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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)

**ANNOUNCEMENT OF INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 JUNE 2020**

Unaudited condensed consolidated interim results for the six months ended 30 June 2020:

- **Gross Gaming Revenue (GGR)** of US\$372.0 million
- **Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)** of US\$88.7 million
- **Net profit** of US\$20.6 million
- **VIP Market GGR** of US\$270.9 million
- **Mass Market Tables GGR** of US\$68.4 million
- **Mass Market Electronic Gaming Machines (EGM) GGR** of US\$32.7 million
- **Basic earnings per share** of US cents 0.48

The 1H2020 financial results of NagaCorp Ltd. (the “Company”, together with its subsidiaries collectively referred to as the “Group”) were relatively stable, save for the impact from the temporary closure of our casino operation. The Group has delivered an increase of 15% in GGR (in 1Q2020) and the Group managed to generate EBITDA and net profit of US\$88.7 million and US\$20.6 million respectively during the six months ended 30 June 2020 (the “Period”), despite the fact that the Group has effectively about three months of gaming business operations during the Period because in March 2020 the Cambodian Ministry of Economy and Finance (the “MOEF”) advised that all casinos in Cambodia were required to temporarily suspended their business activities.

As of 30 June 2020, the Company’s cash and deposits were US\$286 million. Taking into effect the Company’s recent issuance of US\$350 million 7.95% senior notes due 2024 (the “2024 Senior Notes”), the Company’s cash and deposits had increased to US\$623 million (as of 7 July 2020). The Company has sufficient cash reserve set aside to repay the existing US\$300 million 9.375% senior notes due 2021 (the “2021 Senior Notes”). Assuming full repayment of the existing 2021 Senior Notes, the Company will not have debt refinancing obligation until July 2024.

Operational Performance after Reopening of Casino Businesses

On 17 July 2020, the Company received a letter issued by the MOEF whereby the Royal Government of Cambodia shall permit all casinos in Cambodia to reopen for businesses subject to the owners of casinos signing an agreement or a memorandum of understanding with the Cambodian Ministry of Health (the “MOH”) on the implementation of the health rules as set out by the MOH. The Group has already received a Certificate of Clearance on 5 July 2020. Hence, the MOH has no objection to the Group to reopen all of its casino businesses consisting of the Mass Market, VIP and Slot Gaming Machines businesses in Phnom Penh, Cambodia.

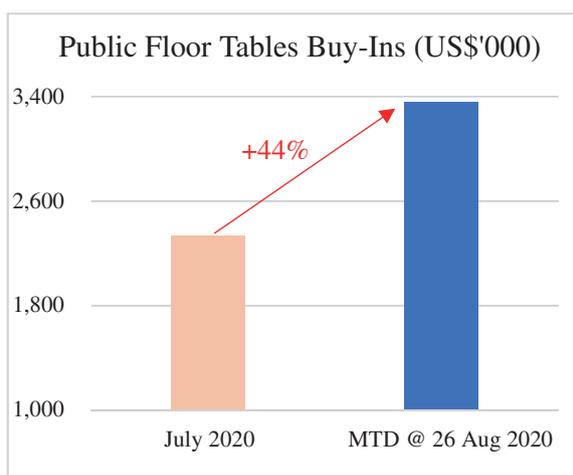
On the date of reopening on 8 July 2020 until the date of this announcement, the Group has recorded a steady increase in its gaming business volumes contributed by the patronage of mainly Chinese expatriates who have been currently living or conducting business activities in Cambodia and who are waiting to patronize our casino after 90 days of lockdown. In 2019, Cambodia reported that international business-related travel into Cambodia increased by 100% to 1,371,363 visitors, whereby 76% of such travel originated from China. Being the only integrated resort in the city of Phnom Penh also helped to drive the operational performance of the Group despite most cross border travel policy in the Asian region remains restrictive as highlighted in the following table:–

Average Daily Volumes (US\$’000)	Pre-Closure 1Q2020⁽¹⁾	Post- Closure Period⁽²⁾	Post-Closure Recovery Percentage⁽³⁾
Public Floor Tables Buy-Ins	3,762	3,377	90%
EGM Bills-In	5,524	5,119	93%
VIP Rollings	106,519	104,016	98%

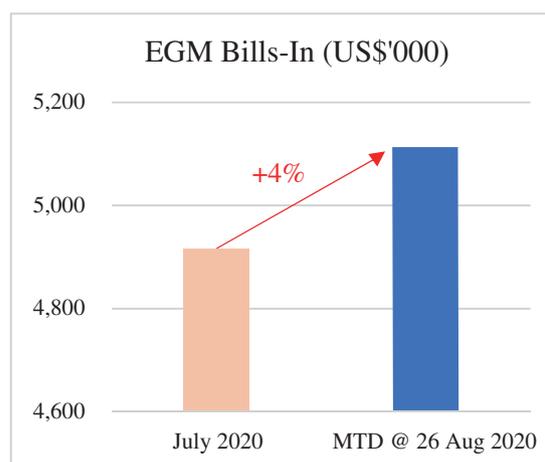
Notes:

1. Average daily volumes recorded during the pre-closure period of 1Q2020.
2. Average daily volumes recorded for the most representative post-closure period (from 1 August 2020 till 26 August 2020).
3. Average daily volumes for post-closure period (from 1 August 2020 till 26 August 2020) as a percentage of pre-closure period of 1Q2020.

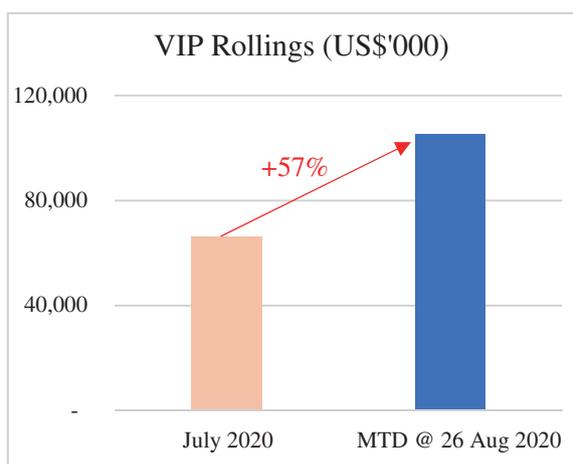
This is further explained by the following average daily gaming business volumes (US\$'000) (from which revenues are derived based on the actual daily percentage win-rates recorded by the Group) since the reopening date: –



Average daily buy-ins increased by +44%



Average daily bills-in increased by +4%



Average daily VIP rollings increased by +57%

The Group remains confident that the long-term business prospects remain good. The board of directors (the “Board”) of the Company has resolved to declare an interim dividend of 60% payout based on the net profit generated during the Period. Accordingly, an interim dividend of US cents 0.29 per ordinary share of the Company (or equivalent to HK cents 2.25 per share) has been declared. For each sixth monthly period, the Company shall review, assess and where appropriate, revise its dividend policy in reaction to the Company’s financial performance, business environment amongst other factors.

The Board is pleased to announce the unaudited condensed consolidated interim results of the Group for the Period.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF INCOME

	<i>Notes</i>	Six months ended 30 June	
		2020	2019
		US\$'000	US\$'000
		(Unaudited)	(Unaudited)
Revenue	2	377,505	891,559
Cost of sales		<u>(203,631)</u>	<u>(483,293)</u>
Gross profit		173,874	408,266
Other income		2,416	7,149
Administrative expenses		(21,632)	(28,849)
Other operating expenses		<u>(115,389)</u>	<u>(108,963)</u>
Profit from operations		39,269	277,603
Finance costs	3	<u>(5,036)</u>	<u>(17,316)</u>
Profit before taxation	4	34,233	260,287
Income tax	5	<u>(13,607)</u>	<u>(15,182)</u>
Profit attributable to owners of the Company		<u>20,626</u>	<u>245,105</u>
Earnings per share (US cents)			
Basic	7	<u>0.48</u>	<u>5.65</u>
Diluted	7	<u>0.48</u>	<u>5.65</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended 30 June	
	2020	2019
	US\$'000	US\$'000
	(Unaudited)	(Unaudited)
Profit for the period	20,626	245,105
Other comprehensive income for the period:		
Item that may be reclassified subsequently to profit or loss:		
– exchange differences from translation of foreign operations	<u>(2,394)</u>	<u>54</u>
Total comprehensive income attributable to owners of the Company for the period	<u>18,232</u>	<u>245,159</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<i>Notes</i>	30 June 2020 US\$'000 (Unaudited)	31 December 2019 US\$'000 (Audited)
Non-current assets			
Property, plant and equipment	<i>9</i>	1,590,901	1,594,848
Right-of-use assets		84,835	85,758
Intangible assets	<i>10</i>	69,273	70,631
Prepayments for acquisition, construction and fitting-out of property, plant and equipment		129,445	129,523
Promissory notes	<i>11</i>	9,346	9,992
		<u>1,883,800</u>	<u>1,890,752</u>
Current assets			
Consumables		2,705	2,767
Trade and other receivables	<i>12</i>	109,036	126,772
Prepaid current tax		7,873	–
Certificates of deposit, fixed deposits and other liquid funds		350	53,353
Cash and cash equivalents		285,647	273,377
		<u>405,611</u>	<u>456,269</u>
Current liabilities			
Trade and other payables	<i>13</i>	309,598	159,407
Senior notes	<i>14</i>	296,680	–
Contract liabilities		9,705	9,963
Lease liabilities		2,962	2,761
Current tax liability		–	2,968
		<u>618,945</u>	<u>175,099</u>
Net current (liabilities)/assets		<u>(213,334)</u>	<u>281,170</u>
Total assets less current liabilities		<u>1,670,466</u>	<u>2,171,922</u>
Non-current liabilities			
Other payables	<i>13</i>	4,705	4,502
Senior notes	<i>14</i>	–	294,813
Contract liabilities		31,021	35,396
Lease liabilities		49,075	48,840
		<u>84,801</u>	<u>383,551</u>
NET ASSETS		<u><u>1,585,665</u></u>	<u><u>1,788,371</u></u>
CAPITAL AND RESERVES			
Share capital		54,263	54,263
Reserves		1,531,402	1,734,108
TOTAL EQUITY		<u><u>1,585,665</u></u>	<u><u>1,788,371</u></u>

Notes:

1. Basis of preparation and adoption of new or revised International Financial Reporting Standards

The unaudited condensed consolidated financial statements for the Period have been prepared in accordance with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (the “IASB”) and the applicable disclosure requirement of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange” and the “Listing Rules”, respectively).

The unaudited condensed consolidated financial information have been prepared on historical cost basis except for certain financial instruments which are measured at fair values.

The unaudited condensed consolidated financial statements contain selected explanatory notes which include an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group after the financial year ended 31 December 2019. The unaudited condensed consolidated financial statements do not include all of the information required for a full set of annual financial statements prepared in accordance with all applicable International Financial Reporting Standards (“IFRS”) adopted by the IASB, and should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2019 (the “2019 annual financial statements”).

Except as disclosed below, the unaudited condensed consolidated financial statements have been prepared in accordance with the same accounting policies and the method of the computation adopted by the Group in the 2019 annual financial statements.

Adoption of new or revised standards and interpretations relevant to the Group and effective on 1 January 2020:

Amendments to IFRS 3	Definition of a Business
Amendments to IAS 1 and IAS 8	Definition of Material
Amendments to IFRS 7, IFRS 9 and IAS 39	Interest Rate Benchmark Reform

The adoption of the above new or revised standards and interpretations had no material effect on the reported results or financial position of the Group for both the current and prior reporting period.

2. Revenue

Revenue represents net house takings arising from casino operations and income from other operations and is recognised from contracts with customers.

	Six months ended 30 June	
	2020 US\$'000 (Unaudited)	2019 US\$'000 (Unaudited)
Casino operations – gaming tables	339,319	796,060
Casino operations – EGM	32,689	76,346
Hotel room income, sales of food and beverage and others	5,497	19,153
	<u>377,505</u>	<u>891,559</u>

3. Finance costs

	Six months ended 30 June	
	2020 <i>US\$'000</i> <i>(Unaudited)</i>	2019 <i>US\$'000</i> <i>(Unaudited)</i>
Interest expenses and transaction costs relating to senior notes (<i>Note 14</i>)	15,930	15,940
Interest on lease liabilities	2,998	2,720
	18,928	18,660
Less: Interest expenses capitalised into capital work in progress	(13,892)	(1,344)
	5,036	17,316

4. Profit before taxation

Profit before taxation is arrived at after charging:

	Six months ended 30 June	
	2020 <i>US\$'000</i> <i>(Unaudited)</i>	2019 <i>US\$'000</i> <i>(Unaudited)</i>
Amortisation of casino licence premium [#]	1,358	1,773
Depreciation and amortisation [#]		
– Own assets	45,248	45,780
– Right-of-use assets	2,778	2,601
Staff costs		
– Salaries, wages and other benefits	66,169	59,233
– Contributions to defined contribution retirement scheme	23	22

[#] included in other operating expenses in the unaudited condensed consolidated statement of income

5. Income tax

Income tax on the profit or loss represents:

(1) the monthly gaming obligation payment of US\$658,323 (six months ended 30 June 2019: US\$585,176) and (2) monthly non-gaming obligation payment of US\$214,338 (six months ended 30 June 2019: US\$214,338) for the period from January 2020 to March 2020 payable to MOEF by NagaWorld Limited Gaming Branch and NagaWorld Limited Hotel and Entertainment Branch, the Group's branches registered in Cambodia. The Group was not subject to Hong Kong, Malaysian, Cayman Islands or Russian income taxes for the Period (six months ended 30 June 2019: Nil).

	Six months ended 30 June	
	2020 <i>US\$'000</i> <i>(Unaudited)</i>	2019 <i>US\$'000</i> <i>(Unaudited)</i>
Current tax expenses		
– Current period	13,607	15,182

During the Period, the Group recognised an additional obligation payment to the MOEF of US\$10,989,000 (six months ended 30 June 2019: US\$10,385,000) which is included in the amounts above.

6. Dividends payable to owners of the Company attributable to the period

	Six months ended 30 June	
	2020 US\$'000 (Unaudited)	2019 US\$'000 (Unaudited)
Interim dividend declared after the end of reporting period:		
2020: US cents 0.29 per share	12,376	–
2019: US cents 3.39 per share	–	147,063
	<u>12,376</u>	<u>147,063</u>

The final dividend of US\$220,938,000 for the year ended 31 December 2019 was proposed in February 2020 and paid in June 2020.

7. Earnings per share

The calculation of basic earnings per share is based on the consolidated profit attributable to owners of the Company of US\$20,626,000 (six months ended 30 June 2019: US\$245,105,000) and the weighted average number of shares of 4,341,008,041 (six months ended 30 June 2019: 4,341,008,041) in issue during the Period.

There were no dilutive potential shares during the Period (six months ended 30 June 2019: Nil).

8. Segment information

The Group manages its businesses by segments, which comprise a mixture of business activities (casino, hotel and entertainment). The Group has identified the following two main reportable segments in a manner consistent with the way in which information is reported internally to the Group's senior executive management (the "SEM") for the purpose of resource allocation and performance assessment.

- Casino operations: this segment comprises all gaming activities at both Naga 1 and Naga 2 (the "Combined NagaWorld Complex").
- Hotel and entertainment operations: this segment comprises the operations of leisure, hotel and entertainment activities.

Segment revenue and results

The SEM monitors the revenue and results attributable to each reportable segment as follows:

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and expenses incurred by those segments or which would otherwise arise from the depreciation and amortisation of assets attributed to those segments.

	Casino operations <i>US\$'000</i>	Hotel and entertainment operations <i>US\$'000</i>	Total <i>US\$'000</i>
Segment revenue:			
Six months ended 30 June 2020 (Unaudited)			
Timing of revenue recognition			
– At point of time	351,403	2,589	353,992
– Transferred over time	20,605	2,908	23,513
Revenue from external customers	372,008	5,497	377,505
Inter-segment revenue	(334)	2,885	2,551
Reportable segment revenue	371,674	8,382	380,056
Six months ended 30 June 2019 (Unaudited):			
Timing of revenue recognition			
– At point of time	832,384	8,758	841,142
– Transferred over time	40,022	10,395	50,417
Revenue from external customers	872,406	19,153	891,559
Inter-segment revenue	(389)	4,480	4,091
Reportable segment revenue	872,017	23,633	895,650
Segment profit/(loss):			
Six months ended 30 June (Unaudited)			
2020	125,265	(4,217)	121,048
2019	339,851	3,435	343,286

Reconciliation of reportable segment revenue, profit or loss to revenue, profit or loss per the unaudited condensed consolidated financial statements is as follows:

	Six months ended 30 June	
	2020	2019
	<i>US\$'000</i>	<i>US\$'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Revenue		
Reportable segment revenue	380,056	895,650
Elimination of inter-segment revenue	(2,551)	(4,091)
	<hr/>	<hr/>
Consolidated revenue	377,505	891,559
	<hr/> <hr/>	<hr/> <hr/>
Profit		
Reportable segment profit	121,048	343,286
Other revenue	330	2,441
Depreciation and amortisation	(49,384)	(50,154)
Finance costs	(5,036)	(17,316)
Unallocated head office and corporate expenses	(32,725)	(17,970)
	<hr/>	<hr/>
Consolidated profit before taxation	34,233	260,287
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9. Property, plant and equipment

During the Period, the Group acquired property, plant and equipment totalling US\$44,842,000 (six months ended 30 June 2019: US\$276,592,000).

10. Intangible assets

The intangible assets comprise the casino licence premium and the extended exclusivity premium of the casino licence for the exclusivity period to the end of 2045 with cost of US\$123,002,000 and accumulated amortisation of US\$53,729,000 (31 December 2019: US\$52,371,000).

11. Promissory notes

On 6 September 2013, the Company entered into an investment agreement (the “Investment Agreement”) with certain Russian governmental authorities pursuant to which the Company agreed to invest at least RUB11.6 billion (approximately US\$350.0 million based on then current exchange rates), in a gaming and resort development project in Vladivostok, Russia.

In December 2014, in accordance with the terms of the Investment Agreement including the requirement to obtain a bank guarantee, the Company’s subsidiary remitted approximately US\$8.9 million from its Hong Kong bank account to a Russian bank account of the Company’s Russian subsidiary Primorsky Entertainment Resorts City LLC (“PERC”). This amount was deposited in the same Russian bank as fixed deposits against which promissory notes were subsequently issued. In February 2015, PERC purchased these promissory notes in Russian Rubles (“RUB”) to provide collateral for the issuance of a bank guarantee from the same bank required under the Investment Agreement.

The promissory notes (the “Promissory Notes”) in total amount of RUB469,100,000 (approximately US\$9,346,000) (31 December 2019: US\$9,992,000) bear an interest of 6.6% per annum and the maturity date of which is 2,909 days from the date of issue, i.e. 30 January 2023.

12. Trade and other receivables

	30 June 2020 US\$'000 (Unaudited)	31 December 2019 US\$'000 (Audited)
Trade receivables, net of allowance for impairment loss	60,473	83,366
Deposits, prepayments and other receivables	48,563	43,406
	109,036	126,772

The ageing analysis of trade receivables (net of allowance for impairment losses) is as follows:

	30 June 2020 US\$'000 (Unaudited)	31 December 2019 US\$'000 (Audited)
Current to within 1 month	–	40,975
1 to 3 months	51,625	37,264
3 to 6 months	5,983	745
6 to 12 months	521	270
More than 1 year	2,344	4,112
	60,473	83,366

The credit policy for gaming receivables is five to thirty days (31 December 2019: five to thirty days) from end of tour. The credit policy on non-gaming receivables is thirty days from end of month (31 December 2019: thirty days from end of month).

13. Trade and other payables

	30 June 2020 US\$'000 (Unaudited)	31 December 2019 US\$'000 (Audited)
Trade payables (<i>Note</i>)	3,707	7,548
Unredeemed casino chips	1,341	7,768
Deposits	242,470	73,756
Construction creditors	17,266	12,856
Interest payable	3,125	3,125
Accruals and other creditors	46,394	58,856
	314,303	163,909
Less: current portion	(309,598)	(159,407)
Non-current portion	4,705	4,502

Note:

Trade and other payables include trade creditors, the ageing analysis of which as at the end of the reporting period is set out below:

	30 June 2020 US\$'000 (Unaudited)	31 December 2019 US\$'000 (Audited)
Due within 1 month or on demand	–	7,548
Due after 1 month but within 3 months	3,707	–
Due after 3 months but within 6 months	–	–
Due after 6 months but within 1 year	–	–
Due after 1 year	–	–
	<hr/>	<hr/>
Total	3,707	7,548
	<hr/> <hr/>	<hr/> <hr/>

14. Senior notes

On 14 May 2018, the Company entered into a purchase agreement with Credit Suisse (Hong Kong) Limited and Morgan Stanley & Co. International plc in connection with the issue of the 2021 Senior Notes by the Company of an aggregate principal amount of US\$300,000,000 with maturity on 21 May 2021. The 2021 Senior Notes 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 on 21 November 2018. The 2021 Senior Notes cannot be converted into shares.

The obligations under the 2021 Senior Notes are secured by guarantees given by certain subsidiaries of the Company.

15. Subsequent event

On 6 July 2020, the Company issued the 2024 Senior Notes of an aggregate principal amount of US\$350 million with maturity on 6 July 2024. The 2024 Senior 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. These 2024 Senior Notes are listed on the Singapore Exchange Securities Trading Limited and cannot be converted into shares of the Company.

Please refer to the announcements of the Company dated 22 June 2020, 24 June 2020 and 6 July 2020 for details about the 2024 Senior Notes.

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET OVERVIEW

The International Monetary Fund is projecting Cambodia real gross domestic product (“GDP”) growth to recover to 6.1% in 2021 after COVID-19 global pandemic in 2020, with a moderate inflation rate of 2.9% in 2021 (*Source: International Monetary Fund – World Economic Outlook Database April 2020*). Similarly, Moody’s Investors Service, Inc. is projecting Cambodia GDP to rebound by about 6% in 2021, as a result of strong fiscal buffers to counter disruptions to trade and growth arising from the COVID-19 pandemic. In addition, Cambodia’s latest credit profile reflected the country’s solid growth prospects and highly affordable debt burden (*Source: Moody’s Investors Service, Inc., 22 May 2020*).

Despite only three months of gaming business operations during the Period, the Group managed to generate positive EBITDA and net profit of US\$88.7 million and US\$20.6 million respectively for the Period. The Group’s 1Q2020 financial results were relatively stable, delivering an increase of 15% in GGR. The Group was able to operate without interruption of business in 1Q2020 despite the COVID-19 outbreak in the large part of Asia. The relatively stable financial results were attributed to the following:

1. COVID-19 Incidence Relatively Well Managed:

China’s response to the COVID-19 pneumonia has set an example for the world to cope with the contagion and offered experiences to the world in advancing public health governance. There is growing positive momentum in epidemic control nationwide in China because of comprehensively thorough and rigorous measures that China has taken to control COVID-19. Chinese President has said on several occasions that China’s effort to curb the contagion not only to protect the safety and health of the Chinese people but to contribute to global public health (*Source: China Daily, 10 March 2020*). Given the close geopolitical relationship between China and Cambodia, Chinese expertise and experience together with the World Health Organization (the “WHO”) and other experts are here to support the efforts of Cambodia in combating this public health problem.

The Chinese government has sent seven medical experts together with a team of medical officers to Cambodia. The Chinese embassy in Cambodia has said that the medical experts were the first team of its kind to be sent to an ASEAN country to aid the COVID-19 fight. The number of COVID-19 cases in Cambodia is relatively well contained and has won praise and accolades in the world. The total number of confirmed COVID-19 cases is 273 as of 26 August 2020, of which 249 cases (91%) are imported. 264 cases are cured (97% recovery rate) and zero death (*Source: Cambodian MOH*). The WHO has, via a letter dated 11 May 2020, commended the efforts of the Royal Government of Cambodia for successful prevention of the spread of COVID-19 pandemic.

2. Still Relatively Good Mix of Customer Base:

Although the Company has witnessed less visitation, 1Q2020 has still seen a good number of clientele visiting NagaWorld. Many of the Chinese customers who have businesses in Cambodia continued to stay in Cambodia because of the COVID-19 situation in China. Hence, our customer mix benefits from this sizable group of expatriate community (mainly Chinese) in Phnom Penh. Many of our loyal South East Asian visitors have also visited NagaWorld before the closure of their countries’ borders, especially within the first two months of 1Q2020.

3. Business Visitation to Cambodia:

In 2019, international business-related travel into Cambodia increased by 100% to 1,371,363 visitors. The US-China trade war has driven some Chinese companies in the manufacturing sector relocating to lower cost countries such as Cambodia. This has, in turn, driven the influx of foreign capital and expatriates into Cambodia, especially its capital city Phnom Penh (*Source: CICC, 19 July 2019*).

4. Cambodia's Open Door Policy and China's Belt-and-Road Initiative ("BRI")

Amid the ongoing COVID-19 outbreak, countries such as Malaysia, Philippines, Singapore and Vietnam etc. have temporarily imposed travel restrictions to China. However, till 30 March 2020, Cambodia continued to open up to China to promote local businesses and tourism while at the same time vigilant on the control of the COVID-19 from spreading.

Given the close geopolitical relationship between China and Cambodia, the BRI has driven relatively good number of business travellers to Cambodia who have continued to stay in Cambodia because of their established businesses in the country and fear of COVID-19 back home in China.

Before the COVID-19 outbreak, committed investment in Cambodia increased by 45% to US\$9.4 billion in 2019, of which China accounted for 40% of the total committed investment (*Source: Council for the Development of Cambodia*). Driven by the growing foreign investment, sectors such as manufacturing, restaurants, logistics and tourism have flourished. In the city of Phnom Penh and its surrounding areas, property development projects have created a construction boom in recent years. The value of approved construction projects, mostly housing development, in Cambodia increased by 47% year-on-year to US\$2 billion in the first two months of 2020 (*Source: Cambodian MOEF, April 2020*). Large multi-year infrastructure projects financed by foreign investment, such as the US\$1.5 billion new Phnom Penh International Airport, have also added scale.

5. The Company's Casino Precautionary Measures Against COVID-19:

The safety of our employees and guests is paramount to us. Since January 2020, the Company has implemented a series of precautionary measures following the guidance of the MOH and the WHO. Respective hygiene and cleaning protocols are adhered and enhanced. All employees and visitors entering the NagaWorld Complex are required to have their body temperatures checked and to wear a mask.

In addition, at the entrance of the casinos, the Company has installed infrared body temperature sensors machines similar to the one installed at international airports. Sanitisers are available at every corner of the casinos and every gaming table for dealers and guests. Scheduled disinfection is carried out for all public areas within the property.

Social distancing is also practised to ensure reasonable distancing for employees and visitors. Tables in restaurants are placed at reasonable distance; such arrangement includes staff dining areas. Buffets are replaced with a la carte orders.

6. Mass Market Business:

The Mass Market, which has been a key focus of the Company's strategy has continued to benefit from its monopoly position in the city of Phnom Penh where there is a visible increase in wealth and a sizable number of expatriate community (mainly Chinese). Despite softer tourists' arrivals due to the COVID-19 outbreak globally, visitation to NagaWorld was still relatively good before the temporary closure of casino operations. EGM GGR in 1Q2020 was affected somehow by COVID-19 pandemic, as hotel occupancy rates were lower due to lower international leisure tourist arrivals and conducted tours.

7. VIP Business:

During 1Q2020 (prior to our temporary closure of casino operations), VIP GGR and VIP rollings increased by 25% and 18% respectively, generated mainly from players coming from North Asia and some from South East Asia. The increase was contributed partly by junket operators who have fixed based operations in Naga 2 and who brought in VIP players (mainly from China) especially during the times when casinos were closed in Macau, Philippines and Malaysia at various points of time. NagaWorld was one of the few gaming destinations in the Asia Pacific region available to Chinese visitors because Cambodia had not imposed travel restrictions on travellers from China until 30 March 2020. Moreover, with the relatively low incidence of the COVID-19 cases, especially during the first two and half months of 2020, VIP players felt more comfortable to visit NagaWorld. The robust performance was also contributed by the sizable group of expatriates (mainly Chinese businessmen based in Phnom Penh) and our loyal customers from South East Asia (mainly Malaysians) during the first two months of 2020.

8. Effective Cost Control:

With improvements in operating efficiencies and rigorous financial discipline, the Group has been able to keep its operating costs reasonably low. In addition, the Company has implemented a series of operating cost saving measures in response to the temporary closure of casino operations during the Period.

9. Robust Cash Flow and Financial Strength:

As at 30 June 2020, the Group had cash and deposits amounting to about US\$286 million. Taking into effect the Company's recent issuance of the 2024 Senior Notes, the Company's cash and deposits have increased to US\$623 million (as of 7 July 2020). The Company has sufficient cash reserve set aside to repay the 2021 Senior Notes. Assuming full repayment of the 2021 Senior Notes, the Company will not have debt refinancing obligation until July 2024.

The accumulated cash and deposits demonstrate the Group's continued ability to a retain strong cash position and raise external funding despite the COVID-19 pandemic. Furthermore, the Group's strong financial strength is reflected on the lower debt financing cost (the 2024 Senior Notes matures in July 2024) incurred to refinance the 2021 Senior Notes which matures in May 2021. During 1Q2020, as disclosed in the relevant disclosure of interest filings, the controlling shareholder of the Company purchased about US\$41 million worth of shares of the Company from the secondary market during the downturn in order to provide market liquidity and support in this very difficult circumstance.

10. Naga 1 Upgrade:

The first phase of upgrading 250 hotel rooms was completed within budgeted cost and reopened at the end of 2019, with no visible disruption to the Group's business volume growth. The newly upgraded hotel rooms have been well-received by customers, as the Group observed increase in the average hotel room rate and yield from these upgraded hotel rooms. As at 30 June 2020, the upgrading of remaining 250 hotel rooms was completed. The Group believes that, subject to no further deterioration of COVID-19, the completion of the Naga 1 upgrade project will contribute positively towards the quality, standard and comfort of Naga 1, driving revenue of the Group.

BUSINESS REVIEW

Table 1: Performance Highlights

For the Period and the comparable period of the immediately preceding financial year:

	1H2020 <i>US\$'000</i>	1H2019 <i>US\$'000</i>
Mass Market: Public Floor Tables		
– Buy-ins	344,501	756,263
– Win rate	19.9%	19.3%
– Revenue	68,449	146,190
Mass Market: EGM		
– Bills-in	504,412	1,341,330
– Win rate	9.3%	8.7%
– Revenue	32,689	76,346
VIP Market		
– Rollings	9,671,263	23,180,385
– Win rate	2.8%	2.8%
– Revenue	270,870	649,870
Gross Gaming Revenue	372,008	872,406

Mass Market (Public Floor Tables and EGM)

During the Period, Mass Market business volume and GGR declined mainly due to the temporary closure of casino operations in 2Q2020 and the COVID-19 global pandemic. Nevertheless, this was partially mitigated by the Company's monopoly position in the city of Phnom Penh where there was a visible increase in wealth and a sizable number of expatriate community (mainly Chinese). Despite softer tourists' arrivals due to the COVID-19 outbreak globally, visitation to NagaWorld was still relatively good before the temporary closure of casino operations. EGM was affected by COVID-19 pandemic, as hotel occupancy rates were lower due to lower international leisure tourist arrivals and conducted tours.

The NagaWorld Rewards loyalty program continued to enable the Group to understand its players' profile, creating targeted marketing promotions and rollout player development initiatives to increase the frequency of visitation and gaming spend. Hosting of both international and local entertainment and events in 1Q2020 has also helped to increase the Group's brand exposure to the international market as well as attracting more footfall to the Combined NagaWorld Complex.

VIP Market

The Group's VIP Market comprised players brought in by junket operators, who were either under a commission or incentive program, and direct players without an intermediary. The competitive overseas junket incentive program introduced in March 2013 continued to enable the Group to balance the increase in table limits while managing volatility and credit risk.

During the Period, VIP business volume and GGR declined mainly due to the temporary closure of casino operations in 2Q2020. However, prior to the temporary closure of casino operations, VIP GGR and VIP rollings increased by 25% and 18% respectively, mainly generated from players from North Asia and some from South East Asia. The increase was contributed partly by junket operators who have fixed based operations in Naga 2 and brought in VIP players (mainly from China) especially during the times when casinos were closed in Macau, Philippines and Malaysia at various points of time. NagaWorld is one of the few gaming destinations in the Asia Pacific region for Chinese visitors because Cambodia had not imposed travel restrictions on travellers from China until 30 March 2020.

Non-Gaming – Hotel, F&B and Entertainment

During the Period, non-gaming revenue declined mainly due to the temporary closure of casino operations in 2Q2020 and the tightening of travel policies in Cambodia and other regional countries in response to COVID-19 pandemic, which led to lower occupancy rate and footfall during the Period.

Revenue and Gross Profit Analysis

Table 2(a)

1H2020	Revenue		Gross Profit		Gross Profit Margin
	US\$'m	%	US\$'m	%	%
Mass Market	101.1	27	100.2	58	99
VIP Market	270.9	72	69.2	40	26
Non-Gaming	5.5	1	4.5	2	82
Total	377.5	100	173.9	100	46

Table 2(b)

1H2019	Revenue		Gross Profit		Gross Profit Margin
	US\$'m	%	US\$'m	%	%
Mass Market	222.5	25	219.1	54	98
VIP Market	649.9	73	173.0	42	27
Non-Gaming	19.2	2	16.2	4	84
Total	891.6	100	408.3	100	46

The Group recorded a gross profit of US\$173.9 million for the Period. The overall gross profit margin was 46% (six months ended 30 June 2019: 46%) as a result of stable mix among all business segments. Mass Market continued to maintain a high gross profit margin of 99%.

Administrative and Other Operating Expenses (Before Impairment Losses, Depreciation and Amortisation)

Administrative and other operating expenses before impairment losses, depreciation and amortisation were US\$87.0 million during the Period. With improvements in operating efficiencies and rigorous financial discipline, the Group has been able to keep its operating costs reasonably low. In addition, the Company has implemented a series of cost saving measures in response to the temporary closure of casino operations in 2Q2020.

Finance Costs

During the Period, the Group incurred finance costs of US\$5.0 million (six months ended 30 June 2019: US\$17.3 million) for the interest expenses and transaction costs relating to the 2021 Senior Notes issued.

Net Profit

Net profit attributable to shareholders of the Company (the "Shareholders"), or net profit, was US\$20.6 million for the Period. Net profit margin for the Period decreased to 5.5% (six months ended 30 June 2019: 27.5%) as a result of the temporary closure of casino operations, partially mitigated by improved operational efficiency and cost savings measures implemented.

Basic earnings per share were US cents 0.48 (HK cents 3.72) and US cents 5.65 (HK cents 43.79) for 1H2020 and 1H2019 respectively.

FINANCIAL REVIEW

Pledge of Assets

In December 2014, in accordance with the terms of the Investment Agreement in respect of the development of an integrated resort in Vladivostok, Russia, the Company's subsidiary remitted approximately US\$8.9 million from its Hong Kong bank account to a Russian bank account of the Company's Russian subsidiary PERC. This amount was deposited in the same Russian bank as fixed deposits which are pledged against which Promissory Notes were subsequently issued to provide collateral for the issuance of a bank guarantee from the same bank required under the Investment Agreement.

Contingent Liabilities

Other than the additional obligation payment as described in Note 5 to the financial statements, there were no other contingent liabilities as at 30 June 2020.

Exchange Rate Risk

The Group's income is earned principally in United States Dollars ("US\$"). The Group's expenditure is paid principally in US\$ and to a lesser extent in Cambodian Riel and RUB. The Group, therefore, does not have any significant exposure to foreign currency risk and, thus has not entered into any currency hedging transactions.

Issue of New Shares

No shares were issued by the Company during the Period.

Liquidity, Financial Resources and Gearing

All figures quoted in this section are as at 30 June 2020, unless stated otherwise.

The Group had total cash and bank balances, certificates of deposit, fixed deposits and other liquid funds of US\$286.0 million (31 December 2019: US\$326.7 million). The cash and bank balances, certificates of deposit, fixed deposits and other liquid funds were mainly denominated in US\$.

The Group had net current liabilities of US\$213.3 million (31 December 2019: net current assets of US\$281.2 million). The Group had net assets of US\$1.6 billion as at 30 June 2020 (31 December 2019: US\$1.8 billion).

The Group had outstanding 2021 Senior Notes with carrying amount of US\$296.7 million (31 December 2019: US\$294.8 million).

The Group's gearing ratio calculated as total debts less cash and bank balances, certificates of deposit, fixed deposits and other liquid funds divided by equity was 0.7% (31 December 2019: Not applicable).

Capital and Reserves

As at 30 June 2020, the capital and reserves attributable to owners of the Company were US\$1.6 billion (31 December 2019: US\$1.8 billion).

Employees

As at 30 June 2020, the Group employed a total work force of 8,775 (31 December 2019: 8,625), stationed in Cambodia, China, Hong Kong, Macau, Malaysia, Thailand, the United Kingdom, the United States and Russia. The remuneration and staff costs for the Period were US\$66.2 million (six months ended 30 June 2019: US\$59.3 million).

Employee Benefits

Salaries, annual bonuses, paid annual leave, contributions to a defined contribution retirement scheme and cost to the Group of non-monetary benefits are accrued in the Period in which the associated services are rendered by employees of the Group. Where payment or settlement is deferred and the effect of such would be material, these amounts are stated at their present value. The Company has adopted a share option scheme as an incentive to its directors and other eligible participants. The Group also provides and arranges on-the-job training for the employees.

Trade Receivables and Credit Policy

The Group continues to monitor changes in trade receivables. Net trade receivables decreased from US\$83.4 million (as at 31 December 2019) to US\$60.5 million (as at 30 June 2019).

During the Period, the Group prudently made provision for impairment loss of US\$0.6 million (for six months ended 30 June 2019: US\$1.2 million).

The Group has adhered to strict credit policies implemented since 2009. From time to time, the Group will review its policies to ensure that they are competitive and are in line with the Group's risk management strategy. During the Period, the credit policy for gaming receivables was five to thirty days from end of tour while the credit policy on non-gaming receivables remained as thirty days from end of month.

Significant Investments Held and Material Acquisitions of Subsidiaries

There were no significant investments held, material acquisitions and disposals of subsidiaries, associates or joint ventures during the Period.

Events after Reporting Period

On 6 July 2020, the Company issued the 2024 Senior Notes of an aggregate principal amount of US\$350 million with maturity on 6 July 2024. The 2024 Senior 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. These 2024 Senior Notes are listed on the Singapore Exchange Securities Trading Limited and cannot be converted into shares of the Company.

Please refer to the announcements of the Company dated 22 June 2020, 24 June 2020 and 6 July 2020 for details about the 2024 Senior Notes.

PROJECT UPDATES AND PROSPECTS

Update on Naga 3

The Company has appointed Chicago-based Skidmore, Owings and Merrill (“SOM”) in addition to Las Vegas-based architect planner, Steelman Partners, to create a truly regional world-class comprehensive integrated entertainment complex which shall compete with regional peers in the Asia Pacific region. The Group will continue the development of Naga 3 and the following are brief progress updates:

- a) **Conceptual Design** – SOM completed the conceptual re-design of Naga 3 for improved skyline, less congestion of tower blocks, improved efficiency. Followed by the Board’s approval on the SOM conceptual design in December 2019, the project consultant team has been working hard to advance the design development work in preparation for the piling and foundation construction package targeted to commence around 2H2020.
- b) **Soil Investigation** – 33 soil investigation bored holes of varying depth of 47-81 meters have been fully completed.
- c) **Bored Pile Testing** – 2 bored piles of 800 millimeters diameter with a depth of 45-48 meters and working load capacity of 500 tons each have been fully completed with very satisfactory results, the geotechnical capacity is far better than the soil investigation recommendation, resulting in the additional design safety margin of about 2.5 times working load.
- d) There are few key design improvements implemented during the design development stage as briefly described below:
 - i. Tower 2 hotel room module gross floor area has been enlarged from 33m² to 50m² catering for 5-star international brand hotel standard.
 - ii. Hotel pools for all three towers have been relocated to column-free tower roof-top for more spacious planning incorporating revenue generating amenities including sky bar etc, affording a panoramic view of Phnom Penh City and surroundings.
 - iii. Roof-top mechanical, electrical and plumbing (“MEP”) installations have been relocated to combine with break tank floor, resulting in more efficient MEP operation and more revenue generating space.
 - iv. On the ground floor, a 2-lane perimeter road has been created to ensure smooth traffic flow around the complex, there is also provision for 2-lane, 130m long coach porte cochere catering for the large groups in addition to the north and east porte cochere.
 - v. To ensure all Naga 3 visitors have a “wow” arrival experience, we have dedicated the ground floor, 13m tall space for an ecology themed attraction, and creating a mezzanine floor for all hotel receptions, lobbies and hotel amenities.
 - vi. Tower 1 structural framing has also been strengthened by eliminating the mid-tower transfer structure and relocating the all-suite hotel amenities floors to below the 4 top VIP casino floors, easily accessible by both all-suite hotel guests as well as VIP casino visitors.

- e) **Wind Tunnel Testing** – preliminary structural framing design and architectural are conducted, followed by wind tunnel testing. The scope of wind tunnel testing is wind induced structural response, facade cladding pressure, human comfort/pedestrian wind comfort study.

In compliance with the terms of the Guaranteed Maximum Sum Design and Build Agreement, the Company's contractor, CCAG Asia Co., Ltd. ("CCAG") has notified the Project Architect (as defined in the circular of the Company dated 22 July 2019) of the recent overwhelming response of regional construction companies to the development of Naga 3; these construction companies include Chinese state-owned enterprises such as China Construction and Metallurgical Corporation. CCAG has indicated its intention to appoint and work with such Selected Sub-Contractors (as defined in the circular of the Company dated 22 July 2019) who have capital, experience and expertise to fast tracking the developments and completion of Naga 3.

In response to the reinvestment program of the Company, the Royal Government of Cambodia has responded with recent approval in principle of a garden in front of the Naga 3 property, allowing the Company to build a 3-storey underground car park in tandem with a world-class garden through which Naga 3 shall be connected to current NagaCity Walk, Naga 1 and Naga 2.

Update on the Investment Project in Vladivostok

In respect of the Group's gaming and resort development project in Vladivostok, Russia, site clearing commenced in 2016. An office has been established in the city centre of Vladivostok, Russia and certain key personnel have been appointed to monitor various aspects of the progress of the project which remains broadly on schedule. As at 30 June 2020, hotel tower topping off was completed and construction of casino podium was progressing up to level 2. Water and sewage system connected to the development site are expected to be completed by 3Q2020.

On 16 April 2020, Railway No. 5 Engineering Group ("CREC 5", a subsidiary of China Railway No. 5 Engineering Group Co., Ltd., a reputable Chinese state-owned enterprise), was appointed as the subcontractor to undertake the outstanding structural works of the gaming and resort development project in Vladivostok. The Company anticipates that this development project in Vladivostok remains broadly on track to commence operation by 2022.

The Group believes that its strategy to diversify its business geographically and expand into new casino markets will drive revenue growth in the long term.

Prospects

We believe that the life span of COVID-19 is shorter than the duration of our monopoly which lasts till 2045, in view of COVID-19 incidence being relatively well managed in Cambodia and surrounding countries started to ease restriction imposed and reopen their respective economy. Hence, having considered the uniqueness of a casino monopoly in the heart of a capital city and after having operated successfully for the past 25 years amidst a region with political stability, tourism and economic growth, the combined NagaWorld complex of NagaWorld 1 (Naga 1), NagaWorld 2 (Naga 2) and NagaWorld 3 (Naga 3) is expected to position the Group in the future as one of the regional sizable gaming resorts in the Asia Pacific region and is expected to generate steady recurrent revenue for the benefits of the Company and the Shareholders as a whole.

Despite the COVID-19 fear, the Group will continue the development of Naga 3 and the expected successful completion of Naga 3 by 2025 (and/or such mutually agreed extended period) will increase the capacity of the Group by at least two times. It is currently expected that the combined NagaWorld complex of Naga 1, Naga 2 and Naga 3 will have about 5,000 hotel rooms, 1,300 gaming tables and 4,500 EGM and many other non-gaming attractions.

Before 30 March 2020, Cambodia was the only country where its border was relatively porous to Chinese's visitation without much restrictions; NagaWorld was the only casino in the Asia Pacific region where there was relative ease of entry to the casino without much administrative difficulty and yet having all the protective measures against the COVID-19 in place both at the level of Cambodia and at the level of the Company. No doubt the recent COVID-19 outbreak has caused economic and social chaos globally, and the temporary casino closure has affected the Company's near-term growth trend. However, subject to the Cambodian government's ability to contain the spread of COVID-19, the Company is currently expected to continue its growth trajectory in the short term especially now the COVID-19 spread is quite well contained in China and Cambodia.

The Cambodian Ministry of Tourism expects Chinese tourist arrival (being the major market) will rebound and the number of foreign visitors to Cambodia will increase two or three-fold after COVID-19 ends within the next four or five months (*Source: Jian Hua Daily, 1 May 2020*). In fact, air traffic from China and South East Asia to Phnom Penh is recovering, and expatriates and business travellers have begun to return to Cambodia since early May 2020 (*Source: CICC report dated 7 July 2020; Centre for Asia Pacific Aviation*). Given the close geopolitical relationship between China and Cambodia, China BRI has driven relatively good number of business travellers to Cambodia who have continued to stay in Cambodia because of their businesses already established in Cambodia. The mutual cooperation established between the two countries in the fight against COVID-19 has deepened bilateral trust. The bilateral trade volume between China and Cambodia stood at US\$9.4 billion in 2019. The figure almost hit the US\$10 billion target the two countries have set out to reach by 2023 (*Source: Jian Hua Daily, 29 April 2020; Xinhua News Agency, 16 May 2020*).

It is the intention of the Group to be perceived as a more comprehensive and quality integrated resort ("IR") developer with emphasis also on non-gaming as a source of revenue. We anticipate that the non-gaming and gaming IR will co-exist with each other in a mutually beneficial manner. It is the intention of the Group to explore viable and profitable IR development in Siem Reap and Sihanoukville areas. At that point of time, we believe that the Group will gain a foothold as a strategic, sizable and comprehensive world-class IR developer to help promote tourism in the Kingdom of Cambodia.

Therefore, the Company believes that the long-term prospects and outlook of the Group will remain stable.

DISCLAIMER

The average daily gaming business volumes (from which revenues are derived based on the actual daily percentage win-rates recorded by the Group) 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 (post reopening of its casino businesses) and the information contained is based on a preliminary assessment of management accounts 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.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The directors of the Company (the "Directors"), having reviewed the corporate governance practices of the Company, and considered, amongst other things, the findings of reviews conducted by the independent professional parties, confirm that the Company has complied with all the applicable code provisions as set out in the Corporate Governance Code contained in Appendix 14 to the Listing Rules for the Period.

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as the code of conduct in respect of transactions in securities of the Company by the Directors. Having made specific enquiry, the Company confirms that the Directors have complied with the required standard set out in the Model Code regarding securities transactions by Directors during the Period.

REVIEW BY THE AUDIT COMMITTEE

The unaudited interim results for the Period have been reviewed by the audit committee of the Company which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosure has been made.

INTERIM DIVIDEND

The Board has resolved to declare payment of an interim dividend for Shareholders of US cents 0.29 per Share (or equivalent to HK cents 2.25 per Share) for the Period. This represents a payout ratio of 60%, based on the net profit generated for the Period. The interim dividend is payable to the Shareholders whose names appear on the register of members of the Company at the close of business on Friday, 11 September 2020. The interim dividend shall be paid on or about Wednesday, 23 September 2020.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the entitlement to the interim dividend for the Period, the Company's register of members will be closed on Friday, 11 September 2020, on which no transfer of Shares will be registered. The ex-dividend date will be Wednesday, 9 September 2020. In order to qualify for the interim dividend for the Period, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited located at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, 10 September 2020.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Period, the Company did not redeem any of its listed securities nor did the Company or any of its subsidiaries purchase or sell any of such securities.

PUBLICATION OF FINANCIAL INFORMATION

This announcement is available for viewing on the Company's website at www.nagacorp.com and the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk. The interim report of the Company for the Period containing, among others, the interim financial information of the Group, will be despatched to the Shareholders and published on the above websites in due course.

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

Hong Kong, 27 August 2020

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

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

For the purpose of this announcement, amounts denominated in US\$ have been converted to Hong Kong dollars ("HK\$") and RUB at the respective exchange rates of US\$1.0 to HK\$7.75 (as at 31 December 2019: HK\$7.75) and US\$1.0 to RUB69.95 (as at 31 December 2019: RUB61.91).