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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**

**INSIDE INFORMATION**

**US\$300,000,000 9.375% SENIOR NOTES DUE 2021 BY THE  
COMPANY**

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and Part XIVA of the SFO.

Reference is made to the announcements of the Company dated 30 April 2018 and 8 May 2018 in relation to the proposed offering of senior notes by the Company.

The Board is pleased to announce that on 14 May 2018, New York City time, the Company entered into a Purchase Agreement with Credit Suisse and Morgan Stanley in connection with the issue by the Company of an aggregate principal amount of US\$300,000,000 9.375% senior notes due 2021. These Notes will not be convertible into Shares of the Company.

The estimated net proceeds of the Notes Issue, after deduction of fees, commissions and expenses, will amount to approximately US\$290 million. The Group intends to use the net proceeds from the Notes:

- (1) to promote gaming business growth, particularly in the VIP gaming segment, and
- (2) to refurbish the hotel rooms in Nagal.

The Group may adjust the plans in response to changing market conditions and thus may reallocate the use of the proceeds.

Approval-in-principle has been received for the listing of the Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Admission of the Notes to the Official List of the SGX-ST is not to be taken as an indication of the merits of the Company or the Notes. No listing of the Notes has been, or will be, sought in Hong Kong.

## **INTRODUCTION**

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## **THE PURCHASE AGREEMENT DATED 14 MAY 2018**

### **Parties to the Purchase Agreement**

- (a) Company as the issuer of the Notes; and
- (b) Credit Suisse and Morgan Stanley as the initial purchasers of the Notes.

Credit Suisse and Morgan Stanley as the joint global coordinators, joint bookrunners and joint lead managers are managing the offer and sale of the Notes.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Credit Suisse and Morgan Stanley are independent third parties and are not connected persons of the Company.

The Notes have not been, and will not be, registered under the U.S. Securities Act. The Notes may not be offered or sold in the United States absent registration under the Securities Act or an exemption from registration under the U.S. Securities Act. There will be no public offer of the securities in the United States. None of the Notes will be offered to the public in Hong Kong nor will the Notes be initially placed to any connected persons of the Company.

### **Principal terms of the Notes**

#### ***Notes Offered***

Subject to certain conditions to completion, the Company will issue the Notes in an aggregate principal amount of US\$300,000,000 and the Notes will mature on 21 May 2021, unless earlier redeemed pursuant to the terms of the Notes.

#### ***Offer Price***

The offer price of the Notes will be 99.362% of the principal amount of the Notes.

#### ***Interest***

The Notes will bear interest at a rate of 9.375% per annum, payable semi-annually in arrears on 21 May and 21 November of each year, commencing 21 November 2018.

#### ***Ranking of the Notes***

The Notes are general obligations of the Company and will (1) rank equally in right of payment with all existing and future obligations of the Company that are not subordinated in right of payment to the Notes; (2) rank senior in right of payment to any existing and future obligations of the Company expressly subordinated in right of payment to the Notes; (3) be effectively subordinated in right of payment to any existing and future obligations of the Company that are secured by property or assets that do not secure the Notes, to the extent of the value of the property and assets securing such obligations; (4) be structurally subordinated to all existing and future obligations of the Company's subsidiaries that do not guarantee the Notes; and (5) be unconditionally guaranteed by the Guarantors.

### ***Ranking of the Guarantees***

The Guarantors will guarantee the due and punctual payment of the principal of, premium, if any, and interest on, and all other amounts payable under, the Notes. The Guarantee of each Guarantor is: (1) a general obligation of such Guarantor; (2) effectively subordinated to existing and future secured obligations of such Guarantor, to the extent of the value of the assets serving as security therefor; (3) senior in right of payment to all existing and future obligations of such Guarantor subordinated in right of payment to such Guarantee; and (4) equally in right of payment with all existing and future obligations of such Guarantor that are not subordinated in right of payment to such Guarantee.

### ***Events of Default***

The events of default under the Notes include, among others: (1) default in payment of interest, or additional amounts (if any), of the Notes when the same becomes due and payable, and such default continues for a period of 30 days; (2) default in the payment of principal of (or premium, if any, on) the Notes when the same becomes due and payable at maturity, upon redemption or otherwise; (3) failure by the Company or any Restricted Subsidiary (as defined in the Indenture) to comply with certain covenants under the Notes; (4) failure by the Company or any Restricted Subsidiary to comply with any other agreement in the Indenture, the Guarantees or under the Notes (other than a default specified in (1), (2) or (3) above) and such default or breach continues for a period of 60 days after notice by the trustee of the Notes or holders of at least 25% in aggregate principal amount of the Notes then outstanding voting as a single class; (5) default by the Company or any Restricted Subsidiary in the repayment of indebtedness having, in the aggregate, an outstanding principal amount of US\$20.0 million or more, provided certain circumstances occur; (6) failure by the Company or any Restricted Subsidiary to pay final judgments entered by a court or courts of competent jurisdiction aggregating in excess of US\$20.0 million, which judgments are not paid, discharged or stayed for a period of 60 days; (7) certain events of bankruptcy or insolvency described in the Indenture with respect to the Company or any Restricted Subsidiary that is a Significant Subsidiary (as defined in the Indenture) or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary; (8) any Guarantor denies or disaffirms its obligations under its Guarantee or, except as permitted by the Indenture, the Guarantee is determined to be unenforceable or invalid or for any reason ceases to be in full force and effect; and (9) revocation, termination or rescission of the casino license which is continuing for a period of 60 days.

If an event of default (other than an event of default specified in (7) above) occurs and is continuing under the Indenture, the trustee of the Notes may, and shall upon the request of the holders of at least 25% in aggregate principal amount of the Notes outstanding, by written notice to the Company, declare the principal of, premium, if any, and accrued and unpaid interest on the Notes to be immediately due and payable. Upon a declaration of acceleration, such principal of, premium, if any, and accrued and unpaid interest shall be immediately due and payable. If an event of default specified in (7) above occurs with respect to the Company, or any Restricted Subsidiary, the principal of, premium, if any, and accrued and unpaid interest on the Notes then outstanding shall automatically become and be immediately due and payable without any declaration or other act on the part of the trustee of the Notes or any holder of the Notes or any other person.

### ***Covenants***

The Indenture will limit the ability of the Company and the ability of its Restricted Subsidiaries (as the case may be) to, among other things:

- (a) incur or guarantee additional indebtedness;
- (b) make specified restricted payments;
- (c) issue or sell capital stock of Restricted Subsidiaries;
- (d) sell assets;
- (e) create liens;
- (f) enter into agreements that restrict the Restricted Subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- (g) enter into transactions with shareholders or affiliates; and
- (h) effect a consolidation or merger.

### ***Special Mandatory Redemption for Reorganization Event***

Following any Reorganization Event (as defined in the Indenture), the Company will be required to redeem all outstanding Notes at the redemption prices, plus accrued and unpaid interest, if any, to the redemption date as set forth in the Indenture.

### ***Redemption upon a Change of Control***

Upon the occurrence of a Change in Control (as defined in the Indenture) event, the Company will make an offer to repurchase all outstanding Notes at a purchase price equal to 101% of their principal amount plus accrued and unpaid interest, if any, to the repurchase date.

### ***Redemption for Taxation Reasons***

Subject to certain exceptions, the Company may redeem the Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date, if the Company or any of the Guarantors would become obligated to pay certain additional amounts as a result of certain changes in specified tax laws or certain other circumstances.

### ***Gaming Redemption***

The Indenture will grant the Company the power to redeem the Notes if the gaming authority of any jurisdiction in which the Company or any of its subsidiaries conducts or proposes to conduct gaming requires that a person who is a holder or the beneficial owner of Notes be licensed, qualified or found suitable under applicable gaming laws and such holder or beneficial owner, as the case may be, fails to apply or become licensed or qualified within the required time period or is found unsuitable.

### ***Optional Redemption***

At any time prior to 21 May 2020, the Company may at its option redeem the Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the Notes redeemed plus the applicable make-whole premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date, as set forth in the Indenture.

At any time after 21 May 2020, the Company may at its option redeem the Notes, in whole or in part, at the redemption prices set forth in the Indenture plus accrued and unpaid interest, if any, to the redemption date.

At any time prior to 21 May 2020, the Company may redeem up to 35% of the aggregate principal amount of the Notes with the net cash proceeds of one or more sales of common stock of the Company in an equity offering (as defined in the Indenture) at a redemption price of 109.375% of the principal amount of the Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date.

### ***Reasons for the Notes Issue***

The Group owns and operates the only integrated casino and hotel resort, known as the NagaWorld, in Phnom Penh, the capital city of Cambodia. The Notes Issue is being undertaken by the Group to enhance the quality and appeal of NagaWorld, and further develop its gaming business particularly in the VIP segment.

### ***Proposed Use of Proceeds***

The estimated net proceeds of the Notes Issue, after deduction of fees, commissions and expenses, will amount to approximately US\$290 million. The Group intends to use the net proceeds from the Notes to:

- (1) promote gaming business growth, particularly in our VIP gaming segment, and
- (2) refurbish the hotel rooms in Naga1.

The Group may adjust the plans in response to changing market conditions and thus may reallocate the use of the proceeds.

### ***Listing***

Approval-in-principle has been received for the listing of the Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Admission of the Notes to the Official List of the SGX-ST is not to be taken as an indication of the merits of the Company or the Notes. No listing of the Notes has been, or will be, sought in Hong Kong.

## **DEFINITIONS**

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

“Board”	the board of Directors
“Company”	NagaCorp Ltd., a company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the main board of the Stock Exchange (Stock Code: 3918)
“connected person(s)”, “subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules

“Credit Suisse”	Credit Suisse (Hong Kong) Limited, one of the joint global coordinators, joint bookrunners and joint lead managers in respect of the offer and sale of the Notes
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“Guarantees”	the guarantees to be given by each of the Guarantors on the Company’s obligations under the Notes
“Guarantors”	NagaCorp (HK) Limited, NAGAWORLD LIMITED, TanSriChen (Citywalk) Inc. and TanSriChen Inc.
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Indenture”	the written agreement to be entered into between the Company as issuer of the Notes, the Guarantors and GLAS Trust Company LLC as trustee of the Notes, pursuant to which the Notes will be issued
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Morgan Stanley”	Morgan Stanley & Co. International plc, one of the joint global coordinators, joint bookrunners and joint lead managers in respect of the offer and sale of the Notes
“Naga1”	a gaming and hotel resort which was opened in December 2006 and spread over a total floor area of approximately 113,307 square meters
“Notes”	the US\$300,000,000 9.375% senior notes due 2021 to be issued by the Company
“Notes Issue”	the issue of Notes by the Company and guaranteed by the Guarantors
“PRC”	the People’s Republic of China excluding, for the purpose of this announcement, Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan area

“Purchase Agreement”	the agreement dated 14 May 2018 entered into between the Company, the Guarantors, Credit Suisse and Morgan Stanley in relation to the Notes Issue
“SFO”	the Securities and Futures Ordinance (Cap 571) of the Laws of Hong Kong
“SGX-ST”	the Singapore Exchange Securities Trading Limited
“Share(s)”	the 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
“U.S.” or “United States”	the United States of America, its territories and possessions and all areas subject to its jurisdiction
“U.S. Securities Act”	the United States Securities Act of 1933, as amended
“US\$”	United States dollar, the lawful currency of the United States

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

Hong Kong, 15 May 2018

As at the date of this announcement, the Directors 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*

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

*This announcement is published on the Company’s website at [www.nagacorp.com](http://www.nagacorp.com) and the website of Hong Kong Exchanges and Clearing Limited at [www.hkexnews.hk](http://www.hkexnews.hk).*