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Genting Hong Kong Limited
(Continued into Bermuda with limited liability)
(Stock Code: 678)

**INSIDE INFORMATION ANNOUNCEMENT:
AGREEMENT OF HEADLINE TERMS OF A HOLISTIC
RECAPITALISATION OF THE GROUP AND AMENDMENT AND
EXTENSION OF THE GROUP'S MATERIAL FINANCIAL INDEBTEDNESS
OF c. USD 2.6 BILLION**

This announcement is made by Genting Hong Kong Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) and Rule 13.19 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

As explained in the announcements of the Company on 13 March 2020, 24 March 2020, 3 August 2020, 7 August 2020 and 19 August 2020, the COVID-19 pandemic has had, and continues to have, a material impact on the financial position and results of operation of the Group. As disclosed in the Company’s announcement of 19 August 2020, the Company has been engaged for a significant period of time in intensive negotiations with its stakeholders to achieve a holistic, solvent, amendment and restatement of the Group’s financial indebtedness and recapitalisation transaction.

The board of directors of the Company (the “**Board**”) is pleased to announce that as at 7 May 2021, the Company’s relevant financial creditors, partners and other stakeholders have provided their formal written agreement (subject to final credit committee and other relevant internal approval processes with respect to certain creditors and other stakeholders) in connection with term sheets which outline the key terms of a holistic, solvent, amendment and restatement of the Group’s financial indebtedness and recapitalisation transaction (the “**Transaction**”).

The Transaction is expected to be implemented as soon as practicable within the coming months following execution of long form documentation and satisfaction of certain commercial and legal conditions precedent specified therein.

The Transaction builds on the improved liquidity available to the Group following the successful subscriptions by each of Ocean World Limited (a direct wholly-owned subsidiary of the Company) and Darting Investment Holdings Ltd. for new shares in Dream Cruises Holding Limited (an indirect non-wholly owned subsidiary of the Company), pursuant to which USD 59,000,000 of new cash was raised and USD 247,927,911.75 of intercompany loans were set-off, as detailed in the Company's announcement of 16 April 2021.

The Transaction provides further capital and stability to the Group in order to create a stable runway to execute a fully funded business plan aligned with anticipated market recovery as COVID-19 restrictions ease.

THE TRANSACTION – KEY TERMS

The key terms of the Transaction include:

- (i) a new EUR 215,000,000 subordinated secured loan facility and a EUR 85,000,000 silent participation (being a form of lending which takes effect via provision of a limited-recourse equity stake to the lender in exchange for contribution of funding) (together the “**New EUR 300m WSF Funding**”) which will be provided by the *Wirtschaftsstabilisierungsfonds* (the “**WSF**”), being the German Economic Stabilisation Fund, to MV Werften Holdings Limited (“**MVWH**”) (an indirect wholly-owned subsidiary of the Company) and/or certain of its subsidiaries in order to fund the completion of the partially-completed Crystal Endeavor and Global Dream vessels and certain overhead costs. The New EUR 300m WSF Funding will be guaranteed by the Company and certain wholly-owned subsidiaries of MVWH and secured by way of a composite security and guarantee package;
- (ii) amendments to USD 981,050,000 of existing financial indebtedness of the Company (which represents all material existing financial indebtedness of the Company) to reflect the following:
 - (a) a material extension of maturity of the facilities; and
 - (b) a reduction in, and the harmonisation of, interest margins for up to 24 months;
- (iii) suspension of amortisation payment requirements under USD 1,496,897,825 of separate secured financing arrangements entered into by Dream Cruises, Crystal Cruises and Star Cruises entities until the earlier of (a) 29 June 2023 and (b) the date falling 24 months after the date of implementation of the Transaction (the “**Implementation Date**”) along with consequential adjustments to each affected amortisation schedule;

- (iv) retention of all guarantees and security under the Group's existing financing arrangements, along with the implementation of appropriate limited credit enhancement arrangements including granting of new security and assignment of rights;
- (v) continued provision for drawdowns under existing pre-delivery financing arrangements available to the Group in order to fund completion of construction of the partially-completed Global Dream vessel;
- (vi) provision of a new committed EUR 280,000,000 post-delivery financing facility on substantially standard market terms in respect of the Crystal Endeavor vessel by certain existing lenders to the Group. This facility will be guaranteed by the Company;
- (vii) suspension of financial covenant testing under all of the Group's existing financing arrangements which contain financial covenants until the earlier of (a) 29 June 2023 and (b) the date falling 24 months after the Implementation Date, other than in respect of a minimum liquidity covenant which will be reset to an appropriate level; and
- (viii) a full reset of all existing financial covenants with effect from 29 June 2023 to reflect appropriate ratios for the purposes of facilitating a fully funded business plan aligned with anticipated market recovery.

In addition, pursuant to the terms of the Transaction, the Company and/or its subsidiaries shall seek to raise at least USD 154,000,000 of additional liquidity by 31 December 2021. Should the Company and/or its subsidiaries be unsuccessful in raising this additional liquidity, the Company will pursue additional liquidity-raising transactions, including:

- (i) an equity financing of the Company for a value of not less than USD 30,000,000; and
- (ii) entry by the Company and certain wholly-owned subsidiaries of MVWH into conditional, committed standby loan facilities provided by the State of Mecklenburg Vorpommern and the WSF in an aggregate amount of USD 124,000,000.

IMPLEMENTATION OF THE TRANSACTION

Implementation of the Transaction is conditional upon execution by all relevant parties of definitive documentation and satisfaction of certain commercial and legal conditions precedent.

The Company and its advisers are working diligently towards the implementation and consummation of the Transaction as soon as practicable and will continue to keep the Company's shareholders, creditors, other stakeholders and potential investors updated by way of further announcement(s) as and when appropriate.

Any questions or discussions in relation to the Transaction should be directed to the Company's advisers as follows: Martin Gudgeon and Jamie McLaughlan (projectsilver@pjtpartners.com) of PJT Partners and James Warboys (DLProjectSilverLinklaters@linklaters.com) of Linklaters.

Completion of the Transaction is subject to execution of definitive documentation and satisfaction of certain commercial and legal conditions precedent. As a result, there is no certainty that the Transaction will successfully complete. 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, 7 May 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.