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NAGACORP

金界控股有限公司

NAGACORP LTD.

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(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3918)

**VOLUNTARY ANNOUNCEMENT
UNAUDITED OPERATIONAL HIGHLIGHTS (GAMING)
FOR THE THREE MONTHS ENDED 31 MARCH 2022**

The board of directors (the “**Board**”) of NagaCorp Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) is pleased to announce the unaudited operational highlights of the gaming branch of the Group for the three months ended 31 March 2022. This is a voluntary announcement made by the Company to provide the shareholders and potential investors of the Company with a business update and the information contained in this announcement is based on a preliminary assessment of the Group and the information currently available to the Company and is not based on any figure or information which has been audited or reviewed by the auditor of the Company.

Shareholders and potential investors of the Company are advised to exercise caution and not to place undue reliance on such information when dealing in the securities of the Company.

OPERATIONAL HIGHLIGHTS

Business Continues to Recover

The Company continues to see business recovery for the three months ended 31 March 2022 (“**1Q2022**”) as compared to the three months ended 31 December 2021 (“**4Q2021**”) across various business segments.

Quarter on Quarter (QoQ) Comparison for the EBITDA (US\$m)

	1Q2022	4Q2021	QoQ Growth
EBITDA	60.5	33.0	83.3%

QoQ Comparison for the Average Daily Net Gaming Revenue for Key Business Segments (in US\$'000)

Segments	1Q2022	4Q2021	QoQ Growth
Mass Table	572	375	52.5%
Electronic Gaming Machines (“EGM”)	280	243	15.2%
Premium Mass	212	182	16.5%
Referral VIP	13	8	62.5%
Total	1,078	808	33.4%

The average daily net gaming revenue of the Mass Table segment continues to improve from US\$375,000 in 4Q2021 to US\$572,000 in 1Q2022, representing an approximately 52.5% QoQ growth. For the EGM segment, the average daily net gaming revenue in 1Q2022 was US\$280,000, representing an approximately 15.2% QoQ growth. Likewise for the Premium Mass segment, the average daily net gaming revenue in 1Q2022 was US\$212,000, representing an approximately 16.5% QoQ growth. In aggregate, the total daily average net gaming revenue in 1Q2022 was US\$1,078,000, representing an approximately 33.4% QoQ growth as compared to 4Q2021.

Based on the Group’s preliminary unaudited consolidated management accounts for 1Q2022, the Group generated about US\$60.5 million of EBITDA, representing an approximately 83.3% increase as compared to 4Q2021.

Financial Stability and Stable Credit Rating

The Group’s cash and cash equivalents has further increased from US\$102.7 million as of 31 December 2021 to US\$162.7 million as of 31 March 2022. Such increase is mainly due to the continued recovery of business volumes, improved cost efficiency post rationalization program and prudent cash expenditures decision from the Company’s management.

Moody’s has completed their annual review on the Company on 23 February 2022. Despite credit downgrading in the gaming sector in the past year, Moody’s reaffirmed our B1 credit rating on expectation of recovery in the Company’s operating performance, improved leverage metrics in 2022 and good liquidity over next 12 to 18 months. Again, this reflected our strict financial discipline controlling gearing, the uniqueness of our gaming license, and our advantages of operating in a low cost and low tax environment.

In addition, our US\$200 million 2024 additional senior notes was honored as the Best Bond (Cambodia) by The Asset on 22 March 2022, which marked another corporate achievement and the recognition from the market.

Business Environment Continues to Improve

According to The Phnom Penh Post dated 6 February 2022, a total of 4.1 million domestic travelers were recorded in the first 34 days in 2022 and the capital, Phnom Penh, was the most popular destination. Notwithstanding that there was a short period of time towards the end of February 2022 with more than 500 daily new cases of Omicron in Cambodia, the Cambodian government has implemented various health measures to contain the spread of the coronavirus efficiently and effectively. As per Khmer Times dated 22 February 2022, Prime Minister Hun Sen has declared that there is no need for lockdown like that in 2021 due to the high COVID-19 vaccination rate. As at 31 March 2022, the average daily new cases of COVID-19 in Cambodia for the past 7 days had dropped to 49.

During the ASEAN Tourism Forum 2022 held in Cambodia in January 2022, Prime Minister Hun Sen urged ASEAN countries to reopen tourism and trade as many of the bloc's member countries have vaccinated their population. Since then, the Company saw more and more countries to start implementing quarantine-free travel program. Out of the top 10 arrival countries to Cambodia, 7 of them have lifted quarantine requirement for travelers from Cambodia. As Cambodia has already lifted quarantine requirement since 15 November 2021 for fully vaccinated travelers, travelers for these countries are "free-for-quarantine" entering into Cambodia and returning home. These countries include:

Country	International Travel Policy
Thailand	Fully vaccinated travelers from any country are allowed to enter Thailand without quarantine. (Updated on 26 February 2022)
Korea	Inbound travelers who are fully vaccinated and registered their vaccination status in the Korea vaccine system will be exempted from the 7-day mandatory quarantine as of 21 March 2022.
US	Require to show a negative COVID-19 test result before boarding a flight to the US. (Updated on 27 January 2022)
Japan	Home quarantine and other measures are not required as Cambodia is removed from designated countries/regions in response to coronavirus variant Omicron (B.1.1.529) from 0:00 am (JST) on 10 March 2022.
Malaysia	Persons aged 18 and above do not require quarantine starting 1 April 2022.
France	COVID-19 restrictions at the border were eased on 12 February 2022 for fully vaccinated travelers.
UK	No COVID-19 travel tests or self-isolate on arrival in England if qualify as fully vaccinated from 11 February 2022.

Remarks: as at 15 March 2022

These countries in aggregate contributed more than 1.7 million arrivals to Cambodia in 2019 as per the Annual Tourism Statistics Report. As at 1 April 2022, there were in total 86 direct weekly international flights to Phnom Penh (as compared to 58 as at 27 January 2022), representing an approximately 48.3% increment. Among those, 28 from Thailand, 19 from Singapore, 11 from Vietnam, 10 from Greater China, 9 from Seoul, 6 from Malaysia and 3 from Philippines. In addition, Cambodia announced reinstatement of visa on arrival for all travelers as well as abolished the need for negative polymerase chain reaction (PCR) tests prior to arrival and rapid test on arrival. The Company currently believes that travelers from these potential markets and the traveler-friendly policies will help to restore the tourism industry in Cambodia in 2022 and hence, drive up the headcounts in our properties.

The Board is pleased to announce the unaudited operational highlights of the gaming branch of the Group for 1Q2022 as tabulated in the following table:

	Unaudited figures for the 3 months ended 31 March 2022 (US\$'000)	Unaudited figures for the 3 months ended 31 March 2021⁽¹⁾ (US\$'000)
EBITDA	60,547	38,462
Gross Gaming Revenue (“GGR”)	109,909	127,337
Net Gaming Revenue	96,978	72,604
Mass Market:		
— Mass Tables Buy-ins	264,300	202,109
— Mass Tables GGR	51,577	29,724
— EGM Bills-in	488,362	297,653
— EGM GGR	25,213	17,104
Premium Mass:		
— Rollings	678,266	396,462
— GGR	28,843	18,816
Referral VIP:		
— Rollings	177,673	2,509,811
— GGR	4,275	61,693

Note:

(1) The operational period in 2021 (from 1 January 2021 to 1 March 2021).

DISCLAIMER

The above figures, including average daily gaming business volumes (from which revenues are derived based on the actual daily percentage win-rates recorded by the Group) and average daily GGR contained in this announcement are for illustrative purposes only, and do not constitute forward looking statements or profit numbers. These business volumes are shown on a basis that is consistent with the presentation of such information in the Company's annual and interim reports.

The Company wishes to provide the shareholders and potential investors of the Company with a business update and the information contained herein is based on a preliminary assessment of the Group and the information currently available to the Company and is not based on any figure or information which has been audited or reviewed by the auditor of the Company.

Shareholders and potential investors of the Company are advised to exercise caution and not to place undue reliance on such information when dealing in the securities of the Company.

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

Hong Kong, 3 April 2022

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

This announcement is published on the Company's website at www.nagacorp.com and the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk.