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

**NEW MONEY FACILITIES OF c. USD 0.7 BILLION,
COMPLETION OF 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, 19 August 2020 and 7 May 2021, 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 mentioned in the Company’s announcement of 7 May 2021 (the “**Announcement**”), the Company’s relevant financial creditors, partners and other stakeholders had 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 objective of the Transaction (together with the subscription of additional equity interest in Dream Cruises Holding Limited (an indirect non-wholly owned subsidiary of the Company) by each of Ocean World Limited (a direct wholly-owned subsidiary of the Company) and Darting Investment Holdings Ltd., as disclosed in the Company’s announcement of 16 April 2021) is to provide 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.

As mentioned in the Announcement, the consummation of the Transaction was subject to execution of long form documentation and satisfaction of certain commercial and legal conditions precedent specified therein. The Company and its advisers have been working diligently towards achieving the consummation of the Transaction and the board of directors of the Company (the “**Board**”) is pleased to announce that consummation of the Transaction has occurred on 28 June 2021 (the “**Restructuring Effective Date**”).

THE TRANSACTION – KEY TERMS

The key terms of the Transaction are substantially the same as those disclosed in the Announcement and comprise the following components:

(A) New Money Facilities

- (i) a new EUR 240,000,000 subordinated secured loan facility and a EUR 60,000,000 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**”) 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; and
- (ii) provision of a new committed EUR 313,600,000 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 and an indirect wholly-owned subsidiary of the Company.

(B) Amendment and Extension of Existing Financial Indebtedness

- (i) 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 until no earlier than 31 July 2026; and
 - (b) a reduction in, and the harmonisation of, interest margins for up to 24 months;
- (ii) 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;

- (iii) 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;
 - (iv) 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 Restructuring Effective Date (the “**Deferral Longstop Date**”) along with consequential adjustments to each affected amortisation schedule;
 - (v) suspension of financial covenant testing under all of the Group’s existing financing arrangements which contain financial covenants until the Deferral Longstop Date, other than in respect of a minimum liquidity covenant (the “**Minimum Liquidity Covenant**”) which will be reset to an appropriate level; and
 - (vi) a full reset of all existing financial covenants with effect from the Deferral Longstop Date to reflect appropriate ratios for the purposes of facilitating a fully funded business plan aligned with anticipated market recovery.
- (C) **Provision of Backstop Funding Arrangements to Address Future Liquidity Needs**

In addition, pursuant to the terms of the Transaction, the following backstop funding arrangements will be provided to address potential liquidity needs of the Group in the future (together, the “**Backstop Instruments**”):

- (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 118,000,000, which shall be secured by, *inter alia*, second and third ranking mortgages over the World Dream vessel.

The Backstop Instruments may be drawn down in order to meet the debt servicing obligations of the Group in the event that the Minimum Liquidity Covenant is breached or forecasted to be breached. Further, the Backstop Instruments shall terminate on, *inter alia*, the date the Company and/or its subsidiaries deposit cash or cash equivalents in an amount of no less than USD 148,000,000 into a restricted account or the Group maintains compliance with certain financial covenants.

(D) Business Update

The Group continues to operate under uncertainties caused by many pandemic related factors which hinder the speed and extent of resumption of the Group's sailing activities across its branded fleets. We have voluntarily suspended *Explorer Dream* cruising activities since 12 May 2021 with new COVID outbreak in Taiwan and the Government indicated that cruises can only resume when the current level 3 alert is lowered to level 2. In Singapore, passenger capacity of *World Dream* has been reduced from 50% to 25% in May 2021 and has been returned to 50% since 14 June 2021. Whilst the Hong Kong Government has permitted *Genting Dream* to resume service at the end of July, any outbreaks between now and then may affect the starting date. The Group is working actively to deploy passenger cruising opportunities across all potential routes, acknowledging that it may face unforeseen disruptions and incur additional start-up costs in this uncertain process. In the meanwhile, the Board shall continue to closely monitor the Group's liquidity position and to explore strategic options available to the Group to further improve the Group's liquidity and competitive positions.

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

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, 28 June 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.