

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



SUMMIT ASCENT HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock code: 102)

INSIDE INFORMATION ANNOUNCEMENT: UPDATE ON FINANCIAL INFORMATION

The board of directors (the “**Board**”) of Summit Ascent Holdings Limited (the “**Company**”) and its subsidiaries (the “**Group**”) makes this announcement pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Inside Information Provisions under Part XIVA of the Securities and Future Ordinance (Cap. 571 of the Laws of Hong Kong).

The Board wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary review of the management accounts of the Group for the year ended 31 December 2021, despite the persistent challenges arising from the coronavirus outbreak, the Group is expected to record an increase in revenue of approximately 26%, which turns the Adjusted EBITDA (*note*) around from negative HK\$14.7 million in 2020 to positive approximately HK\$40.9 million in 2021. However, the Group is expected to record a loss for the year ended 31 December 2021 of not less than approximately HK\$273.8 million, as compared to a loss of HK\$47.8 million for the year ended 31 December 2020. The expected loss is mainly derived from (a) the fair value losses on derivative financial instruments of approximately HK\$149.1 million and (b) the impairment loss recognised on property, operating right and equipment of approximately HK\$136.9 million.

Besides, the Board has been closely monitoring the market conditions and the impact of the Russia-Ukraine conflict since late February 2022 including, but not limited to, the fluctuations in the Russian Rubles and interest rates. The Group’s integrated resort Tigre de Cristal is operating in the Russian Far East and has been self-sustaining without any bank borrowings. The Board will continue to assess the impact of economic sanctions against the Russian Federation on the financial position and operations of the Group and will make further announcements if and when it is necessary or required.

The Company is still in the process of finalising its consolidated results for the year ended 31 December 2021. The information contained in this announcement is only based on the preliminary assessment with reference to the information currently available to the management which has not yet been audited or reviewed by the Company's auditors. The Group's audited consolidated financial results for the year ended 31 December 2021 are expected to be announced by the end of March 2022.

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

By Order of the Board of
Summit Ascent Holdings Limited
Lo Kai Bong
Deputy Chairman

Hong Kong, 15 March 2022

As at the date of this announcement, the Company's Executive Directors are Mr. Lo Kai Bong (Deputy Chairman), Mr. Chua Ming Huat David (Chief Executive Officer) and Mr. Chiu King Yan, and the Independent Non-executive Directors are Mr. Lam Kwan Sing, Mr. Lau Yau Cheung and Mr. Li Chak Hung.

Note:

Adjusted EBITDA of Tigre de Cristal is used by management of the Company as the primary measure of operating performance of the Group's gaming and hotel operations, which is defined by the Company as Earnings Before Interest, Income Tax, Depreciation and Amortisation, and excluding Company corporate expenses and the non-cash items such as unrealised exchange differences and fair value gains or losses on derivative financial instruments. Adjusted EBITDA is not a measure of performance under Hong Kong Financial Reporting Standards ("HKFRSs"). This measure does not represent, and should not be used as a substitute for, loss for the year or cash flows from operations as determined in accordance with HKFRSs. This measure is not necessarily an indication of whether cash flow will be sufficient to fund our cash requirements. In addition, our definition of this measure may not be comparable to other similarly titled measures used by other companies.