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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**

**PLACING OF EXISTING SHARES  
AND  
TOP-UP SUBSCRIPTION OF  
NEW SHARES UNDER THE GENERAL MANDATE**

**Sole Global Coordinator**

**Morgan Stanley**

**Placing Agents**

**Morgan Stanley**

**CMS**  **招商证券**

 **UNION GAMING**

On 1 September 2016, Hong Kong time (before trading hours of the Stock Exchange), the Subscriber, the Guarantor, the Company and the Placing Agents entered into the Placing and Subscription Agreement pursuant to which (i) the Placing Agents have agreed to act as agents for the Subscriber to place, on a best commercial efforts basis, and the Subscriber has agreed to sell, a total of 190,000,000 existing Placing Shares to not less than six Placees who and whose ultimate beneficial owners will be third parties independent of and not acting in concert (as defined under the Takeovers Code) with the Subscriber, the Company, the Guarantor and their respective associates and connected persons, at the Placing Price of HK\$5.00 per Placing Share; and (ii) the Subscriber has conditionally agreed to subscribe for 190,000,000 new Subscription Shares at the Subscription Price of HK\$5.00 per Subscription Share. The Placing Shares represent, in aggregate, (i) approximately 8.37% of the issued share capital of the Company of 2,269,988,875 Shares as at the date of this announcement; and (ii) approximately 7.72% of the issued share capital of the Company as enlarged by the Subscription and the allotment and issue of the Subscription Shares as a result of the Subscription (assuming there is no other change in the issued share capital of the Company).

The Subscription is conditional upon (i) the Listing Committee granting the listing of, and permission to deal in, the Subscription Shares; (ii) completion of the Placing; and (iii) the Executive granting the Waiver to the Subscriber. The net proceeds (after deducting the Company's share of the Placing Agents' commission, the incentive fee payable to Morgan Stanley & Co. International Plc and other expenses incurred in the Placing and the Subscription) from the Subscription will be approximately HK\$930,000,000. The Company intends to use the net proceeds from the Subscription for the fit-out of the TSCLK Complex, which is expected to be operational around the middle of 2017, and for general corporate purposes.

## **THE PLACING AND SUBSCRIPTION AGREEMENT**

### **Date**

1 September 2016, Hong Kong time (before trading hours of the Stock Exchange).

### **Parties Involved**

The Company, the Subscriber, the Guarantor and the Placing Agents.

## **The Subscriber**

As at the date of the Placing and Subscription Agreement, the Subscriber beneficially owns 789,534,854 Shares, including the Placing Shares, representing approximately 34.78% of the Shares in issue as at the date of this announcement. The Subscriber is wholly owned by ChenLa Foundation, of which the Guarantor is the founder and sole beneficiary.

## **The Guarantor**

The Guarantor is an Executive Director and the Chief Executive Officer of the Company. He is also the controlling shareholder of the Company.

## **Placing and Subscription**

The Placing Agents have severally agreed to act as agents to the Subscriber to place, on a best commercial efforts basis, the Placing Shares at the Placing Price and will receive an aggregate placing commission of 1.5% of the amount equal to the Placing Price multiplied by the number of Placing Shares. An incentive fee of 0.5% of the amount equal to the Placing Price multiplied by the number of Placing Shares will be payable to Morgan Stanley & Co. International Plc only. The placing commission and the incentive fee were arrived at after arm's length negotiations between the Company, the Subscriber and the Placing Agents (in the case of the incentive fee, Morgan Stanley & Co. International Plc).

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the Placing Agents and its ultimate beneficial owner is independent of and not connected with the Subscriber, the Company, the Guarantor and their respective associates and connected persons, and is not acting in concert with the Subscriber (or parties acting in concert with it) or its associates.

Pursuant to the Placing and Subscription Agreement, the Subscriber has agreed to: (i) sell, through the Placing Agents, 190,000,000 Placing Shares to the Placees at a price of HK\$5.00 per Placing Share; and (ii) subscribe for the Subscription Shares at a price of HK\$5.00 per Subscription Share.

Details of the Placing and the Subscription are set out below.

## 1. **Placing**

### *Placees*

The Placing Agents have severally agreed to place the Placing Shares, on a best commercial efforts basis, to not less than six (6) Placees who and whose ultimate beneficial owners are third parties independent of and not acting in concert (as defined under the Takeovers Code) with the Subscriber, the Company, the Guarantor and their respective associates and connected persons. Immediately after completion of the Placing, it is expected that none of the Placees will become a substantial shareholder of the Company.

### *Placing Shares*

The Placing Shares represent, in aggregate: (i) approximately 8.37% of the existing issued share capital of the Company of 2,269,988,875 Shares as at the date of this announcement; and (ii) approximately 7.72% of the issued share capital of the Company as enlarged by the Subscription and the allotment and issue of the Subscription Shares as a result of the Subscription (assuming there is no other change in the issued share capital of the Company).

### *Rights of the Placing Shares*

The Placing Shares will be sold free from all Encumbrances and together with all rights attaching thereto as at the Transaction Date, including the right to receive all dividends declared, made or paid on or after the Transaction Date.

As announced by the Company on 8 August 2016, the Board has resolved to declare payment of an interim dividend of US cents 2.77 per Share (or equivalent to HK cents 21.47 per Share) for the six months ended 30 June 2016. Such interim dividend is payable to the Shareholders whose names appeared on the register of members of the Company at the close of business on Wednesday, 24 August 2016 and will be paid on Tuesday, 13 September 2016. The Placing Shares will not be eligible to receive such interim dividend.

### *Lock Up Undertakings*

Pursuant to the Placing and Subscription Agreement, each of the Subscriber and the Guarantor has jointly and severally undertaken to the Placing Agents that (except for the sale of Placing Shares pursuant to the Placing and Subscription Agreement), for a period of ninety (90) days from the date of the Placing and Subscription Agreement (the “Vendor Lock-up Period”), it/he will not, and will procure that none of its/his nominees and companies controlled by it/him and trusts associated with it/him (whether individually or together and whether directly or indirectly) will, (i) offer, lend, pledge, issue, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase,

or otherwise transfer or dispose of (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Shares (including the Subscription Shares) or any interests therein beneficially owned or held by the Subscriber or any of its affiliates or any securities convertible into or exercisable or exchangeable for or substantially similar to any such Shares or interests; or (ii) enter into any swap or similar agreement that transfers, in whole or in part, the economic risk of ownership of Shares, whether any such transaction described in (i) or (ii) above is to be settled by delivery of Shares (Shares of the Subscriber aforementioned) or such other securities, in cash or otherwise or (iii) announce any intention to enter into or effect any such transaction described in (i) or (ii) above, unless with the prior written consent of each of the Placing Agents.

This undertaking does not apply where the Subscriber uses the Shares as security (including a charge or a pledge) in favour of a financial institution for a bona fide commercial loan, provided that the Placing Agents shall review and be given sufficient time in advance to comment on any securities agreement(s) to be entered into in connection with such commercial loan. For the avoidance of doubt, the Vendor Lock-up Period only refers to a period of 90 days after the date of the Placing and Subscription Agreement, and each of the Subscriber and the Guarantor shall be free to take any of the actions set out in (i), (ii) or (iii) above with respect to the Shares upon the expiration of the Vendor Lock-up Period.

The Company has undertaken to the Placing Agents, and each of the Guarantor and the Subscriber has undertaken to the Placing Agents to procure, that for a period of ninety (90) days from the date of the Placing and Subscription Agreement, the Company will not, except for the Subscription Shares and save pursuant to (1) the terms of any employee share option scheme of the Company or (2) bonuses or scrip dividend or similar arrangements which provide for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with its articles of association, (i) allot or issue or offer to allot or issue or grant any option, right or warrant to subscribe for (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Share(s) or any interests in Shares or any securities convertible into or exercisable or exchangeable for or substantially similar to Shares or interest in Shares; or (ii) agree (conditionally or unconditionally) to enter into or effect any such transaction with the same economic effect as any of the transactions described in (i) above; or (iii) announce any intention to enter into or effect any such transaction described in (i) or (ii) above, unless with the prior written consent of each of the Placing Agents.

### ***Placing Price***

The Placing Price represents:

- (i) a discount of approximately 8.9% to the closing price of HK\$5.49 per Share as quoted on the Stock Exchange on the Last Trading Date;
- (ii) a discount of approximately 8.6% to the average closing price of approximately HK\$5.47 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days prior to and including the Last Trading Date; and
- (iii) a discount of approximately 10.9% to the average closing price per Share of approximately HK\$5.61 as quoted on the Stock Exchange for the last ten (10) consecutive trading days prior to and including the Last Trading Date.

The Placing Price was arrived at after arm's length negotiations among the Company, the Subscriber, the Guarantor and the Placing Agents with reference to the prevailing market prices of the Shares. The Directors consider that the Placing Price and the terms and conditions of the Placing and Subscription Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole. The net Placing Price, after deduction of the relevant expenses, is approximately HK\$4.89 per Placing Share.

### ***Placing Commission, Incentive Fee and Expenses***

The Company will be responsible for the costs, fees and expenses of the Placing, including the placing commission, the incentive fee and the seller's share of the stamp duty, SFC transaction levy and Stock Exchange trading fee payable in relation to the transfer of the Placing Shares. Such costs, fees and expenses will, to the extent borne ultimately by the Subscriber, be deducted from the aggregate Subscription Price payable by the Subscriber.

### ***Completion of the Placing***

The Placing is unconditional and the completion of the Placing is expected to take place on the Closing Date.

## **2. Subscription**

### ***Subscription Shares***

The Subscriber has conditionally agreed to subscribe for 190,000,000 Subscription Shares, representing, in aggregate, (i) approximately 8.37% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 7.72% of the issued share capital of the Company as enlarged by the Subscription and the allotment and issue of the Subscription Shares as a result of the Subscription (assuming there is no other change in the issued share capital of the Company).

### ***Rights and Ranking of the Subscription Shares***

The Subscription Shares will, when fully paid, rank pari passu in all respects with the other Shares in issue or to be issued by the Company on or prior to the date of completion of the Subscription including the rights to all dividends and other distributions declared, made or paid at any time after the date of allotment.

### ***General Mandate to issue the Subscription Shares***

The issue of the Subscription Shares is not subject to the approval of the Shareholders. The Subscription Shares will be issued under the General Mandate to allot, issue and deal with Shares granted to the Directors by resolution of the Shareholders passed at the AGM which authorised the Directors to allot and issue a maximum of 453,997,775 Shares. As at the date of this announcement, (i) no portion of the General Mandate has been utilised; (ii) the Company has not allotted and issued any Shares pursuant to the General Mandate; and (iii) the General Mandate is sufficient for the allotment and issue of the Subscription Shares. The Company has not repurchased any Shares within the last thirty (30) days prior to the date of this announcement.

### ***Subscription Price***

The Subscription Price:

- (i) represents a discount of approximately 8.9% to the closing price of HK\$5.49 per Share as quoted on the Stock Exchange on the Last Trading Date;
- (ii) represents a discount of approximately 8.6% to the average closing price of approximately HK\$5.47 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days prior to and including the Last Trading Date; and
- (iii) is equal to the Placing Price.

The Subscription Price was arrived at after arm's length negotiations among the Company, the Subscriber, the Guarantor and the Placing Agents with reference to the prevailing market prices. The Directors consider that the Subscription Price and the terms and conditions of the Placing and Subscription Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

### ***Conditions of the Subscription***

The Subscription is conditional upon:

- (i) the Listing Committee granting approval for the listing of, and permission to deal in, the Subscription Shares (and such listing and permission not subsequently being revoked prior to the delivery of definitive share certificate(s) representing the Subscription Shares under the Placing and Subscription Agreement);
- (ii) the completion of the Placing having occurred pursuant to the terms of the Placing and Subscription Agreement; and
- (iii) the Executive granting the Waiver.

Application will be made by the Company to the Listing Committee for the listing of, and permission to deal in, the Subscription Shares. Application will be made to the Executive for the granting of the Waiver. The Placing and Subscription Agreement has not provided for the right of the parties to waive the above conditions.

### ***Completion of the Subscription***

Completion of the Subscription will take place on the second Business Day (or such other date as may be agreed by the Company and the Subscriber) after the date upon which the last of the conditions of the Subscription shall have been satisfied.

Under Rule 14A.92(4) of the Listing Rules, the Subscription must be completed on or before 15 September 2016, being fourteen (14) days after the date of the Placing and Subscription Agreement. If the Subscription is to be completed thereafter, it will constitute a connected transaction under the Listing Rules and require compliance with all the relevant requirements under Chapter 14A of the Listing Rules, including but not limited to the issue of a separate announcement and approval by the independent Shareholders (being Shareholders other than the Subscriber, its ultimate beneficial owners and their respective associates).

## ***Termination***

The Placing Agent may terminate the Placing and Subscription Agreement without liability to the Subscriber, the Company and/or the Guarantor by giving notice in writing to the Subscriber, the Guarantor and the Company at any time up to 9:00 a.m. (Hong Kong time) on the Closing Date if:

- (1) there is any new law or regulation or any change or development involving a prospective change in existing laws or regulations in any relevant jurisdiction which in the sole judgment of the Placing Agents has or is likely to have a material adverse effect on the financial position, business, results of operation or prospects of the Company and/or of the Group as a whole;
- (2) the occurrence of any significant event, development or change or prospective change (whether or not permanent or forming part of a series of event, developments or changes occurring or continuing before, on and/or after the date hereof) in local, national or international monetary, fiscal, industrial, economic, financial, regulatory, political or military conditions which in the sole judgment of the Placing Agents is or would be materially adverse to the success of the Placing or makes it impracticable or inadvisable or inexpedient to proceed therewith;
- (3) the occurrence of any significant event, development or change or prospective change (whether or not permanent or forming part of a series of event, developments or changes occurring or continuing before, on and/or after the date hereof) in local, national or international securities market conditions or currency exchange rates or foreign exchange rates or foreign exchange controls which in the sole judgement of the Placing Agents is or would be materially adverse to the success of the Placing or makes it impracticable or inadvisable or inexpedient to proceed therewith;
- (4) the occurrence of a general moratorium on commercial banking activities in Hong Kong, the People's Republic of China, London or New York declared by the relevant authorities or a material disruption in commercial banking or securities settlement or clearance services in Hong Kong, the People's Republic of China, the United Kingdom, the United States or Cambodia;
- (5) there is a change or development involving a prospective change in Taxation which constitutes a material adverse effect on the Group as a whole or the Placing Shares or the transfer thereof;

- (6) the occurrence of any outbreak or escalation of hostilities or act of terrorism involving Hong Kong, the People's Republic of China, the United Kingdom, the United States or Cambodia or the declaration by Hong Kong, the People's Republic of China, the United Kingdom, the United States or Cambodia of a national emergency or war or other calamity or crisis;
- (7) the occurrence of any suspension of dealings in the Shares for any period whatsoever (other than as a result of, or in connection with the Placing);
- (8) the occurrence of any moratorium, suspension or material restriction on trading in shares or securities generally on the Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the London Stock Exchange, the New York Stock Exchange or Nasdaq due to exceptional financial circumstances or otherwise at any time prior to the Closing Date;
- (9) there is any breach of any of the representations, warranties and undertakings by the Company, the Subscriber and/or the Guarantor set out in the Placing and Subscription Agreement comes to the knowledge of the Placing Agents or any event occurs or any matter arises on or after the date of the Placing and Subscription Agreement and prior to the Closing Date which if it had occurred or arisen before the date of the Placing and Subscription Agreement would have rendered any of such representations, warranties and undertakings untrue, misleading or incorrect in any respect or (in the sole judgment of the Placing Agents) is or would materially and adversely affect the financial position or business of the Company and/or of the Group as a whole or is or would be materially adverse to the success of the Placing, or there has been a material breach of, or material failure to perform, any other provision of the Placing and Subscription Agreement on the part of the Subscriber, the Guarantor and/or the Company; or
- (10) there is any such adverse change, or development involving a prospective adverse change in the general affairs, condition, results of operations or prospects, management, business, stockholders' equity or in the financial or trading position of the Company and/or of the Group as a whole which in the sole judgment of the Placing Agents is materially adverse to the success of the Placing.

Without prejudice to any other provisions of the Placing and Subscription Agreement, the Placing Agents shall have the right exercisable at any time by notice in writing to the Subscriber, the Guarantor and the Company to terminate the Placing and Subscription Agreement if any of the Placing Shares are not delivered by or on behalf of the Subscriber in accordance with the terms thereof.

Upon termination of the Placing and Subscription Agreement pursuant to the above mentioned factors, all obligations of the parties thereto shall cease and determine and no party to the Placing and Subscription Agreement shall have any claim against any other party in respect of any matter arising out of or in connection with the Placing and Subscription Agreement save for any antecedent breach of any obligation under the Placing and Subscription Agreement and the payment of all reasonable costs, charges and expenses to the extent already incurred.

### **DISPENSATION FROM RULE 26 OF THE TAKEOVERS CODE**

As a result of the Placing, the aggregate percentage shareholding of the Subscriber and its concert parties will be reduced from approximately 42.24% to approximately 33.87% (a decrease of approximately 8.37%) and, as a result of the Subscription, their aggregate percentage shareholding will be increased from approximately 33.87% to approximately 38.98% (an increase of approximately 5.11%). An application will be made to the Executive for granting of the Waiver from any requirement to make a mandatory general offer for all of the issued Shares other than those already owned by it and parties acting in concert with it under Note 6 on dispensations from Rule 26 of the Takeovers Code. As stated above, completion of the Subscription will be subject to the granting of the Waiver by the Executive and none of the conditions for the Subscription can be waived by the parties to the Placing and Subscription Agreement.

### **REASONS FOR THE PLACING AND THE SUBSCRIPTION**

The Directors have considered various ways of raising funds and consider that it would be in the interests of the Company to raise equity funding via the Placing and the Subscription to broaden its shareholder base, strengthen the capital base and to enhance its financial position and net assets base for long-term development and growth.

The Directors (including the Independent Non-executive Directors) consider the terms of the Subscription (including but not limited to the Subscription Price, the Placing Agents' commission and the incentive fee payable to Morgan Stanley & Co. International Plc) to be fair and reasonable in light of current market conditions, and the Subscription to be in the interests of the Company and the Shareholders as a whole.

## USE OF PROCEEDS

The gross proceeds and net proceeds (after deducting the Company's share of the Placing Agents' commission, the incentive fee payable to Morgan Stanley & Co. International Plc, and other expenses incurred in the Placing and the Subscription) from the Subscription are expected to be approximately HK\$950,000,000 and approximately HK\$930,000,000, respectively. The net Subscription Price, after deduction of the Company's share of relevant costs, fees and expenses, is approximately HK\$4.89 per Subscription Share.

The principal activity of the Group is the operation of a hotel and entertainment complex, NagaWorld, in Cambodia. The Company intends to use the net proceeds for the fit-out of the TSCLK Complex, which is expected to be operational around the middle of 2017, and for general corporate purposes.

## EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE-MONTH PERIOD

The Company has conducted no fund raising activities in the twelve (12) months immediately preceding the date of this announcement.

## IMPACT ON SHAREHOLDING STRUCTURE

Assuming all the Placing Shares are placed under the Placing and Subscription Agreement, the shareholding structure of the Company before and after the Placing and the Subscription will be as follows respectively:

Shareholder	As at the date of this announcement		Immediately after the Placing but before the Subscription		Immediately after the Subscription	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
Dr. Chen and his associates	958,945,297	42.24	768,945,297	33.87	958,945,297	38.98
Places of the Placing Shares	—	—	190,000,000	8.37	190,000,000	7.72
Other public Shareholders	<u>1,311,043,578</u>	<u>57.76</u>	<u>1,311,043,578</u>	<u>57.76</u>	<u>1,311,043,578</u>	<u>53.30</u>
Total	<u>2,269,988,875</u>	<u>100.00</u>	<u>2,269,988,875</u>	<u>100.00</u>	<u>2,459,988,875</u>	<u>100.00</u>

As at the date of the Placing and Subscription Agreement, Dr. Chen, being a substantial shareholder of the Company, holds 958,945,297 Shares, representing approximately 42.24% of the existing issued share capital of the Company through (i) direct interest of 0.31%; (ii) indirect interest of 34.78% held through the Subscriber; and (iii) indirect interest of 7.15% held through Cambodia Development Corporation.

Immediately after completion of the Placing and the Subscription, Dr. Chen's shareholding in the Company would reduce from approximately 42.24% to approximately 38.98% of the existing issued share capital of the Company. Notwithstanding the said reduction in shareholdings, Dr. Chen will continue to be the controlling shareholder of the Company who has control over the financial and operating decisions of the Company.

### **IMPACT ON NAGACITY WALK CONVERTIBLE BONDS**

Reference is made to the announcement of the Company dated 17 May 2016 in respect of the issue of the NagaCity Walk Convertible Bonds (as defined therein) to Dr. Chen pursuant to the NagaCity Walk Completion (as defined therein). As the Placing and the Subscription will result in a change in the nominal value of the issued share capital of the Company, the conversion price and the number of conversion shares of the NagaCity Walk Convertible Bonds will be adjusted in accordance with the terms and conditions of the Deed Poll of the Convertible Bonds. Such adjustments to the conversion price and the number of conversion shares of the NagaCity Walk Convertible Bonds shall become effective upon the completion of the Subscription.

### **DEFINITIONS**

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

“AGM”	the annual general meeting of the Company held on Wednesday, 20 April 2016
“acting in concert”	has the meaning ascribed to this term in the Takeovers Code
“associates”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors

“Business Day”	any day on which the Stock Exchange is open for securities dealings
“Cambodia”	the Kingdom of Cambodia
“Closing Date”	two Business Days after the Transaction Date or such other date as the Subscriber and the Placing Agents may agree in writing
“Company”	NagaCorp Ltd., a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Directors”	directors of the Company
“Encumbrance”	any pledge, charge, lien, mortgage, option, warrant, security interest, claim, pre-emption rights, equity interest, third party rights whatsoever or interests or rights similar to the foregoing
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“General Mandate”	the general mandate granted to the Directors by the Shareholders at the AGM to allot, issue and deal with up to 20% of the then issued share capital of the Company as at the date of the AGM
“Group”	the Company and its subsidiaries
“Guarantor” or “Dr. Chen”	Tan Sri Dr Chen Lip Keong, an Executive Director and the Chief Executive Officer of the Company and a substantial shareholder of the Company
“HK\$” and “HK cents”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Last Trading Day”	31 August 2016, being the last trading day prior to the signing of the Placing and Subscription Agreement, which took place before trading hours on 1 September 2016
“Listing Committee”	the listing committee of the Stock Exchange for considering applications for listing and the granting of listing
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placee(s)”	any professional, institutional or other investors procured by or on behalf of the Placing Agents to purchase any of the Placing Shares pursuant to the Placing Agents’ obligations under the Placing and Subscription Agreement
“Placing”	the placing of the Placing Shares by or on behalf of the Placing Agents to the Placees pursuant to the Placing and Subscription Agreement
“Placing Agents”	Morgan Stanley & Co. International Plc, China Merchants Securities (HK) Co., Limited and Union Gaming Securities Asia Limited
“Placing and Subscription Agreement”	the agreement dated 1 September 2016 and entered into among the Company, the Placing Agents, the Subscriber and the Guarantor in respect of the Placing and the Subscription
“Placing Price”	HK\$5.00 per Placing Share
“Placing Shares”	an aggregate of 190,000,000 existing Shares to be placed by the Placing Agents on behalf of the Subscriber under the Placing
“SFC”	the Securities and Futures Commission

“Share(s)”	ordinary share(s) of US\$0.0125 each in the issued share capital of the Company
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Fourth Star Finance Corp., a company incorporated in the British Virgin Islands and the beneficial owner of 789,534,854 Shares
“Subscription”	the subscription of the Subscription Shares by the Subscriber at the Subscription Price pursuant to the Placing and Subscription Agreement
“Subscription Price”	HK\$5.00 per Subscription Share
“Subscription Shares”	190,000,000 new Shares to be allotted and issued by the Company to the Subscriber pursuant to the terms and conditions of the Placing and Subscription Agreement
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Taxation”	all forms of taxation including value added tax (VAT), goods and services tax (GST), business tax, stamp duty, withholding taxes and/or other similar taxes whether of Hong Kong, Cambodia or elsewhere in the world whenever imposed and all statutory, governmental, state, provincial, local governmental or municipal impositions, duties and levies and all penalties, charges, costs and interests relating thereto
“Transaction Date”	1 September 2016 or such other date as the Subscriber and the Placing Agents may agree in writing
“TSCLK Complex”	has the meaning ascribed thereto in the Company’s announcement dated 13 June 2011
“US\$” and “US Cents”	United States dollars and cents respectively, the lawful currency of the United States of America

“Waiver” a waiver application made to the Executive pursuant to Note 6 on dispensations from Rule 26 of the Takeovers Code of the obligations on the part of the Subscriber and parties acting in concert with it to make a mandatory general offer under Rule 26 of the Takeovers Code for all securities of the Company other than those already owned or agreed to be acquired by the Subscriber and parties acting in concert with it as a result of the allotment and issue of the Subscription Shares

“%” per cent

For the purpose of this announcement, amounts denominated in US\$ have been converted to HK\$ at an exchange rate of US\$1.00 to HK\$7.75 for illustration only.

By Order of the Board  
**NagaCorp Ltd.**  
**Timothy Patrick McNally**  
*Chairman*

Hong Kong, 1 September 2016

*The Directors jointly and severally accept full responsibility for the accuracy of information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

*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, Chen Yiy Fon and Chen Yepern

*Non-executive Director*

Timothy Patrick McNally

*Independent Non-executive Directors*

Tan Sri Datuk Seri Panglima Abdul Kadir Bin Haji Sheikh Fadzir, Lim Mun Kee and Michael Lai Kai Jin