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**Genting Hong Kong Limited**

*(Continued into Bermuda with limited liability)*

**(Stock Code: 678)**

**DISCLOSEABLE TRANSACTION**

**THE HVAC AGREEMENT AND ITS VARIATION**

On 21 February 2017, MVWW, an indirect wholly-owned subsidiary of the Company, entered into the HVAC Agreement with AXIKO Consortium, whereby MVWW agreed to purchase HVAC systems for various vessels which MVWW is building for the Group. Due to MVWW's request to change various technical specifications to the HVAC systems, a Variation Agreement was entered into by MVWW with AXIKO Consortium on 6 October 2017 for such changes and for the corresponding increase in the purchase price.

**LISTING RULES IMPLICATIONS**

The original contract price under the HVAC Agreement and the increase in such price under the Variation Agreement are aggregated for the purposes of the Listing Rules. As one or more of the applicable ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the aggregated consideration of the transactions under the HVAC Agreement (as varied) exceed 5% but are all less than 25%, such transactions constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules, and are subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

**THE HVAC AGREEMENT AND ITS VARIATION**

On 21 February 2017, MVWW, an indirect wholly-owned subsidiary of the Company, entered into the HVAC Agreement with AXIKO Consortium, whereby MVWW agreed to purchase, and the AXIKO Consortium agreed to provide, turnkey HVAC systems for the construction of two vessels which MVWW is building for the Group, which is currently expected to be completed by the year 2021. Due to MVWW's request to change various technical specifications to the HVAC systems, a Variation Agreement was entered into by MVWW with AXIKO Consortium on 6 October 2017 for such changes and for the corresponding increase in the purchase price.

The original contract price under the HVAC Agreement and the increase in such price under the Variation Agreement are aggregated for the purposes of the Listing Rules. The aggregated consideration under the HVAC Agreement (as varied) is approximately EUR124.3 million (equivalent to approximately HK\$1,140.6 million) and was determined after arm's length negotiations between the parties with reference to, among others, the market value of similar systems for installation onto, and use by, comparable cruises at the time of negotiation. MVWW shall pay the considerations in instalments by 2021 with reference to, among others, the delivery time points of the HVAC systems and the vessels, and will settle such consideration out of the internal resources of the Group and external financing.

In addition, MVWW undertakes that if, and to the extent that, it will be assigned to build up to two additional vessels for the Group, MVWW is obliged to purchase the respective additional HVAC systems from AXIKO Consortium. Accordingly, in the event that MVWW is to purchase such additional HVAC systems from AXIKO Consortium, the Company will comply with the relevant requirements under the Listing Rules as and when necessary.

#### **REASONS FOR AND BENEFITS OF ENTERING INTO THE HVAC AGREEMENT (AS VARIED)**

To fulfill the Group's 10-year cruise ship fleet expansion strategy, it is necessary for MVWW to procure the required equipment for the building of new vessels by contracting with premium-class suppliers that are more likely to guarantee the supply of high-quality, high-tech machinery within an agreed delivery timeframe. MVWW selected AXIKO Consortium based on AXIKO Consortium's experience as a leading supplier of turnkey HVAC systems for the global marine industry as well as its reputation as a supplier with the technical knowledge to design and construct systems complying with the power requirements and within the time constraints for the vessels.

The HVAC Agreement (as varied) was arrived at after arm's length negotiation between the parties. Accordingly, the Board considers that the terms of the HVAC Agreement (as varied) are on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole.

#### **GENERAL INFORMATION OF CONTRACT PARTIES**

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 as well as leisure, entertainment and hospitality activities. The principal business of MVWW is the building of vessels including river ships, mega yachts and cruise ships.

Axima specializes in the climate industry, refrigeration and fire protection.

Koja specializes in cost and energy efficient technology and systems for cruise vessels.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, each of the parties in the AXIKO Consortium and their respective ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the aggregated consideration of the transactions under the HVAC Agreement (as varied) exceed 5% but are all less than 25%, such transactions constitute a disclosable transaction of the Company under Chapter 14 of the Listing Rules, and are subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

In this announcement, the following expressions shall have the following meaning unless the context requires otherwise:

<b>“AXIKO Consortium”</b>	Axima and Koja;
<b>“Axima”</b>	Axima Concept S.A., a company existing under the laws of France;
<b>“Board”</b>	the board of Directors of the Company;
<b>“Company”</b>	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;
<b>“connected person(s)”</b>	has the meaning ascribed to it under the Listing Rules;
<b>“Director”</b>	a director of the Company and “Directors” shall be construed accordingly;
<b>“EUR”</b>	the lawful currency of such sovereigns which as members of the European Union belong to the monetary union pursuant to the “Treaty of Lisbon amending the Treaty on European Union and the Treaty establishing the European Community” dated 13 December 2007 (OJ 2007/C 306/01);
<b>“Group”</b>	the Company and its subsidiaries;
<b>“HK\$”</b>	Hong Kong dollars, the lawful currency of Hong Kong;

<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the People’s Republic of China;
<b>“HVAC Agreement”</b>	the agreement dated 21 February 2017 entered into between MVWW (as purchaser) and AXIKO Consortium (as seller) for the sale and purchase of turnkey HVAC systems;
<b>“HVAC Agreement (as varied)”</b>	the HVAC Agreement as varied by the Variation Agreement;
<b>“HVAC”</b>	heat, ventilation and air-conditioning;
<b>“Koja”</b>	Koja Oy, a company existing under the laws of Finland;
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on the Stock Exchange;
<b>“MVWW”</b>	MV Werften Wismar GmbH, a company incorporated under the laws of Germany and an indirect wholly-owned subsidiary of the Company;
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited;
<b>“Variation Agreement”</b>	the agreement dated 6 October 2017 entered into between MVWW (as purchaser) and AXIKO Consortium (as seller) varying certain technical specifications terms of the turnkey HVAC systems and the contract price under the HVAC Agreement; and
<b>“%”</b>	Per cent.

By Order of the Board  
**Tan Sri Lim Kok Thay**  
*Chairman and Chief Executive Officer*

Hong Kong, 6 October 2017

*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.*

*Unless otherwise specified, the conversion of EUR into HK\$ is based on the exchange rate of EUR1.00: HK\$9.1759 for the purpose of illustration only. 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.*