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Genting Hong Kong Limited

(Continued into Bermuda with limited liability)

(Stock Code: 678)

INSIDE INFORMATION ANNOUNCEMENT RECENT DEVELOPMENTS AND RESUMPTION OF TRADING

This announcement is made by Genting Hong Kong Limited (the “**Company**”, 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 (the “**Stock Exchange**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The COVID-19 pandemic has resulted in the suspension of sailings globally. Given the ongoing uncertainty of the situation, the Company issued profit warning announcements regarding its results for the six months ended 30 June 2020 on 13 March 2020 and 7 August 2020. The COVID-19 pandemic has had and will continue to have a material impact on the financial position and results of operation of the Group.

The Group has undertaken a number of cost reduction and cash conservation measures to mitigate the effects of the resultant loss of revenues from its operations. In addition, the Company has mandated certain financial institutions (“**Funding Advisors**”) to arrange a fund raising exercise for the Group (the “**Fund Raising Exercise**”).

The Funding Advisors delivered a report on parties interested in the Fund Raising Exercise to the Board of Directors of the Company (the “**Board**”) on 19 August 2020. The Board has been informed that the Group and potential interested parties will require more time to assess the provision of additional funding to the Group. There is currently a lack of certainty as to the outcome of the Fund Raising Exercise.

As the Fund Raising Exercise may or may not be consummated, the Board wishes to announce that, it has, after careful consultation with its legal and financial advisers, concluded that in order to preserve as much liquidity of the Group as possible and to fulfil the Board's fiduciary duties and to treat all its financial creditors fairly and equitably, the Company should temporarily suspend all payments to the Group's financial creditors (including interest and charter payments). The Company's remaining available cash will be reserved to maintain critical services for the Group's operations, while the Company will endeavor to negotiate a holistic debt restructuring solution for the current financial indebtedness of the Group (the "**Restructuring**") and continue to engage with interested parties identified by the Funding Advisors.

On 17 August 2020, Dream Global One Limited and Dream Global Two Limited (being subsidiaries of the Company, together the "**Subsidiaries**") were required to pay certain fees amounting to approximately EUR 3.7 million (in aggregate) in connection with the financing of the construction of certain ships (the "**Bank Fees**"). The Company guarantees the obligations to pay the Bank Fees. As of the date of this announcement, the Bank Fees have not been paid. Such non-payment constitutes an event of default under the finance documents of the Subsidiaries (the "**Global Finance Documents**").

In addition to the events of default that have already occurred under Global Finance Documents, the Board anticipates that the temporary suspension of all payments to the Group's financial creditors will also likely result in events of default occurring under other finance documents of the Group. Such events of default would give rise to a right for requisite creditors of the Group to declare that the financial indebtedness owed to them are immediately due and payable. As of 31 July 2020, the outstanding financial indebtedness of the Group is at US\$3.37 billion.

The Company intends to invite all of the Group's financial creditors to a virtual meeting to be held as soon as practicable (the "**First Creditors' Meeting**"). During the First Creditors' Meeting, the Company will provide further information on the current status of the Group's operations and finances, along with restructuring and/or refinancing options in respect of the Group's financial indebtedness. In addition, the Company intends to make the following immediate requests at the First Creditors' Meeting:

- a) the financial creditors of the Group will be asked to form a steering committee (the "**Steering Committee**") representing a cross-section of all financial creditors of the Group in order to evaluate the Group's restructuring proposal and to agree on a holistic restructuring solution for the Group;
- b) the Steering Committee will be asked to appoint legal and financial advisers as a matter of urgency; and
- c) the financial creditors of the Group will be asked to refrain from taking any enforcement action so that the stakeholders of the Group can have a stable platform to negotiate and implement the Restructuring.

Further details of the First Creditors' Meeting will be circulated to the Group's financial creditors imminently. In addition, the Company has appointed PJT Partners (as its financial adviser) and Kirkland & Ellis (as its legal adviser) to implement the Restructuring and creditors are invited to contact PJT Partners (by email to Gudgeon@pjtpartners.com) to establish contact and initiate discussions.

RESUMPTION OF TRADING

Trading in the shares issued by the Company was halted at the request of the Company with effect from 9:11am on 18 August 2020 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for resumption of trading in the shares of the Company with effect from 9:00am on 20 August 2020.

The Company will continue to keep its shareholders, creditors, other stakeholders and potential investors updated by way of further announcement(s) as and when appropriate.

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, 19 August 2020

As at the date of this announcement, the Board comprises two Executive Directors, namely Tan Sri Lim Kok Thay and Mr. Lim Keong Hui, and three Independent Non-executive Directors, namely Mr. Alan Howard Smith, Mr. Lam Wai Hon, Ambrose and Mr. Justin Tan Wah Joo.