

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



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

**VOLUNTARY ANNOUNCEMENT**  
**LEGAL PROCEEDINGS INVOLVING DRAWDOWN OF US\$88,000,000**  
**BACKSTOP FACILITY**

This announcement is made by Genting Hong Kong Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) on a voluntary basis. The purpose of this announcement is to keep the shareholders of the Company and potential investors informed of the latest business developments of the Group.

Reference is made to the announcement made by the Company dated 28 June 2021 with respect to the entry by the Group into certain new money facilities, completion of the recapitalisation of the Group and the amendment and extension of the Group’s material financial indebtedness (the “**Previous Announcement**”). Unless otherwise defined herein, capitalised terms used in this announcement have the same meanings as given to them in the Previous Announcement.

As explained in the Previous Announcement, the Company and certain wholly-owned subsidiaries of MVWH (an indirect wholly-owned subsidiary of the Company) entered into two backstop facility agreements (the “**Backstop Facility Agreements**”) pursuant to which an aggregate amount of US\$118,000,000 conditional, committed standby loan facilities were provided by the State of Mecklenburg Vorpommern (“**State M-V**”) and the WSF. The Backstop Facility Agreements may be drawn down in order to meet either working capital needs or the debt servicing obligations of the Group in the event that an agreed minimum liquidity threshold is breached or forecasted to be breached.

The Delta and Omicron COVID variants have impacted on the recovery of the Group's cruise operations and to mitigate the risk of the Group breaching the Minimum Liquidity Covenant, the Group proposed to draw down on the loan facility provided by State M-V in the sum of US\$88,000,000 (the "**State M-V Backstop Facility**") pursuant to the terms of the Backstop Facility Agreements. As at and since 17 December 2021, the Company has satisfied all drawdown conditions under the State M-V Backstop Facility, including having obtained backstop funding of US\$30,000,000 from the Company's controlling shareholder Golden Hope Limited. Accordingly, on 17 December 2021, the Company delivered a utilisation request under the State M-V Backstop Facility to State M-V in respect of the sum of US\$88,000,000 in accordance with the Backstop Facility Agreements.

On 23 December 2021, the Company received correspondence from State M-V imposing additional pre-conditions to drawdown under the State M-V Backstop Facility not provided for under the terms and conditions set out in the Backstop Facility Agreements. Accordingly, on 27 December 2021 (Germany time), the Company applied to the District Court (*Landgericht*) of Schwerin (the "**Court**") to commence legal proceedings against State M-V seeking an interim injunction to require State M-V to comply with the terms and conditions of the Backstop Facility Agreements including to satisfy the utilisation request and permit drawdown under the State M-V Backstop Facility (the "**Legal Proceedings**").

On 28 December 2021 (Germany time), the Court handed down its judgement and ordered State M-V to immediately fund in full the sum of US\$88,000,000 in accordance with the Backstop Facility Agreements. However, on 29 December 2021 (Germany time), the Court amended its order to limit the immediately enforceable payment amount to US\$6,300,000, with the balance of the contractual amount to be paid on a later date. On 30 December 2021 (Germany time), the Court further amended its order such that no amount is immediately payable but that the matter is to be listed for hearing on 11 January 2022 (Germany time).

On 30 December 2021 (Germany time), State M-V released a press release<sup>1</sup> stating that State M-V and the Finance Committee of the Parliament of State M-V still agree to make available the State M-V Backstop Facility but only if certain additional pre-conditions are met. These pre-conditions include further agreement from the German Federal Government and the Company with respect to certain terms of a bridge loan to MVWH, the Company's subsidiary, to fund the ongoing costs of the construction of the "Global One" vessel. State M-V stated that such a negotiated solution remains its priority, and that it will continue in the coming days to negotiate.

---

<sup>1</sup> The press release of the State M-V can be accessed at the following address:  
<https://www.regierung-mv.de/Aktuell/?id=176750&processor=processor.sa.pressemitteilung>

The Company and MVWH are equally committed to reaching a negotiated solution as newly proposed by State M-V, particularly with the interests of the employees and future of MVWH in mind. Nevertheless, the Company will also continue to seek to enforce its contractual rights under the Backstop Facility Agreements as were recognised by the Court when it first handed down its order on 28 December 2021 (Germany time).

The Company notes that State M-V's failure to comply with its contractual obligations under the Backstop Facility Agreements risks the Company breaching the Minimum Liquidity Covenant. Pending hearing of the Company's application on 11 January 2022 (Germany time), the Company will continue to consider various options to address potential liquidity needs of the Group.

The Company will make further announcement(s) regarding any material developments of the Legal Proceedings or other options to address the Group's potential liquidity needs as and when appropriate.

By Order of the Board  
**TAN SRI LIM KOK THAY**  
*Chairman and Chief Executive Officer*

Hong Kong, 2 January 2022

*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.*