

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)

DISCLOSEABLE TRANSACTION

SUMMARY

The Board is pleased to announce that between 28 July 2016 and 25 May 2017, CCL, an indirect wholly-owned subsidiary of the Company, disposed of a total of 6,600,000 Shares in Star Entertainment, a company listed on the Australian Securities Exchange, through a series of on-market disposals on the Australian Securities Exchange (the “**On-market Disposals**”). The total consideration of the On-market Disposals was A\$38,494,000 (approximately HK\$231,834,000).

On 13 July 2017, CCL entered into the Sale Agreement with UBS AG pursuant to which CCL agreed to sell and UBS AG agreed to conduct and manage the sale of a further 46,400,000 Shares in Star Entertainment to third party purchasers, and to underwrite and guarantee the sale of any such Shares which have not been purchased by third party purchasers (the “**Block Trade**”, and together with the On-market Disposals, the “**Transaction**”). The total consideration of the Block Trade was A\$235,248,000 (approximately HK\$1,416,805,000).

Following completion of the Block Trade, CCL and the Group will cease to hold any interest in Shares in Star Entertainment.

DISCLOSEABLE TRANSACTION

As one or more of the applicable percentage ratios in respect of the Transaction exceeds 5% but each of them is less than 25% as calculated pursuant to Rule 14.07 of the Listing Rules, the Transaction constitutes a discloseable transaction of the Company under Rule 14.06(2) of the Listing Rules and is therefore subject to the applicable notification, reporting and announcement requirements under Chapter 14 of the Listing Rules. Details of the Transaction are set out below in this announcement.

A. THE TRANSACTION

The Transaction

Between 28 July 2016 and 25 May 2017, CCL, an indirect wholly-owned subsidiary of the Company, disposed of a total of 6,600,000 Shares in Star Entertainment (representing approximately 0.80% of the total issued shares of Star Entertainment) through a series of on-market disposals on the Australian Securities Exchange.

On 13 July 2017, CCL entered into the Sale Agreement with UBS AG pursuant to which CCL agreed to sell and UBS AG agreed to conduct and manage the sale of a further 46,400,000 Shares in Star Entertainment (representing approximately 5.62% of the total issued shares of Star Entertainment) to third party purchasers, and to underwrite and guarantee the sale of any such Shares which have not been purchased by third party purchasers.

Following completion of the Block Trade, CCL and the Group will cease to hold any interest in Shares in Star Entertainment.

Consideration

The aggregate value of the consideration of the On-market Disposals was A\$38,494,000 (approximately HK\$231,834,000). Such consideration is calculated by reference to the number of Shares actually disposed and the actual selling price received by CCL in disposing such Shares on the Australian Securities Exchange.

The total consideration of the Block Trade was A\$235,248,000 (approximately HK\$1,416,805,000). Such consideration is determined based on an arm's length negotiation among CCL and UBS AG with reference to the trading price of Shares in Star Entertainment and market conditions.

The net sale proceeds for the Transaction will be used as general working capital and capital expenditure for the Group and/or to fund new investments of the Group should suitable opportunities arise.

A gain in an amount of approximately US\$67,516,000 (approximately HK\$527,293,000) is expected to accrue to the Group as a result of the Transaction representing the difference between the expected net sale proceeds from the Transaction and the carrying value of a total of 53,000,000 Shares in Star Entertainment as of the respective disposal dates of the Transaction, including the reclassification of the related available-for-sale investments reserve and foreign currency translation adjustments.

Completion of the Transaction

As the On-market Disposals comprised a series of on-market disposals on the Australian Securities Exchange, completion of such disposals took place in accordance with the ASX Settlement Operating Rules of the Australian Securities Exchange. The sale proceeds from the On-market Disposals have already been received by CCL.

Completion of the Block Trade will take place on 18 July 2017 at which point the net sale proceeds from the Block Trade will be payable by UBS AG to CCL in cash in accordance with the Sale Agreement.

To the best of the Board's knowledge, information and belief having made all reasonable enquiries, the counterparties to the Transaction and their ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

Value of the assets

Based on the closing price of the Shares on the last trading day of the Australian Securities Exchange (being 13 July 2017), the value of the Shares which is the subject of the Transaction is A\$271,360,000 (approximately HK\$1,634,293,000).

B. REASONS FOR AND THE BENEFITS OF ENTERING INTO THE TRANSACTION

The Board considers the Transaction to be a good opportunity for the Group to realize a gain from the disposal of its investment in Star Entertainment.

The Board believes that the terms of the Transaction are fair and reasonable and in the interests of the Company and its shareholders as a whole.

C. INFORMATION ON STAR ENTERTAINMENT

Star Entertainment is an ASX 100 listed company that owns and operates The Star, Sydney, Treasury Casino & Hotel in Brisbane and The Star, Gold Coast. The Star Entertainment Group also manages the Gold Coast Convention and Exhibition Centre on behalf of the Queensland Government.

As at 30 June 2015 and 30 June 2016, Star Entertainment's respective audited net assets, and for the years ended 30 June 2014, 30 June 2015 and 30 June 2016, Star Entertainment's respective audited net profit (before and after tax) were reported as follow:

	30 June 2014		30 June 2015		30 June 2016	
	A\$ '000 (approx.)	HK\$ '000 (approx.)	A\$ '000 (approx.)	HK\$ '000 (approx.)	A\$ '000 (approx.)	HK\$ '000 (approx.)
Net assets as at	Not applicable	Not applicable	3,035,400	18,281,000	3,147,700	18,957,338
Net profit before tax for the year ended	153,200	922,662	237,200	1,428,561	279,200	1,681,510
Net profit after tax for the year ended	106,300	640,202	169,300	1,019,626	194,400	1,170,793

Star Entertainment has an unaudited net asset value of approximately A\$3,219.1 million (approximately HK\$19,387.4 million) as at 31 December 2016.

D. INFORMATION ON THE COMPANY

The principal activity of the Company is investment holding. The Company's subsidiaries are principally engaged in the business of cruise and cruise related operations and leisure, entertainment and hospitality activities.

INFORMATION ON CCL

CCL is indirectly wholly-owned by the Company and its principal business is investment holding.

INFORMATION ON UBS AG

UBS AG, Australian Branch is wholly owned by UBS Group AG. UBS Group AG is the holding company of the UBS Group. Under Swiss company law, UBS Group AG is organised as an Aktiengesellschaft, a corporation that has issued shares of common stock to investors. The principal business of UBS AG, Australia Branch is to provide financial services.

E. GENERAL

As the Transaction comprises the On-market Disposals and the Block Trade which were conducted within a 12-month period, in accordance with Rules 14.22 and 14.23 of the Listing Rules, the On-market Disposals and the Block Trade shall be treated as a series of transactions and aggregated for the purposes of Rule 14.06 of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the Transaction exceeds 5% but each of them is less than 25% as calculated pursuant to Rule 14.07 of the Listing Rules, the Transaction constitutes a discloseable transaction of the Company under Rule 14.06(2) of the Listing Rules and is therefore subject to the applicable notification, reporting and announcement requirements under Chapter 14 of the Listing Rules.

F. DEFINITIONS

Unless the context otherwise requires, the following expressions have the following meanings in this announcement:

“ AS\$”	Australian dollars, the lawful currency of Australia
“ Australian Securities Exchange”	ASX Limited
“ Board”	the board of directors of the Company
“ CCL”	Cheer Century Limited, a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of the Company
“ Company”	Genting Hong Kong Limited, an exempted company continued into Bermuda with limited liability having its shares primary listed on the Main Board of the Stock Exchange and secondary listed on the Main Board of the Singapore Exchange Securities Trading Limited
“ Group”	the Company and its subsidiaries, from time to time (as the case may be)
“ HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“ Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“ Sale Agreement”	the Sale Agreement entered into between CCL and UBS AG on 13 July 2017 pursuant to which CCL agreed to sell and UBS AG agreed to conduct, manage, underwrite and guarantee the Block Trade
“ Shares”	the ordinary shares of Star Entertainment
“ Star Entertainment”	The Star Entertainment Group Limited (formerly known as Echo Entertainment Group Limited), a company incorporated in Australia and listed on the market operated by the Australian Securities Exchange
“ Stock Exchange”	The Stock Exchange of Hong Kong Limited
“ UBS AG”	UBS AG, Australia Branch, which is wholly owned by UBS Group AG (a company incorporated in Switzerland). Its principal business is to provide financial services.

