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**GENTING**

**HONG KONG**

**Genting Hong Kong Limited**

*(Continued into Bermuda with limited liability)*

**(Stock Code: 678)**

**CONNECTED TRANSACTION  
IN RELATION TO ACQUISITION OF AIRCRAFT**

The Board is pleased to announce that on 20 December 2015, the Purchaser (an indirect wholly-owned subsidiary of the Company) entered into the Agreement with the Seller whereby the Purchaser conditionally agreed to buy and the Seller conditionally agreed to sell the Aircraft at the consideration of US\$23 million (equivalent to approximately HK\$179.4 million) subject to the terms and conditions contained in the Agreement.

GENT is a substantial shareholder, and therefore a connected person, of the Company. Being a wholly-owned subsidiary of GENS which in turn is a subsidiary of GENT, the Seller is an associate of GENT and a connected person of the Company under Chapter 14A of the Listing Rules. The Acquisition constitutes a connected transaction of the Company under Rule 14A.25 of the Listing Rules. Given that some of the applicable percentage ratios of the Listing Rules exceed 0.1% but all of them are less than 5% for the purpose of Rule 14A.76(2) of the Listing Rules, the Acquisition is exempted from the circular and independent shareholders' approval requirements and is only subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules.

**INTRODUCTION**

The Board is pleased to announce that on 20 December 2015, the Purchaser (an indirect wholly-owned subsidiary of the Company) entered into the Agreement with the Seller for the acquisition of the Aircraft at the consideration of US\$23 million (equivalent to approximately HK\$179.4 million) subject to the terms and conditions contained therein.

**THE AGREEMENT**

The principal terms of the Agreement are set out as follows:-

**Date** : 20 December 2015  
**Seller** : Genting Singapore Aviation III Ltd.  
**Purchaser** : Crystal Luxury Airbus Holdings Limited

**Asset being acquired**

Asset to be acquired under the Agreement comprises, one Airbus ACJ319 aircraft with manufacturer's serial number 1485 more particularly described in the Agreement.

## **Consideration**

The Consideration is US\$23 million (equivalent to approximately HK\$179.4 million) and payable in cash on the Delivery Date. The Consideration shall be funded by internal resources of the Group.

The Consideration was determined after arm's length negotiations between the Purchaser and the Seller with reference to the valuation of the Aircraft by an independent professional aviation appraiser as at 26 October 2015 of a fair value range for the Aircraft of US\$24.6 million to US\$28.9 million after taking into account the age, specification and conditions of the Aircraft and reviewing the market condition, perceived demand and supply around the appraisal time.

Based on the information provided by the Seller, the original purchase cost of the Aircraft by the Seller was US\$42 million (equivalent to approximately HK\$327.6 million).

## **The Seller's Conditions Precedent**

The following conditions precedent of the Seller shall be fulfilled on or before the Delivery Date and may be waived in writing, in whole or in part and with or without conditions, by the Seller:-

1. the Seller shall have received:-
  - (a) certificate of technical acceptance of the Aircraft executed by the Purchaser;
  - (b) an opinion of counsel acceptable to the parties in the jurisdiction in which the Aircraft is located at Delivery, if applicable; and
  - (c) the consideration for the Aircraft;
2. the Purchaser not being in material default of its obligations under the Agreement;
3. the representatives given by the Purchaser are true and accurate on the Delivery Date; and
4. no change of any applicable law which would make it illegal for the Seller to perform any of its obligation under the Agreement.

If any of the above conditions remain outstanding on the Final Delivery Date and are not waived or deferred by the Seller, the Seller may at any time after the Final Delivery Date terminate its obligations to sell the Aircraft by notice, whereupon the rights and obligations of the parties to the Agreement shall cease and be discharged without further liability on the part of the either party.

## **The Purchaser's Conditions Precedent**

The following conditions precedent of the Purchaser shall be fulfilled on or before the Delivery Date and may be waived in writing, in whole or in part and with or without conditions, by the Purchaser:-

1. the Purchaser shall have received:-
  - (a) a warranty bill of sale in respect of the Aircraft duly executed by the Seller;
  - (b) a certified true copy of the current and valid certificate of airworthiness in relation to the Aircraft;
  - (c) a certified true copy of the current and valid certificate of registration in relation to the Seller's title to the Aircraft;
  - (d) a certified true copy of the current and valid (i) aircraft station license, (ii) flight manual certificate, and (iii) noise certificate in relation to the Aircraft; and
  - (e) an opinion of counsel acceptable to the parties in the jurisdiction in which the Aircraft is located at Delivery, if applicable;

2. the Purchaser shall have confirmed in writing to the Seller, following the Purchaser's inspection, that the Purchaser is satisfied with the condition of the Aircraft;
3. the Seller to provide evidence (or the Purchaser shall have obtained certification) that the Computerized Aircraft Maintenance Program has been fully paid and transferable;
4. the Aircraft shall not have suffered an actual or potential Event of Loss on the Delivery Date;
5. the Seller not being in material default of its obligations under the Agreement;
6. the representatives given by the Seller are true and accurate on the Delivery Date; and
7. no change of any applicable law which would make it illegal for the Purchaser to perform any of its obligation under the Agreement.

If any of the above conditions remain outstanding on the Final Delivery Date and are not waived or deferred by the Purchaser, the Purchaser may at any time after the Final Delivery Date terminate its obligations to purchase the Aircraft by notice, whereupon the rights and obligations of the parties to the Agreement shall cease and be discharged without further liability on the part of either party.

### **Inspection**

The Purchaser has the right to inspect the Aircraft on or before the Delivery Date. If the Purchaser is not satisfied with the physical condition of the Aircraft, it shall notify the Seller of the unsatisfactory items. If the Purchaser is prepared to proceed with the purchase subject to the relevant items being rectified by the Seller prior to the Final Delivery Date, the Seller shall procure the rectification at its own cost to the Purchaser's satisfaction. However, if:-

- (a) the rectification is not so completed; or
- (b) the Purchaser notifies the Seller that it is not prepared to proceed on the basis of rectification,

the Agreement shall terminate and neither party shall have further obligation or liability.

### **Damage before Delivery**

The Seller shall promptly inform the Purchaser if the Aircraft suffers any damage or a fault occurs (not constituting an Event of Loss) before Delivery. If the Purchaser is prepared to proceed subject to the damage or fault being repaired to the Purchaser's satisfaction, the Seller shall procure timely repair to the Purchaser's satisfaction at the Seller's costs and expenses prior to the Final Delivery Date. However, if:-

- (a) the repair is not so completed; or
- (b) the Purchaser notifies the Seller that it is not prepared to proceed on the basis of repair,

the Agreement shall terminate and neither party shall have further obligation or liability.

### **Event of Loss**

If before Delivery,

- (a) the Aircraft suffers an Event of Loss, the Agreement shall automatically terminate; or
- (b) circumstances are such that with the passage of time and/or a relevant determination of an Event of Loss might arise and those circumstances continue for more than 20 days, the Purchaser may at any time thereafter terminate the Agreement,

and the rights and obligations of the parties shall be discharged.

## **Indemnity**

The parties agree to indemnify and to keep indemnified the other party and its officers, employees and authorised agents on its or their demand against all and any claims, losses, liabilities, proceedings and actions which are attributable to or result from or arise in any manner out of or in connection with the operation, repair, maintenance, alteration and/or use of the Aircraft after the Delivery (in the case of the Purchaser being the indemnifier) or before the Delivery (in case of the Seller being the indemnifier).

## **REASONS FOR AND BENEFITS OF THE ACQUISITION**

The Group has expanded into luxury cruise and travel business primarily in the name of Crystal Cruises (“Crystal”). In line with the Group’s mission to develop Crystal to be the world’s premier luxury hospitality and lifestyle brand, the Acquisition will allow the Group to expand its aircraft fleet for Crystal and more importantly support its cruise and yacht itineraries, luxury air travel product, Crystal Luxury Air Cruises, which is to be launched.

The Board (including the Independent Non-executive Directors) with each of Tan Sri Lim Kok Thay (the Chairman and Chief Executive Officer, an Executive Director and a substantial shareholder of the Company; the Chairman and Chief Executive and a shareholder of GENT; and the Executive Chairman and a shareholder of GENS) and Mr. Lim Keong Hui (an Executive Director, the Chief Information Officer and a substantial shareholder of the Company; and a Non-Independent Executive Director, the Executive Director – Chairman’s Office and the Chief Information Officer of GENT), who, by virtue of his direct and/or deemed interest in GENT, GENS and the Seller is regarded as having a material interest in the Acquisition, having abstained from voting on the relevant Board resolutions approving the Acquisition, considers that the terms and conditions of the Acquisition are on normal commercial terms, fair and reasonable in the ordinary and usual course of business of the Group, and in the interests of the Company and its Shareholders as a whole.

## **PRINCIPAL BUSINESSES OF THE GROUP AND THE SELLER**

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.

The principal business of the Seller is purchasing, owning and operating of aircrafts for passenger air transportation. The principal business of GENS is investment holding, and its subsidiaries’ principal activities include the development and operation of integrated resorts, operation of casinos, provision of sales and marketing support services to leisure and hospitality related businesses and investments.

## **LISTING RULES IMPLICATIONS**

GENT is a substantial shareholder, and therefore a connected person of, the Company. Being a wholly-owned subsidiary of GENS which in turn is a subsidiary of GENT, the Seller is an associate of GENT and a connected person of the Company under Chapter 14A of the Listing Rules. The Acquisition constitutes a connected transaction of the Company under Rule 14A.25 of the Listing Rules. Given that some of the applicable percentage ratios of the Listing Rules exceed 0.1% but all of them are less than 5% for the purpose of Rule 14A.76(2) of the Listing Rules, the Acquisition is exempted from the circular and independent shareholders’ approval requirements and is only subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules.

## DEFINITIONS

Unless the context otherwise require, the following expressions have the following meanings in this announcement.

“Acquisition”	the acquisition of the Aircraft by the Purchaser contemplated under the Agreement
“Agreement”	the agreement for the sale and purchase of the Aircraft dated 20 December 2015 entered into between the Purchaser and the Seller
“Aircraft”	one Airbus ACJ319 aircraft with manufacturer’s serial number 1485 more particularly described in the Agreement
“associate(s)”	has the same meaning as ascribed to it under the Listing Rules
“Board”	the board of Directors
“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
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Consideration”	US\$23 million (equivalent to approximately HK\$179.4 million) payable for the acquisition of the Aircraft pursuant to the Agreement
“Delivery”	the transfer of title of the Aircraft by the Seller to the Purchaser pursuant to the Agreement
“Delivery Date”	a date on which the Delivery shall occur pursuant to the Agreement
“Director(s)”	the director(s) of the Company
“Event of Loss”	with respect to the Aircraft:  (a) the actual or constructive total loss of the Aircraft; (b) the Aircraft being destroyed, damaged beyond economic repair or permanently unfit for normal use; (c) requisition of title of the Aircraft by government or any other authority; or (d) hijacking, theft, disappearance, condemnation, confiscation, seizure or detention which deprives the Seller to have possession or use of the Aircraft for (i) more than 15 days; or (ii) if earlier, a period ending on the Final Delivery Date
“Final Delivery Date”	28 March 2016, or such other date as the Seller and the Purchaser may otherwise agree in writing
“GENS”	Genting Singapore PLC, a company incorporated in the Isle of Man and listed on the Main Board of the Singapore Exchange Securities Trading Limited, and which is a subsidiary of GENT

“GENT”	Genting Berhad, a company incorporated in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad, which is a substantial shareholder of the Company having approximately 17.11% attributable interest in the issued share capital of the Company as at the date of this announcement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Purchaser”	Crystal Luxury Airbus Holdings Limited, a company incorporated in the Isle of Man and an indirect wholly-owned subsidiary of the Company
“Seller”	Genting Singapore Aviation III Ltd., a company incorporated in Bermuda and a wholly-owned subsidiary of GENS
“Share(s)”	ordinary share(s) with a par value of US\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the same meaning as ascribed to it under the Listing Rules
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

*Unless otherwise specified in this announcement, amounts denominated in US\$ have been converted, for the purpose of illustration only into HK\$ based on the exchange rate of US\$1.00=HK\$7.80.*

*No representation is made that the amounts stated in this announcement have been or could have been or could be converted at the above rate or at any other rates or at all.*

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

Hong Kong, 20 December 2015

*As at the date of this announcement, the Board of Directors of the Company 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.*