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DISCLOSEABLE TRANSACTION

CONSTRUCTION OF TWO VESSELS

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions bear the following meanings:

“Arrasas”	Arrasas Limited, a company incorporated in the Isle of Man and a direct wholly-owned subsidiary of the Company
“Board of Directors”	the board of directors of the Company
“Builder”	Jos. L. Meyer GmbH, the shipbuilder constructing Vessel No. 1 and Vessel No. 2 pursuant to the Shipbuilding Contract No. 1 and the Shipbuilding Contract No. 2 respectively, which is an Independent Third Party
“Company”	Star Cruises Limited, a company continued into Bermuda with limited liability and having its shares listed on the Stock Exchange and traded on the Central Limit Order Book International of the Singapore Exchange Securities Trading Limited
“Directors”	the directors of the Company
“Euro” or “€”	the common European currency pursuant to laws and resolutions implementing the European Economic and Monetary Union and/or the lawful currency of the Federal Republic of Germany
“GB”	Genting Berhad, a company incorporated in Malaysia and listed on the Kuala Lumpur Stock Exchange
“GHUT”	Golden Hope Unit Trust, a private unit trust whose beneficiaries include various discretionary trusts established for the benefit of certain members of the Lim Family
“Golden Hope”	Golden Hope Limited, a company incorporated in the Isle of Man and a substantial shareholder of the Company (holding approximately 49.66% of the issued Shares as at the Latest Practicable Date) in its capacity as trustee of GHUT
“Goldsfine”	Goldsfine Investments Ltd., a company incorporated in the British Virgin Islands and equally owned by Tan Sri Lim Kok Thay, the Chairman, President and Chief Executive Officer of the Group and his spouse
“Group”	the Company and its subsidiaries

DEFINITIONS

“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party”	each of the party concerned and its ultimate beneficial owner is independent of and not connected with the Company, the directors, the chief executives or substantial shareholders of the Company or any of its subsidiaries or their respective associates (as defined in the Listing Rules)
“Joondalup”	Joondalup Limited, a company incorporated in the Isle of Man and wholly-owned by Golden Hope, in its capacity as trustee of GHUT
“Latest Practicable Date”	30 September 2003, being the latest practicable date prior to the printing of this circular for the purposes of ascertaining certain information contained herein
“Lim Family”	Tan Sri Lim Goh Tong and members of his family
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Companies in the Listing Rules
“NCL”	Norwegian Cruise Line Limited, a Bermuda exempted company and an indirect wholly-owned subsidiary of the Company
“NCL Brand”	Norwegian Cruise Line and NCL America, two major brands of the Group in the cruise industry
“NCLH”	NCL Holding ASA, an indirect wholly-owned subsidiary of the Company incorporated under the laws of the Kingdom of Norway which is now under members’ voluntary liquidation
“NOK”	Norwegian kroner, the lawful currency of the Kingdom of Norway
“Owners’ Items”	specified supplies from time to time purchased by or at the direction of the respective buyers and other costs from time to time expended by or at the direction of the respective buyers in connection with the construction of the respective Vessels

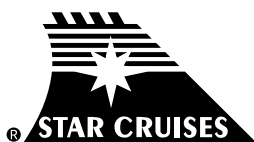
DEFINITIONS

“Post-listing Employee Share Option Scheme”	the share option scheme adopted by the Company on 23 August 2000 (as effected on 30 November 2000 and amended on 22 May 2002)
“Pre-listing Employee Share Option Scheme”	the share option scheme adopted by the Company on 16 April 1997 prior to the listing of its Shares on the Stock Exchange
“RWB”	Resorts World Bhd, a company incorporated in Malaysia and listed on the Kuala Lumpur Stock Exchange and a subsidiary of GB
“RWL”	Resorts World Limited, a company incorporated in the Isle of Man and a wholly-owned subsidiary of RWB
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Option(s)”	options granted under the Pre-listing Employee Share Option Scheme or the Post-listing Employee Share Option Scheme, as the case may be, with rights to subscribe for new Shares
“Share(s)”	ordinary share(s) of US\$0.10 each in the share capital of the Company
“Shipbuilding Contract No. 1”	a shipbuilding contract dated 15 September 2003 between Arrasas as buyer and the Builder for the construction and delivery of Vessel No. 1
“Shipbuilding Contract No. 2”	a shipbuilding contract dated 15 September 2003 between SVI as buyer, the Builder and Arrasas as guarantor for the construction and delivery of Vessel No. 2
“Shipbuilding Contracts”	the Shipbuilding Contract No. 1 and the Shipbuilding Contract No. 2
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“SVI”	Ship Ventures Inc., a company incorporated under the laws of Delaware, the United States of America and an indirect wholly-owned subsidiary of the Company
“US\$”	U.S. dollars, the lawful currency of the United States of America

DEFINITIONS

“Vessel No. 1”	the vessel to be constructed as a 1,188 cabin luxury passenger cruise vessel to be identified with the hull no. S.667 at the yard of the Builder which will be delivered to Arrasas pursuant to the Shipbuilding Contract No. 1
“Vessel No. 2”	the vessel to be constructed as a 1,188 cabin luxury passenger cruise vessel to be identified with the hull no. S.668 at the yard of the Builder which will be delivered to SVI pursuant to the Shipbuilding Contract No. 2
“Vessels”	Vessel No. 1 and Vessel No. 2, and “Vessel” shall mean Vessel No. 1 or Vessel No. 2 as the context may require

In this circular, the Hong Kong dollar amounts have been translated from U.S. dollars at the rate of US\$1.00 to HK\$7.80 and from euro at the rate of €1 to HK\$8.7644 and the U.S. dollar amounts have been translated from euro at the rate of €1 to US\$1.1237. Such translations are for the convenience of the readers only. No representation is made that the U.S. dollars and/or the euro amounts have been, could have been or could be, converted into the U.S. dollars and/or the Hong Kong dollars, or vice versa, at such rates or at any other rates on any relevant dates.



STAR CRUISES LIMITED

(Continued into Bermuda with limited liability)

Board of Directors:

Tan Sri Lim Kok Thay

Chairman, President and Chief Executive Officer

Mr. Alan Howard Smith, J.P.

Deputy Chairman and Independent Non-executive Director

Mr. Chong Chee Tut

Executive Director and Chief Operating Officer

Mr. William Ng Ko Seng

Executive Director and Executive Vice President

Mr. David Colin Sinclair Veitch

*Executive Director, President and Chief Executive Officer
of Norwegian Cruise Line Limited*

Mr. Tan Boon Seng

Independent Non-executive Director

Mr. Lim Lay Leng

Independent Non-executive Director

Registered Office:

Canon's Court

22 Victoria Street

Hamilton HM 12

Bermuda

*Corporate Headquarters and
principal place of business
in Hong Kong:*

Suite 1501

Ocean Centre

5 Canton Road

Tsimshatsui

Kowloon

Hong Kong SAR

10 October 2003

To Shareholders of the Company,

Dear Sir or Madam,

DISCLOSEABLE TRANSACTION

CONSTRUCTION OF TWO VESSELS

Introduction

The Company announced on 19 September 2003 that the Shipbuilding Contracts as detailed below were entered into by the Group.

LETTER FROM THE BOARD

The construction of the Vessels constitutes a discloseable transaction for the Company under the Listing Rules and this document constitutes the circular which the Company is required to send to you in respect thereof pursuant to the Listing Rules.

Shipbuilding Contracts

On 15 September 2003, the Group entered into the following contracts:

- (1) the Shipbuilding Contract No. 1 between Arrasas as buyer and the Builder in relation to the construction and delivery of Vessel No. 1 at a contract price of US\$390,000,000 (approximately HK\$3,042,000,000) including an allowance for Owner's Items; and
- (2) the Shipbuilding Contract No. 2 between SVI as buyer, the Builder and Arrasas as guarantor in relation to the construction and delivery of Vessel No. 2 at a contract price of €356,200,000 (approximately HK\$3,121,879,000) including an allowance for Owner's Items.

The total contract price for the construction of the Vessels is approximately US\$790,262,000 or approximately €703,268,000 (approximately HK\$6,163,879,000).

Contract terms

The terms and conditions of the Shipbuilding Contracts were determined on an arm's length basis and on normal commercial terms, and the payment terms and delivery dates meet the Group's requirements. The Board of Directors considers these terms and conditions to be fair and reasonable and in the interests of the Company based on its experience in the operation of an international cruise business.

The Shipbuilding Contracts are inter-conditional. Each of the Shipbuilding Contracts shall become effective by no later than by 4 p.m. (Papenburg, Germany time) or 10 p.m. (Hong Kong time) on 30 September 2003 (as extended by agreement with the Builder) (the "Effective Date") upon satisfaction of certain conditions, including confirmation of the availability to the respective buyers of the pre and post delivery loan financing, confirmation of the forms of insurance proposed to be used by the Builder and confirmation of the accuracy of the detailed written specifications in reflecting the agreed design of the Vessels.

All the conditions as stipulated in the Shipbuilding Contracts have been satisfied by the Effective Date and the Shipbuilding Contracts have accordingly become effective on 30 September 2003.

Vessel No. 1 and Vessel No. 2 shall be ready for delivery in the 3rd quarter of 2005 and in the 2nd quarter of 2006 respectively (unless extended in accordance with the terms of the respective Shipbuilding Contracts).

LETTER FROM THE BOARD

Finance terms

Approximately 80% of the contract price of the Vessels will be covered by loan financing and the Group is presently preparing loan documentation in accordance with the financing terms made available to the satisfaction of the Group. Internal resources of the Group will be used to meet the remaining 20% contract price obligation. Payment for the Vessels is according to a schedule of timed progress payments up to the respective dates of delivery. The aggregate amounts payable under the Shipbuilding Contracts in year 2003, 2004, 2005 and 2006 are as follows:

Year 2003:	approximately US\$55,109,000 or approximately €49,042,000 (approximately HK\$429,838,000)
Year 2004:	approximately US\$239,042,000 or approximately €212,728,000 (approximately HK\$1,864,492,000)
Year 2005:	approximately US\$356,368,000 or approximately €317,138,000 (approximately HK\$2,779,608,000) less any unused portion of the allowance for Owner's Items for Vessel No. 1
Year 2006:	approximately US\$139,743,000 or approximately €124,360,000 (approximately HK\$1,089,941,000) less any unused portion of the allowance for Owner's Items for Vessel No. 2

General

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. The Group currently owns a combined fleet of 20 ships with over 26,000 lower berths and a catamaran. Nine of the ships are operated in the Asia Pacific market and ten in the North American market. The catamaran is bare-boat chartered to an Independent Third Party and the remaining ship is currently out of service.

Construction of the Vessels is in line with the Group's long term strategy in expanding its fleet for continuing business development. The Board of Directors believes that the Vessels, upon delivery and operation, will improve the operating efficiency and revenue potential of the Group. The intended use of both Vessels is within the Group's North American business operated under the NCL Brand.

Your attention is drawn to further information set out in the appendix to this circular.

Yours faithfully
On behalf of the Board of
STAR CRUISES LIMITED
Tan Sri Lim Kok Thay
Chairman, President and Chief Executive Officer

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

2. INTERESTS OF DIRECTORS

As at the Latest Practicable Date, the interests and short positions of the Directors of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or (b) to be entered into the register pursuant to section 352 of the SFO; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

2.1 Interests in the Shares

	Number of Shares (Notes)				Total	Percentage of issued Shares
	Personal interests	Family interests	Corporate interests	Other interests		
Tan Sri Lim	7,541,100	4,214,217,453	1,757,703,480	4,187,714,745	4,221,758,553	85.342
Kok Thay		(1)	(2)	(3 and 4)	(5)	
Mr. Chong Chee Tut	426,360	—	—	—	426,360	0.009
Mr. William Ng Ko Seng	160,000	—	—	—	160,000	0.003
Mr. David Colin Sinclair Veitch	313,500	—	—	—	313,500	0.006

Notes:

1. Tan Sri Lim Kok Thay (“Tan Sri KT Lim”) has a family interest in 4,214,217,453 Shares (comprising (i) the same block of 1,731,200,772 Shares directly held by RWL and the same block of 2,456,513,973 Shares directly or indirectly held by Golden Hope as trustee of GHUT in which his children and his wife, Puan Sri Wong Hon Yee (“Puan Sri Wong”) have deemed interests and (ii) the same block of 26,502,708 Shares directly held by Goldsfine in which Puan Sri Wong has a corporate interest).
2. Tan Sri KT Lim is also deemed to have a corporate interest in 1,757,703,480 Shares (comprising (i) the same block of 1,731,200,772 Shares directly held by RWL by virtue of his interest in a chain of corporations holding RWL (details of the percentage interests in such corporations are set out in the section headed “Interests of Substantial Shareholders”) and (ii) the same block of 26,502,708 Shares directly held by Goldsfine in which each of Tan Sri KT Lim and Puan Sri Wong holds 50% of its issued share capital).
3. Tan Sri KT Lim as a beneficiary of various discretionary trusts, has a deemed interest in 4,187,714,745 Shares (comprising the same block of 1,731,200,772 Shares directly held by RWL and the same block of 2,456,513,973 Shares directly or indirectly held by Golden Hope as trustee of GHUT). He is also deemed to have interest in the same block of 2,456,513,973 Shares directly or indirectly held by Golden Hope as trustee of GHUT in his capacity as founder of a discretionary trust.

4. Out of the same block of 2,456,513,973 Shares directly or indirectly held by Golden Hope as trustee of GHUT, 280,000,000 Shares are pledged shares.
5. There is no duplication in arriving at the total interest.
6. All the above interests represent long positions in the Shares and exclude those in the underlying Shares through equity derivatives. Interests of the respective Directors set out in this subsection 2.1 need to be aggregated with their interests in the underlying Shares through equity derivatives of the Company set out in subsection 2.2 below in order to give the total interests of the respective Directors in the Company pursuant to the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

2.2 Interests in the underlying Shares through equity derivatives

As at the Latest Practicable Date, the Directors had personal interests in the following underlying Shares held through Share Options granted under the Pre-listing Employee Share Option Scheme and the Post-listing Employee Share Option Scheme:

	Number of underlying Shares	Percentage of issued Shares
Tan Sri Lim Kok Thay	18,240,000	0.369
Mr. Chong Chee Tut	1,810,890	0.037
Mr. William Ng Ko Seng	1,410,750	0.029
Mr. David Colin Sinclair Veitch	3,420,000	0.069

Further details of the Share Options granted to the Directors under the Pre-listing Employee Share Option Scheme and the Post-listing Employee Share Option Scheme are set out in subsection 2.3 below.

These interests in Share Options represent long positions in the underlying Shares in respect of physically settled derivatives of the Company. Interests of the respective Directors set out in this subsection 2.2 need to be aggregated with their interests in the Shares set out in subsection 2.1 above in order to give the total interests of the respective Directors in the Company pursuant to the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

2.3 Share Options

As at the Latest Practicable Date, details of the outstanding Share Options granted to the Directors under the Pre-listing Employee Share Option Scheme and the Post-listing Employee Share Option Scheme are as follows:

(a) Pre-listing Employee Share Option Scheme

Name of Director	Date granted	Exercise price per Share	Exercisable Period	Number of Share Options outstanding
Tan Sri Lim	25/5/1998	US\$0.2686	21/8/1999 - 20/8/2005	1,710,000
Kok Thay	24/3/1999	US\$0.2686	24/3/2002 - 23/3/2009	4,132,500
	24/3/1999	US\$0.4298	24/3/2002 - 23/3/2009	1,567,500
	23/10/2000	US\$0.2686	23/10/2003 - 22/8/2010	1,140,000
	16/11/2000	US\$0.2686	24/3/2002 - 23/3/2009	4,132,500
	16/11/2000	US\$0.4298	24/3/2002 - 23/3/2009	1,567,500
	16/11/2000	US\$0.2686	23/10/2003 - 22/8/2010	<u>285,000</u>
				<u>14,535,000</u>
Mr. Chong Chee Tut	25/5/1998	US\$0.2686	20/12/2000 - 19/12/2005	126,540
	25/5/1998	US\$0.4298	23/6/2000 - 22/6/2007	71,250
	24/3/1999	US\$0.2686	24/3/2002 - 23/3/2009	387,600
	24/3/1999	US\$0.4298	24/3/2002 - 23/3/2009	85,500
	23/10/2000	US\$0.2686	23/10/2003 - 22/8/2010	547,200
	23/10/2000	US\$0.4298	23/10/2003 - 22/8/2010	<u>22,800</u>
				<u>1,240,890</u>
Mr. William Ng Ko Seng	25/5/1998	US\$0.2686	21/8/2000 - 20/8/2005	128,250
	24/3/1999	US\$0.2686	24/3/2002 - 23/3/2009	28,500
	24/3/1999	US\$0.4298	24/3/2002 - 23/3/2009	114,000
	23/10/2000	US\$0.2686	23/10/2003 - 22/8/2010	433,200
	23/10/2000	US\$0.4298	23/10/2003 - 22/8/2010	<u>22,800</u>
				<u>726,750</u>

Name of Director	Date granted	Exercise price per Share	Exercisable Period	Number of Share Options outstanding
Mr. David Colin Sinclair Veitch	7/1/2000	US\$0.4298	7/1/2003 - 6/1/2010	1,140,000
Grand Total				<u>17,642,640</u>

The outstanding Share Options granted under the Pre-listing Employee Share Option Scheme vest over a period of 10 years following their original dates of grant respectively and generally became exercisable as to 20% and 30% of the amount granted three years and four years after the grant date, with the remaining options exercisable annually in equal tranches over the remaining option period, subject to further terms and conditions set out in the relevant offer letters and provisions of the Pre-listing Employee Share Option Scheme.

(b) **Post-listing Employee Share Option Scheme**

Name of Director	Date granted	Exercise price per Share	Exercisable Period	Number of Share Options outstanding
Tan Sri Lim Kok Thay	19/8/2002	HK\$3.0465	20/8/2004 - 19/8/2012	3,705,000
Mr. Chong Chee Tut	19/8/2002	HK\$3.0465	20/8/2004 - 19/8/2012	570,000
Mr. William Ng Ko Seng	19/8/2002	HK\$3.0465	20/8/2004 - 19/8/2012	684,000
Mr. David Colin Sinclair Veitch	19/8/2002	HK\$3.0465	20/8/2004 - 19/8/2012	2,280,000
Grand Total				<u>7,239,000</u>

The outstanding Share Options granted under the Post-listing Employee Share Option Scheme vest in seven tranches over a period of ten years from the date of offer and become exercisable as to 30% and 20% of the amount granted commencing from 20 August 2004 and 20 August 2005 (being two years and three years respectively after the date of offer), with the remaining options exercisable annually in equal tranches of 10% commencing on 20 August of each of the following years from 2006 to 2010, subject to further terms and conditions set out in the relevant offer letters and provisions of the Post-listing Employee Share Option Scheme.

2.4 Interests in subsidiaries of the Company

Certain Directors held qualifying shares in certain subsidiaries of the Company on trust for other subsidiaries.

Save as disclosed above and in the section headed “Interests of Substantial Shareholders” below, as at the Latest Practicable Date, none of the Directors or the chief executive of the Company had any interests or short positions in any Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or (b) to be entered into the register pursuant to section 352 of the SFO; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code.

3. INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as was known to the Directors, the following persons (other than the Directors or the chief executive of the Company) had interests or short positions in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group or had any options in respect of such capital:

3.1 Interests in the Shares

Name of shareholder <i>(Notes)</i>	Number of Shares <i>(Notes)</i>				Total	Percentage of issued Shares
	Direct/ Personal interests	Family interests	Corporate interests	Other interests		
Parkview Management Sdn Bhd (as trustee of a discretionary trust) <i>(1)</i>	—	—	1,731,200,772 <i>(9)</i>	1,731,200,772 <i>(10)</i>	1,731,200,772 <i>(19)</i>	34.99
Kien Huat Realty Sdn Bhd <i>(2)</i>	—	—	1,731,200,772 <i>(9)</i>	—	1,731,200,772	34.99
GB <i>(3)</i>	—	—	1,731,200,772 <i>(9)</i>	—	1,731,200,772	34.99
RWB <i>(4)</i>	—	—	1,731,200,772 <i>(9)</i>	—	1,731,200,772	34.99
Sierra Springs Sdn Bhd <i>(5)</i>	—	—	1,731,200,772 <i>(9)</i>	—	1,731,200,772	34.99
RWL <i>(5)</i>	1,731,200,772	—	—	—	1,731,200,772	34.99
GZ Trust Corporation (as trustee of various discretionary trusts) <i>(6)</i>	—	—	370,191,435 <i>(11)</i>	2,456,513,973 <i>(12, 14 and 18)</i>	2,456,513,973 <i>(19)</i>	49.66
Golden Hope (as trustee of GHUT) <i>(7)</i>	—	—	370,191,435 <i>(11)</i>	2,456,513,973 <i>(13 and 18)</i>	2,456,513,973 <i>(19)</i>	49.66
Joondalup <i>(8)</i>	370,191,435	—	—	—	370,191,435	7.48
Puan Sri Wong Hon Yee	—	4,221,758,553 <i>(15(a))</i>	26,502,708 <i>(15(b))</i>	280,000,000 <i>(18)</i>	4,221,758,553 <i>(19)</i>	85.34
Tan Sri Lim Goh Tong	10,446,000	2,461,820,973 <i>(16(a))</i>	—	4,187,714,745 <i>(16(b) and 18)</i>	4,203,467,745 <i>(19)</i>	84.97
Puan Sri Lee Kim Hua	5,307,000	4,198,160,745 <i>(17(a))</i>	—	2,456,513,973 <i>(17(b) and 18)</i>	4,203,467,745 <i>(19)</i>	84.97

Notes:

1. Parkview Management Sdn Bhd (“Parkview”) is a trustee of a discretionary trust (the “Discretionary Trust”), the beneficiaries of which include certain members of the Lim Family. As at the Latest Practicable Date, Tan Sri KT Lim controlled 33.33% of the equity interest in Parkview.
2. Kien Huat Realty Sdn Bhd (“KHR”) is a private company of which the Discretionary Trust, through Info-Text Sdn Bhd and Dataline Sdn Bhd (both of which were 100% held by Parkview as trustee of the Discretionary Trust) controlled an aggregate of 66.06% of its equity interest as at the Latest Practicable Date.
3. GB, a company listed on the Kuala Lumpur Stock Exchange in Malaysia of which KHR controlled 41.35% of its equity interest as at the Latest Practicable Date.
4. RWB, a company listed on the Kuala Lumpur Stock Exchange in Malaysia of which GB controlled 56.79% of its equity interest as at the Latest Practicable Date.
5. RWL is a wholly-owned subsidiary of Sierra Springs Sdn Bhd (“Sierra Springs”) which is in turn a wholly-owned subsidiary of RWB.
6. GZ Trust Corporation (“GZ”) is the trustee of various discretionary trusts (the “Various Discretionary Trusts”) established for the benefit of certain members of the Lim Family. GZ as trustee of the Various Discretionary Trusts holds 100% of the units in GHUT, a private unit trust.
7. Golden Hope is the trustee of GHUT.
8. Joondalup is wholly-owned by Golden Hope as trustee of GHUT.
9. Each of Parkview as trustee of the Discretionary Trust, KHR, GB, RWB and Sierra Springs has a corporate interest in the same block of 1,731,200,772 Shares held directly by RWL.
10. The interest in 1,731,200,772 Shares is held by Parkview in its capacity as trustee of the Discretionary Trust and it relates to the same block of 1,731,200,772 Shares held directly by RWL.
11. Each of GZ as trustee of the Various Discretionary Trusts and Golden Hope as trustee of GHUT has a corporate interest in the same block of 370,191,435 Shares held directly by Joondalup.
12. GZ in its capacity as trustee of the Various Discretionary Trusts has a deemed interest in the same block of 2,456,513,973 Shares held by Golden Hope as trustee of GHUT (out of which 2,086,322,538 Shares are directly held by Golden Hope as trustee of GHUT and 370,191,435 Shares are held indirectly through Joondalup).
13. The interest in 2,456,513,973 Shares is held by Golden Hope in its capacity as trustee of GHUT (out of which 2,086,322,538 Shares are directly held by Golden Hope as trustee of GHUT and 370,191,435 Shares are held indirectly through Joondalup).
14. GZ as trustee of the Various Discretionary Trusts which holds 100% of the units in GHUT is deemed to have interest in the same block of 2,456,513,973 Shares held directly or indirectly by Golden Hope as trustee of GHUT in its capacity as beneficiary of GHUT.

15. (a) Puan Sri Wong as the spouse of Tan Sri KT Lim, has a family interest in the same block of 4,221,758,553 Shares in which Tan Sri KT Lim has a deemed interest. These interests do not include the deemed interests of Puan Sri Wong in the underlying Shares of the Company through Share Options held personally by Tan Sri KT Lim and need to be aggregated with such interests set out in subsection 3.2 below to give the total interests of Puan Sri Wong pursuant to the SFO.
- (b) Puan Sri Wong also has a corporate interest in 26,502,708 Shares held directly by Goldsfine by holding 50% of its equity interest as at the Latest Practicable Date.
16. (a) Tan Sri Lim Goh Tong (“Tan Sri GT Lim”) as the spouse of Puan Sri Lee Kim Hua (“Puan Sri Lee”), has a family interest in 2,461,820,973 Shares (comprising 5,307,000 Shares held personally by Puan Sri Lee and the same block of 2,456,513,973 Shares held directly or indirectly by Golden Hope as trustee of GHUT in which Puan Sri Lee has a deemed interest).
- (b) Tan Sri GT Lim as founder of various discretionary trusts, has deemed interests in 4,187,714,745 Shares (comprising the same block of 1,731,200,772 Shares held directly by RWL and the same block of 2,456,513,973 Shares held directly or indirectly by Golden Hope as trustee of GHUT).
17. (a) Puan Sri Lee as the spouse of Tan Sri GT Lim, has a family interest in 4,198,160,745 Shares (comprising 10,446,000 Shares held personally by Tan Sri GT Lim and the same block of 4,187,714,745 Shares in which Tan Sri GT Lim has a deemed interest).
- (b) Puan Sri Lee is also deemed to have interest in the same block of 2,456,513,973 Shares held directly or indirectly by Golden Hope as trustee of GHUT in her capacity as founder of a discretionary trust.
18. Out of the same block of 2,456,513,973 Shares held directly or indirectly by Golden Hope as trustee of GHUT, 280,000,000 Shares are pledged shares.
19. There is no duplication in arriving at the total interest.
20. All these interests represent long positions in the Shares and exclude those in the underlying Shares through equity derivatives.

3.2 Interests in the underlying Shares through equity derivatives

Name of shareholder	Number of Underlying Shares	Percentage of issued Shares
Puan Sri Wong Hon Yee	18,240,000 (<i>Note</i>)	0.369

Note:

Puan Sri Wong Hon Yee as the spouse of Tan Sri KT Lim, is deemed to have a family interest in 18,240,000 underlying Shares by virtue of the Share Options granted to Tan Sri KT Lim under the Pre-listing Employee Share Option Scheme and the Post-listing Employee Share Option Scheme. These interests represent long positions in the underlying Shares in respect of physically settled derivatives of the Company and need to be aggregated with her interests set out in subsection 3.1 above in order to give her total interests pursuant to the SFO.

Save as disclosed above and in the section headed “Interests of Directors” and so far as was known to the Directors, as at the Latest Practicable Date, there were no other persons who had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group or had any options in respect of such capital.

4. LITIGATION

(a) Litigation against NCL

- (i) A proposed class action suit was filed in 1995 in the United States District Court for the Southern District of Florida against NCL alleging that NCL had violated the Florida Unfair and Deceptive Trade Practices Act (the “Act”) by including an element of profit in NCL’s port charges. The District Court granted three motions to dismiss filed by NCL with the final dismissal granted with prejudice. After the dismissal of the case by the District Court, three similar complaints were filed against NCL in Dade County Circuit Court in 1996. The complaints have been consolidated and alleged violation of the Act, common law fraud and negligence. The trial court denied the plaintiffs’ motion for class certification. The Third District Court of Appeals subsequently reversed the Court’s denial of class certification and remanded the case to the Court with instructions to certify the class. NCL has filed a motion for summary judgment seeking dismissal of the case based on the reversal of appellate court decisions relied upon by the Third District Court of Appeals in reaching its decision. A hearing on the motion for summary judgment is set for November 2003. Discovery on the merits has commenced.
- (ii) A proposed class action suit was filed in 1995 against NCL and other unrelated cruise lines alleging misrepresentations by owners and operators of cruise ship casinos relating to the use of electronic gaming devices. The suit has been transferred to Federal District Court in Las Vegas, Nevada. Also named as defendants in the case are numerous land-based casinos and manufacturers of electronic gaming devices. The Court granted the defendants’ motion to separate discovery into “merits” and “class” phases and to stay “merits” discovery until the Court rules on class certification. The Court denied class certification in this matter, and the plaintiffs filed an appeal. On 15 August 2002, the Ninth Circuit Court of Appeals granted the plaintiffs permission to appeal the Order denying class certification. No hearing date has been set. No discovery has commenced on the merits of this case.
- (iii) On or about 17 March 2001, NCL was served with a class action complaint in the United States District Court, Southern District of New York. The complaint alleges that during the period from 1 January 1998 to the present, NCL failed to pay plaintiff crew members overtime wages in accordance with their contracts of employment. The proposed class consists of all unlicensed seafarers who worked on NCL vessels during that period of time and seeks recovery of overtime wages plus statutory penalty wages equal to two times the unpaid wages for each day the wages remain unpaid.

The Court entered an order certifying the case as a class action. The Second Circuit Court of Appeals has denied NCL's request for leave to file an appeal of the District Court judge's order certifying the class. A motion for summary judgment is being prepared that will seek to dismiss the claims or restrict the time periods during which plaintiffs may recover damages. Discovery has been completed. No dates have been set for filing or hearing the motions for summary judgment or for trial.

- (iv) A proposed class action suit was filed on 1 August 2000 in the United States District Court for the Southern District of Texas against NCL, alleging that NCL violated the Americans with Disabilities Act of 1990 ("ADA") in its treatment of physically impaired passengers on board *M/S Norwegian Sea*. The same plaintiffs have also filed a proposed class action suit in a Texas State Court alleging that NCL and a third party violated the Texas' Deceptive Trade Practices and Consumer Protection Act by misrepresenting certain characteristics and services available to the physically impaired on board *M/S Norwegian Sea*. In connection with the State Court lawsuit, in December 2001, the trial court denied the plaintiff's motion for class certification, and the plaintiffs have appealed. The appeal in the State Court lawsuit is pending. In connection with the United States District Court lawsuit on 9 September 2002, the United States District Court granted in part and denied in part NCL's motion to dismiss the case, and ruled the Court had jurisdiction to hear arguments on the merits of the discrimination claims of the plaintiffs. In addition, the United States District Court also ruled that it was unnecessary for NCL to make any physical changes to its vessels. The United States District Court permitted an immediate appeal of its ruling; the parties and the Department of Justice have filed their respective briefs concerning the issues to the Fifth Circuit. Oral arguments have not been scheduled. The United States District Court has also stayed the remaining litigation of the plaintiff's claims based on alleged discriminatory policies and procedures.
- (v) In December 2000, NCL was served with a class action alleging that NCL discriminated against disabled persons in violation of the ADA and the Unfair and Deceptive Trade Practices Act of Florida on several of NCL's vessels. The action was filed in the Florida State Court. Discovery has commenced.
- (vi) In June 2001, NCL was served with a class action filed in Vancouver, British Columbia. The complaint filed by a number of nurses alleges breach of a collective bargaining agreement and employment contract for non-payment of overtime wages. NCL has filed a motion to dismiss and is awaiting a ruling on the motion. Discovery has not yet commenced.
- (vii) NCL has been served with 14 complaints, which were filed in Florida State Court, arising out of an explosion in a boiler room on *S/S Norway* on 25 May 2003, which took the lives of eight crew members and injured around 20 others. The complaints allege, among other things, Jones Act negligence and unseaworthiness. Each suit seeks compensatory damages in the range US\$1 million to US\$5 million, and punitive damages in the range US\$10 million to US\$1 billion. NCL is currently in settlement negotiations with a number of the plaintiffs.

"Star" was also named as co-defendant in 13 of these complaints. A motion to dismiss has been filed in each of the cases against "Star" alleging that the Company was not properly

served, as it has no registered agent in the United States and that there is no personal jurisdiction in the United States. At a recent hearing, the Florida State Court entered an order granting the plaintiff's voluntary motion to dismiss "Star" as a co-defendant in two of these complaints. Ten of the complaints involve Filipino crew members with employment contracts that contain provisions which require arbitration of all claims and submission to the jurisdiction of the Philippines. The motion to remove these 10 cases from Florida State Court to Federal Court has been granted. A motion to have the Federal Court enforce the Philippines arbitration provision has yet to be decided. All other proceedings in Florida State Court in this matter will be stayed pending the disposition of the motions in Federal Court.

(b) Litigation against Arrasas

In February 2000, subsequent to mandatory offers made by Arrasas, a direct wholly-owned subsidiary of the Company, the Group had acquired an aggregate interest of about 84.5% of the outstanding shares in NCLH. Following the completion by Arrasas of the purchase of an additional 10.9% of the shares of NCLH from its affiliates (at NOK15 per share) on 29 November 2000, Arrasas owned 95.4% of the shares in NCLH. Under Norwegian laws, Arrasas commenced on 30 November 2000 squeeze-out proceedings to acquire the remaining interests in NCLH held by the minority shareholders of NCLH at an offer price of NOK13 per share. As a result of the said squeeze out, Arrasas became the sole owner of the entire outstanding shares of NCLH. Persons formerly holding in aggregate 1,833,398 shares rejected the offer and demanded that the offer price be determined by a valuation court. In accordance with Norwegian law, Arrasas therefore submitted a valuation petition on 26 October 2001 to the Oslo City Court. The offer price for the shares formerly held by the persons rejecting the offer will be determined by the valuation court. The valuation proceedings were heard between 1 September 2003 and 12 September 2003 where parties to the proceedings presented their case in order for the court to determine the true/fair value of the shares in NCLH as of 30 November 2000. The outcome of the hearing is still pending.

Upon final disposal of the valuation proceedings, if the Oslo City Court so determines that the fair value of the shares offered should be higher than NOK13 per share, Arrasas would be required to pay those minority shareholders the said determined price and the amount in excess of NOK15 per share to the affiliates of Arrasas as previously agreed.

(c) Litigation against the Company

(i) On 6 April 2001, Kingdom 5-KR-41, Ltd. ("Kingdom") filed a complaint in the United States district court for the Southern District of New York against the Company, Arrasas, Tan Sri Lim Goh Tong ("Tan Sri GT Lim") and The Bank of New York ("BONY"). Kingdom's lawsuit claims that the Company, Arrasas and Tan Sri GT Lim violated the US securities laws by making false and misleading disclosures in connection with the mandatory offer for the shares of NCLH, and also brought a claim for unjust enrichment,

alleging that the Company and Arrasas acted unfairly when they refused to rescind the BONY acceptance, on Kingdom's behalf, of the compulsory acquisition price. All claims brought by Kingdom have been dismissed except for the claim against the Company and Arrasas based on the claim of unjust enrichment.

Kingdom's lawsuit also named BONY as a defendant. On 14 May 2001, BONY filed claims against the Company and Arrasas, as well as against NCLH, alleging that these entities are liable to BONY for any amount for which BONY may be held liable to Kingdom. Except for BONY's claim against the Company and Arrasas for contribution, and the claim against NCLH for indemnification and contribution, as well as fraudulent concealment, the Court dismissed all of BONY's other claims. On 6 February 2003, the Court dismissed most of the claims asserted by BONY against the Company/Arrasas except fraudulent concealment. With regard to BONY's claims asserted against NCLH, the court dismissed all claims except for breach of fiduciary duty. These motions are still pending before the Court. Discovery of documents and consideration of possible witnesses are in progress.

On 5 September 2001, a class action was filed against the Company, Arrasas, Tan Sri GT Lim and BONY, by holders of NCLH American Depository Receipts and NCLH shares who did not tender in the mandatory offer, asserting claims similar to those in Kingdom's action. A memorandum is being prepared in opposition to the request for the certification of the class.

Except for a few issues relating to the production of additional documents, pending deposition orders and ongoing expert discovery, all fact discovery is now closed. The parties have engaged in mediation since June 2003 and the mediation process is continuing.

- (ii) On 24 December 2000, the shipbroking arm of the Colbert Group, Ship Construction & Funding (USA) Inc. filed a civil action summons and complaint against the Company in the Circuit Court in Miami-Dade County, Florida. An amended complaint, adding shipbroker Jacq. Pierot, Jr. Sons as a co-plaintiff, was filed on 3 January 2001.

A commission agreement dated 23 June 1998 between, *inter alia*, the Company and the plaintiffs is the contract upon which the plaintiffs are suing the Company. The plaintiffs, sought damages on the grounds of breach of contract, *quantum meruit* for the plaintiff's alleged communication of the "idea" of joint venturing with Carnival Cruise Lines ("CCL") to acquire NCLH, and for other "valuable brokerage services that assisted the Company in its dealings with CCL", under circumstances where it was expected that the plaintiffs would be paid by the Company. The plaintiffs also sought equitable relief for unjust enrichment for the plaintiffs' above-alleged services under circumstances where it would be inequitable for the Company not to compensate the plaintiffs. The plaintiffs sought damages in the amount of US\$11,333,333.33, representing two-thirds of 1% of the alleged cost of US\$1.7 billion, being the value of the acquisition of NCLH as claimed by the plaintiff.

The Company's motion for summary judgment seeking dismissal of the said suit in its entirety was granted by the Court on 15 August 2003. The plaintiffs filed a motion for re-consideration on 29 August 2003 and the Company filed a response on 12 September 2003. The Company has also filed a motion to seek recovery of all legal expenses. These motions are now pending before the Court.

In addition, the Group is routinely involved in personal injury and personal property damage claims typical of the cruise ship business. After application of deductibles, these claims are covered by insurance and other indemnity arrangements. In the opinion of the Company, such claims, if decided adversely, individually or in the aggregate, would not have a material adverse effect on the results of operation, cash flows, and financial position of the Group.

Save as disclosed above, as at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known as to the Directors to be pending or threatened by or against any member of the Group.

5. MISCELLANEOUS

- (a) The registered office of the Company is located at Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda.
- (b) The corporate headquarters and principal place of business in Hong Kong of the Company is at Suite 1501, Ocean Centre, 5 Canton Road, Tsimshatsui, Kowloon, Hong Kong SAR.
- (c) The Bermuda principal registrar of the Company is Butterfield Fund Services (Bermuda) Limited located at Rosebank Centre, 11 Bermudiana Road, Pembroke, Bermuda.
- (d) The Hong Kong branch registrar of the Company is Computershare Hong Kong Investor Services Limited located at Rooms 1901-1905, 19th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong SAR.
- (e) The secretary of the Company is Ms. Louisa Tam Suet Lin, an associate member of The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Company Secretaries.
- (f) The English text of this circular shall prevail over the Chinese text.