necessary fittings and accessories of cable trays, raised floor trunking, cable trunking and cable duct; and
6. conduit systems.

Contract sum:

The contract sum payable by Suntrust to Contractor (CCSPC) under the DSD Agreement is PHP332,264,950.12 (equivalent to approximately HK\$45,516,000).

The contract sum is inclusive of value added tax and other necessary duties, fees and taxes and all costs necessary for the proper execution of the DSD Works.

The contract sum is payable in the following manner:

- (i) PHP33,226,495 (equivalent to approximately HK\$4,552,000) equivalent to 10% of the contract sum as advance payment (“**1st 10% Payment I**”) shall be released to Contractor (CCSPC) by Suntrust following the issuance by Contractor (CCSPC) of its conformity and signed acceptance of the DSD Agreement and return to Suntrust and the submission by Contractor (CCSPC) to Suntrust of an advance payment bond in an amount same as the 1st 10% Payment I and the 2nd 10% Payment I (as defined below) from an approved insurance company or bank acceptable to Suntrust. As at the date of this announcement, the 1st 10% Payment I has not yet been paid;
- (ii) PHP33,226,495 (equivalent to approximately HK\$4,552,000) equivalent to 10% of the contract sum as advance payment (“**2nd 10% Payment I**”) shall be released to Contractor (CCSPC) by Suntrust after two (2) months from the issuance by Contractor (CCSPC) of its conformity and signed acceptance of the DSD Agreement and return to Suntrust. As at the date of this announcement, the 2nd 10% Payment I has not yet been paid;

- (iii) the balance of the contract sum shall be paid by Suntrust to Contractor (CCSPC) on a progress basis commensurate with the progress of the DSD Works. Suntrust shall within 28 days effect payment of the amount set out in the interim certificate as may be issued by Contractor (CCSPC) at least seven (7) days before the end of each month.

Provided that credit shall be given to the PHP42,421,626.00 payment (equivalent to approximately HK\$5,811,000) paid by Suntrust to the Contractor for works done under the works order for the DSD Works prior to the DSD Agreement.

The contract sum payable by Suntrust under the DSD Agreement will be financed by funds raised by Suntrust for financing the development and construction of the Project.

The contract sum payable by Suntrust under the DSD Agreement was determined after arm's length negotiation with Contractor (CCSPC) with reference to the estimated cost of the DSD Works, the market price for DSD Works of similar scope and nature, and tender prices of other tenderers for the DSD Works. The DSD Agreement was awarded to Contractor (CCSPC) as it has vast experiences as contractor for the DSD Works and its tender is the lowest amongst all tenderers for the DSD Works.

**Other bonds from
Contractor (CCSPC):**

Apart from the payment bond for the 1st 10% Payment I and the 2nd 10% Payment I, Contractor (CCSPC) has to provide to Suntrust mentioned in "Contract sum (i)" above in this announcement, Contractor (CCSPC) has to provide Suntrust with the following:

- (a) a performance bond ("**Performance Bond I**") from an approved insurance company or bank acceptable to Suntrust in the sum of 15% of the contract sum or equal to PHP49,839,743 (equivalent to approximately HK\$6,827,000) only as security for the due performance of Contractor (CCSPC)'s obligations under the DSD Agreement and related contracts; and

- (b) a guarantee bond (“**Guarantee Bond I**”) from an approved insurance company or bank acceptable to Suntrust equivalent to 5% of the contract sum or equal to PHP16,613,248 (equivalent to approximately HK\$2,276,000) only as security for the due performance of the Contractor (CCSPC)’s obligations under the DSD Agreement and related contracts during the defects liability period.

Defects liability period: 12 months from the date of taking over by Suntrust of the Project.

Completion date for the DSD Works: The date of the issuance of the taking over certificate by Suntrust, which is when in the opinion of Suntrust, Contractor (CCSPC) has achieved completion of the DSD Works, and the DSD Works are fit and ready for taking over. The target completion date is 1 July 2025.

INSTALLATION AGREEMENT

Date: 14 May 2024

Parties:

- (i) Suntrust, as employer
- (ii) Contractor (CCSPC), as contractor

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, each of the Contractor (CCSPC) and its ultimate beneficial owners is an Independent Third Party.

Subject matter: Contractor (CCSPC) as contractor is to undertake the installation of structured cabling system of the Project, including but not limited to:

1. site wide backbone cabling system;
2. all necessary open racks and closed type of equipment racks;
3. horizontal cabling system;
4. fiber cabling system;

5. all necessary fittings and accessories of cable trays, raised floor trunking, cable trunking and cable duct; and
6. conduit systems.

Contract sum:

The contract sum payable by Suntrust to Contractor (CCSPC) under the Installation Agreement shall be PHP135,382,787 (equivalent to approximately HK\$18,546,000).

The contract sum is inclusive of value added tax and other necessary duties, fees and taxes and all costs necessary for the proper execution of the Installation Works.

The contract sum is payable in the following manner:

- (i) 10% of the contract sum (i.e. PHP13,538,279 (equivalent to approximately HK\$1,855,000)) as advance payment (“**1st 10% Payment II**”) shall be released to Contractor (CCSPC) by Suntrust following the issuance by Contractor (CCSPC) of its conformity and signed acceptance of the Installation Agreement and return to Suntrust and the submission by Contractor (CCSPC) to Suntrust of an advance payment bond in an amount same as the 1st 10% Payment II and the 2nd 10% Payment II (as defined below) from an approved insurance company or bank acceptable to Suntrust. As at the date of this announcement, the 1st 10% Payment II has not yet been paid;
- (ii) 10% of the contract sum (i.e. PHP13,538,279 (equivalent to approximately HK\$1,855,000)) as advance payment (“**2nd 10% Payment II**”) shall be released to Contractor (CCSPC) by Suntrust after two (2) months from the issuance by Contractor (CCSPC) of its conformity and signed acceptance of the Installation Agreement and return to Suntrust. As at the date of this announcement, the 2nd 10% Payment II has not yet been paid;

- (iii) the balance of the contract sum shall be paid by Suntrust to Contractor (CCSPC) on a progress basis commensurate with the progress of the Installation Works. Suntrust shall within 28 days effect payment of the amount set out in the interim certificate as may be issued by Contractor (CCSPC) at least seven (7) days before the end of each month.

The contract sum payable by Suntrust under the Installation Agreement will be financed by funds raised by Suntrust for financing the development and construction of the Project.

The contract sum payable by Suntrust under the Installation Agreement was determined after arm's length negotiation with Contractor (CCSPC) with reference to the estimated cost of the Installation Works, the market price for Installation Works of similar scope and nature, and tender prices of other tenderers for the Installation Works. The Installation Agreement was awarded to Contractor (CCSPC) as it has vast experiences as contractor for the Installation Works and its tender is the lowest amongst all tenderers for the Installation Works.

**Other bonds from
Contractor (CCSPC):**

Apart from the payment bond for the 1st 10% Payment II and the 2nd 10% Payment II, Contractor (CCSPC) has to provide to Suntrust mentioned in "Contract sum (i)" above in this announcement, Contractor (CCSPC) has to provide Suntrust with the following:

- (a) a performance bond ("**Performance Bond II**") from an approved insurance company or bank acceptable to Suntrust in the sum of 15% of the contract sum or equal to PHP20,307,418 (equivalent to approximately HK\$2,782,000) only as security for the due performance of Contractor (CCSPC)'s obligations under the Installation Agreement and related contracts; and

- (b) a guarantee bond (“**Guarantee Bond II**”) from an approved insurance company or bank acceptable to Suntrust equivalent to 5% of the contract sum or equal to PHP6,769,139 (equivalent to approximately HK\$927,000) only as security for the due performance of the Contractor (CCSPC)’s obligations under the Installation Agreement and related contracts during the defects liability period.

Defects liability period: 12 months from the date of taking over by Suntrust of the Project.

Completion date for the Installation Works: The date of the issuance of the taking over certificate by Suntrust, which is when in the opinion of Suntrust, Contractor (CCSPC) has achieved completion of the Installation Works, and the Installation Works are fit and ready for taking over. The target completion date is 1 July 2025.

REASONS FOR AND BENEFITS OF THE DSD AGREEMENT AND INSTALLATION

Contractor has to be appointed to carry out the DSD Works and the Installation Works. By the DSD Agreement and the Installation Agreement, Contractor (CCSPC) was appointed as the contractor for the DSD Works and the Installation Works.

The Director considers that the DSD Agreement and the Installation Agreement are on terms fair and reasonable and in the interests of the Company and the Shareholders as a whole.

No Director is interested in the DSD Agreement and/or the Installation Agreement. No Director was required to abstain from voting on the resolutions of the Board approving DSD Agreement and the Installation Agreement.

LISTING RULES IMPLICATIONS

The Project is for the Group’s own use in its usual course of business.

The DSD Agreement and the Installation Agreement have to be aggregated for the purpose of calculating the percentage ratios under Rule 14.22 as the counterparty to both agreements is the same entity, i.e. Contractor (CCSPC). As one of the applicable percentage ratios (as defined in Rule 14.07) in respect of the DSD Agreement and the Installation Agreement is more than 5% but less than 25%, the DSD Agreement and the Installation Agreement constitute a discloseable transaction for the Company under Chapter 14 and is subject to the notification and announcement requirements under Chapter 14.

INFORMATION OF CONTRACTOR (CCSPC)

Contractor (CCSPC) is a company incorporated in the Philippines and an Independent Third Party. Contractor (CCSPC) is principally engaged in telecommunications infrastructure services (including design, construction and project supervision and management), business process outsourcing services (including management of infrastructure for information technology, general facilities management, supply chain and products distribution), and applications, content and other services.

INFORMATION OF SUNTRUST AND THE GROUP

Suntrust is a company incorporated in the Philippines, the shares of which are listed on the PSE. Suntrust and its subsidiaries are principally engaged in the development and operation of a 5-Star hotel and casino in the Philippines which is expected to commence operations in 2025.

The Group is principally engaged in (a) the development and operation of a 5-Star hotel and casino in the Philippines; (b) the operation of hotel and gaming business in the Integrated Entertainment Zone of the Primorye Region in the Russian Federation; and (c) property development in Niseko and Miyako Island of Japan.

CONTINUED SUSPENSION OF TRADING

Trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 14 February 2024 and will remain suspended until the Company has (i) met all Resumption Guidance (as defined in the Company's announcement dated 8 April 2024), (ii) remedied the issues causing its trading suspension; and (iii) fully complied with the Listing Rules to the satisfaction of the Stock Exchange.

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

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“Board”	the board of Directors of the Company
“Company”	LET Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability with its issued Shares listed on the Main Board of the Stock Exchange (stock code: 1383)
“connected person”	has the meaning ascribed to it under the Listing Rules

“Contractor (CCSPC)”	China Communications Services Philippines Corporation, a company incorporated in the Philippines and an Independent Third Party
“Directors”	the directors of the Company and each a “Director”
“DSD Agreement”	the Letter of Award in respect of the Design, Supply, and Delivery of Structured Cabling System dated 14 May 2024 issued by Suntrust to Contractor (CCSPC) and accepted and confirmed by Contractor (CCSPC) in relation to the DSD Works
“DSD Works”	the design, supply and delivery of structured cabling system set out in “DSD Agreement – Subject Matter” of this announcement
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	a third party independent of and not connected with the Company and any connected person of the Company and is itself not a connected person of the Company
“Installation Agreement”	the Letter of Award in respect of the installation of Structured Cabling System dated 14 May 2024 issued by Suntrust to Contractor (CCSPC) and accepted and confirmed by Contractor (CCSPC) in relation to the Installation Works
“Installation Works”	the installation of structured cabling system set out in “Installation Agreement – Subject Matter” of this announcement
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Project”	Westside City Phase 1 – Site B of a 5-Star hotel and casino erected or to be erected at the three parcels of land located at Manila Bayshore Integrated City in Paranaque City, the Philippines

“PHP”	Philippine peso, the lawful currency of Philippines
“PRC”	the People’s Republic of China excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan for the purposes of this announcement
“PSE”	The Philippines Stock Exchange, Inc.
“Shareholder”	the holder of any Shares
“Shares”	ordinary shares of HK\$0.10 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Suntrust”	Suntrust Resort Holdings, Inc., a company incorporated in the Philippines, the shares of which are listed on the PSE (stock code: SUN) and a 51% owned subsidiary of the Company
“%”	per cent

Notes:

- (a) When translated, each HK\$ amount stated in this announcement was translated at the exchange rate of HK\$1.0 to PHP7.3.
- (b) All references to Rules and Chapters are references to Rules and Chapters of the Listing Rules unless otherwise stated.

By order of the Board
LET Group Holdings Limited
Lo Kai Bong
Chairman

Hong Kong, 14 May 2024

As at the date of this announcement, the executive Director is Mr. Lo Kai Bong (Chairman); and the independent non-executive Directors are Mr. Tou Kin Chuen, Mr. Lo Wai Tung John and Mr. Fu Chi King Johnson.