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Genting Hong Kong Limited

(Continued into Bermuda with limited liability)

(Stock Code: 678)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and Part XIVA of the SFO. The Board wishes to inform the shareholders, investors and potential investors of the Company that, based on the information currently available to the Company:

The Group is expected to record a consolidated operating loss of not less than US\$600 million and a consolidated net loss of not less than US\$1,500 million for the year ended 31 December 2020 based on the preliminary review of its unaudited consolidated management accounts, as compared to a consolidated operating loss of US\$96 million and a consolidated net loss of US\$159 million for the year ended 31 December 2019.

Shareholders, investors and potential investors of the Company should exercise caution when dealing in the securities of the Company.

This announcement is made by Genting Hong Kong Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

The board of directors of the Company (the “**Board**”) wishes to inform shareholders, investors and potential investors of the Company that, based on the preliminary review of its unaudited consolidated management accounts and information currently available to the Board, the Group is expected to record a consolidated operating loss of not less than US\$600 million and a consolidated net loss of not less than US\$1,500 million for the year ended 31 December 2020, as compared to a consolidated operating loss of US\$96 million and a consolidated net loss of US\$159 million for the year ended 31 December 2019.

The anticipated increase in the consolidated net loss of the Group is mainly attributable to prolonged suspension of fleet-wide operations across the Group’s cruise and cruise-related businesses for Dream Cruises, Crystal Cruises and Star Cruises as well as the suspension of shipbuilding operations at MV Werften’s shipyards in Germany between March 2020 and October 2020. This led to impairment losses being recorded on certain intangible assets, property, plant and equipment and other assets and loss on disposal of interest in certain subsidiaries which owned non-core assets.

The COVID-19 outbreak caused the Group to cancel many sailings and suspend almost all of its cruise operations temporarily since February 2020. The Group has been working with various governments to start domestic cruises. These initiatives provide more visibility in the future of the Group and the leadership role of the Group to re-start cruising after COVID-19:

1. With the support from the relevant authorities, Dream Cruises' Explorer Dream was given the approval to operate two, three and four night "Taiwan Island-Hopping" cruises departing from Keelung to Kinmen, Penghu and Matsu islands from 26 July 2020 making Taiwan one of the earlier markets to reopen cruise travel.
2. Dream Cruises' World Dream started to operate domestic cruises in Singapore since November 2020 with positive EBITDA contribution.
3. Genting Cruise Lines announces recently Crystal Cruises' New Close-to-Home Bahamas Escapes from Nassau and Bimini beginning July 2021. With her new Bahamas Escapes cruises, Crystal Serenity becomes the first ship to homeport in The Bahamas as well as the first ocean ship to sail from the Americas since the cruise industry's voluntary halt in operations almost a year ago.
4. With the resumption of Crystal Serenity, Genting Cruise Lines will have 41% of its entire fleet in operation (based on total lower berths), the highest proportion of all cruise companies in the world, following the restart of Dream Cruises' Explorer Dream in July 2020 in Taiwan and World Dream in Singapore in November 2020.

It is expected that the COVID-19 pandemic will continue to impact the Group's businesses. As COVID-19 crisis continues to unravel, the Group is unable to predict with certainty the ultimate impact it would have on the Group's business, its financial condition and its financial performance. However, with the launch of global mass vaccinations programme, the Group will continue to implement cost optimisation initiatives as well as preparation works to resume cruising. On the other hand, the Group continues to work closely with its financial creditors to finalise the Group's restructuring proposal and to agree on a holistic restructuring solution for the Group.

The information in this announcement is based only on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2020 and information currently available to the Company. Such information has not been reviewed or audited by the Company's independent auditor and has not been reviewed and approved by the Audit Committee of the Company. The Company is in the process of finalising the annual results of the Group for the year ended 31 December 2020. Shareholders, investors and potential investors of the Company are advised to read carefully the announcement on annual results of the Group for the year ended 31 December 2020, which is expected to be released before the end of March 2021.

Shareholders, investors and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
Tan Sri Lim Kok Thay
Chairman and Chief Executive Officer

Hong Kong, 12 March 2021

As at the date of this announcement, the Board comprises three Executive Directors, namely Tan Sri Lim Kok Thay, Mr. Au Fook Yew (alias Mr. Colin Au) and Mr. Chan Kam Hing Chris, and three Independent Non-executive Directors, namely Mr. Alan Howard Smith, Mr. Lam Wai Hon, Ambrose and Mr. Justin Tan Wah Joo.