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**NAGACORP**

金界控股有限公司

**NAGACORP LTD.**

金界控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 3918)**

## **VOLUNTARY ANNOUNCEMENT**

### **FINANCIAL ASSISTANCE FROM CONTROLLING SHAREHOLDER**

This announcement is made by the Company on a voluntary basis. The purpose of this announcement is to inform the shareholders and potential investors of the Company of the latest developments of the Group.

#### **THE LOAN AGREEMENT**

The Board announces that on 17 October 2023 (after trading hours of the Stock Exchange), the Company, as borrower, entered into the Loan Agreement with the Lender, as lender, pursuant to which the Lender has agreed to provide a loan of up to US\$80 million to the Company. The sole purpose of the Loan is for refinancing and/or discharging part of the outstanding 2024 Notes upon their maturity.

#### **LISTING RULES IMPLICATIONS**

As an executive Director, senior chief executive officer and a controlling shareholder holding approximately 69.26% of the total issued Shares of the Company as at the date of this announcement, Dr. Chen is a connected person of the Company. The Lender, being an associate of Dr. Chen, is also a connected person of the Company. Accordingly, the transactions contemplated under the Loan Agreement constitute connected transactions for the Company under Chapter 14A of the Listing Rules.

The Loan Agreement was entered into on normal commercial terms or better from the perspective of the Company and the Loan is not secured by any assets of the Group. As such, the Loan is fully exempt from shareholders' approval, annual review and all disclosure requirements pursuant to Rule 14A.90 of the Listing Rules.

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## **THE LOAN AGREEMENT**

### **Date**

17 October 2023 (after trading hours of the Stock Exchange)

### **Parties**

- (a) ChenLipKeong Capital Limited, as lender; and
- (b) the Company, as borrower

### **Principal terms and conditions of the Loan Agreement**

#### **Facility**

At the written request of the Company, subject to the terms and conditions of the Loan Agreement, the Lender agrees to make the Loan during the Commitment Period to the Company of an aggregate principal amount up to US\$80 million, which shall be funded by the internal resources of the Lender.

The Loan shall be advanced by the Lender to the Company on such date, in such amount and in such manner as may be requested by the Company from time to time. The Company shall request for such number of Loan(s) as agreed between the parties in the aggregate principal amount of up to US\$80 million.

#### **Interest Rate and Security**

The interest rate shall be 8.0% per annum (accrued daily), which was determined based on arm's length negotiation between the Lender and the Company, after considering various alternative funding options available to the Company. In accordance with the indenture of the 2024 Notes, the Company is required to obtain and deliver a fairness opinion from an accounting, appraisal or investment banking firm of international standing to the Trustee. Accordingly, Anglo Chinese has been appointed to opine on the fairness to the Company of the Loan Agreement from a financial point of view (the "**Fairness Opinion**").

No guarantee or security will be given by the Group for the Loan.

Anglo Chinese is of the opinion that the terms of the Loan Agreement are on normal commercial terms that are fair to the Company from a financial point of view, and that the entering into of the Loan Agreement is fair and reasonable as far as the shareholders are concerned and in the circumstances is in the interest of the Company. A copy of the Fairness Opinion has been delivered to the Trustee in accordance with the indenture of the 2024 Notes.

## **Purpose of the Loan**

The Loan will be provided to the Company for the sole purpose of refinancing and/or discharging part of the outstanding 2024 Notes upon their maturity.

## **Repayment terms**

Any outstanding principal amount of each advance of the Loan shall be repaid by cash in full on or before the second (2nd) anniversary of such advance. Any amounts repaid shall not be available for redrawing thereafter.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE LOAN AGREEMENT**

On 6 July 2020 and 15 June 2021, the Company issued the 2024 Notes of an aggregate principal amount of US\$350 million and US\$200 million, respectively, with maturity on 6 July 2024. The 2024 Notes bear interest at a rate of 7.95% per annum, payable semi-annually in arrears on 6 January and 6 July of each year, commencing on 6 January 2021. The 2024 Notes are listed on the Singapore Exchange Securities Trading Limited and cannot be converted into Shares of the Company.

During the financial year ended 31 December 2022, the Company repurchased the 2024 Notes of an aggregate principal amount of US\$77,845,000 with purchase price ranging from 91.83% to 92.10% in total amount of US\$73,003,000. Following the cancellation of the repurchased 2024 Notes, the 2024 Notes of an aggregate principal amount of US\$472,155,000 remains outstanding as at the date of this announcement. After careful consideration, the Company is of the view that the Loan will enhance the Company's liquidity position with reasonable terms including, among others, competitive funding cost. The terms of the Loan Agreement were negotiated on an arm's length basis between the Lender and the Company, after considering various alternative funding options available to the Company. The Company is of the view that the Loan, together with the cash resources of the Company, will be sufficient to discharge all of its financial obligations when the outstanding 2024 Notes mature in July 2024.

The Directors (including the independent non-executive Directors but excluding Dr. Chen and Mr. Chen Yiy Fon (being an associate of Dr. Chen) who are considered to be interested in the Loan Agreement by virtue of Dr. Chen's interests in the Lender) are of the view that, after consideration of various factors, including alternative funding options and the Fairness Opinion, the terms of the Loan Agreement are normal commercial terms that are fair and reasonable, and that the entering into of the Loan Agreement is in the interests of the Company and its shareholders as a whole. Dr. Chen and Mr. Chen Yiy Fon have both abstained from voting on the Board resolution approving the Loan Agreement.

## **LISTING RULES IMPLICATIONS**

As an executive Director, senior chief executive officer and a controlling shareholder holding approximately 69.26% of the total issued Shares of the Company as at the date of this announcement, Dr. Chen is a connected person of the Company. The Lender, being an associate of Dr. Chen, is also a connected person of the Company. Accordingly, the transactions contemplated under the Loan Agreement constitute connected transactions for the Company under Chapter 14A of the Listing Rules.

The Loan Agreement was entered into on normal commercial terms or better from the perspective of the Company and the Loan is not secured by any assets of the Group. As such, the Loan is fully exempt from shareholders' approval, annual review and all disclosure requirements pursuant to Rule 14A.90 of the Listing Rules.

## **INFORMATION OF THE PARTIES**

The Company is an investment holding company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the main board of the Stock Exchange. The Group is principally engaged in the hospitality business and is the largest integrated resort operator in Cambodia.

The Company, through its wholly-owned subsidiary, is licensed to operate casinos in Cambodia for a period of 70 years, expiring in 2065. During this 70-year period, the Group has exclusive rights up to 2045 to operate casinos within a 200-kilometre radius (except the Cambodia-Vietnam border area, Bokor, Kirirom Mountains and Sihanoukville) of Phnom Penh, the capital city of Cambodia.

The Lender is an investment holding company and is directly and wholly-owned by The Sakai Trustee (in its capacity as the trustee of The Sakai Trust). The Sakai Trust is a family trust established by Dr. Chen as settlor for the purposes of succession planning and The Sakai Trustee is entrusted with legal title to the trust assets for the benefit of Dr. Chen and his family. As at the date of this announcement, the Lender directly holds 113,802,825 Shares (representing approximately 2.57% of the total number of Shares in issue and holds an aggregate principal amount of US\$45 million of the 2024 Notes).

As at the date of this announcement, The Sakai Trustee directly holds 1,979,803,846 Shares (representing approximately 44.76% of the total number of Shares in issue) and indirectly holds 1,083,573,314 Shares (representing approximately 24.50% of the total number of Shares in issue) through three of its wholly-owned subsidiaries, the Lender, LIPKCO Group Limited and LIPKCO ENTERPRISES LIMITED. Accordingly, as at the date of this announcement, The Sakai Trustee, directly and indirectly, holds 3,063,377,160 Shares (representing approximately 69.26% of the total number of Shares in issue).

## DEFINITIONS

Unless the context otherwise requires, the terms used in this announcement shall have the following meanings:

“2024 Notes”	7.95% senior notes of an aggregate principal amount of US\$550 million with maturity on 6 July 2024 issued by the Company (ISIN: XS2197693265, Common Code: 219769326)
“Anglo Chinese”	Anglo Chinese Corporate Finance, Limited, a corporation licensed to carry out type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and the independent financial adviser to the Board in respect of the Loan Agreement
“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of directors of the Company
“Commitment Period”	the period beginning from the date of the Loan Agreement and ending upon the maturity of all applicable outstanding amount of the 2024 Notes
“Company”	NagaCorp Ltd., a company incorporated in the Cayman Islands with limited liability, with its Shares listed on the main board of the Stock Exchange (Stock Code: 3918)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Dr. Chen”	Tan Sri Dr Chen Lip Keong, an executive Director, controlling shareholder and senior chief executive officer of the Company
“Group”	the Company and its subsidiaries from time to time
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Lender”	ChenLipKeong Capital Limited (a Cayman Islands incorporated private limited company wholly-owned by The Sakai Trustee), which is an associate of Dr. Chen and hence a connected person of the Company

“Loan”	loan(s) in the aggregate principal amount of up to US\$80 million to be provided by the Lender to the Company pursuant to the terms and conditions of the Loan Agreement
“Loan Agreement”	the loan agreement dated 17 October 2023 entered into between the Company and the Lender, pursuant to which the Lender has agreed to provide the Loan to the Company
“Share(s)”	ordinary share(s) with par value of US\$0.0125 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“The Sakai Trust”	a Jersey law governed discretionary family trust established by Dr. Chen as settlor for the benefit of himself and his family
“The Sakai Trustee”	SAKAI PRIVATE TRUST COMPANY PTE. LTD., a Singapore private trust company directly and wholly-owned by SAKAI GLOBAL HOLDINGS LTD., a Singapore public company limited by guarantee whereby Dr. Chen is currently the sole member
“Trustee”	GLAS Trust Company LLC, as trustee of the 2024 Notes
“US\$”	United States dollars, the lawful currency of the United States of America

By Order of the Board  
**NagaCorp Ltd.**  
**Lam Yi Lin**  
*Company Secretary*

Hong Kong, 17 October 2023

As at the date of this announcement, the directors of the Company are:

*Executive Directors*

Tan Sri Dr Chen Lip Keong, Philip Lee Wai Tuck and Chen Yiy Fon

*Non-executive Director*

Timothy Patrick McNally

*Independent Non-executive Directors*

Lim Mun Kee, Michael Lai Kai Jin and Leong Choong Wah

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