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If you are in any doubt as to any aspect of this document or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in STAR CRUISES LIMITED, you should at once hand this document and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**CIRCULAR TO SHAREHOLDERS IN RELATION TO PROPOSALS FOR**

- 1. RE-ELECTION OF DIRECTORS;**
- 2. INCREASE IN AUTHORISED SHARE CAPITAL;**
- 3. GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE SHARES; AND**
- 4. AMENDMENTS TO THE BYE-LAWS.**

NOTICE OF ANNUAL GENERAL MEETING

The notice of the Thirteenth Annual General Meeting of STAR CRUISES LIMITED to be held at Suite 1501, Ocean Centre, 5 Canton Road, Tsimshatsui, Kowloon, Hong Kong SAR on Tuesday, 15 May 2007 at 10:30 a.m. (Hong Kong time) is set out in this document. The form of proxy enclosed with this document, together with any power of attorney or other authority under which the form of proxy is signed or a notarially certified copy of that power or authority, shall be deposited at the Corporate Headquarters of the Company at Suite 1501, Ocean Centre, 5 Canton Road, Tsimshatsui, Kowloon, Hong Kong SAR, or at the office of the Company's transfer agent in Singapore, M & C Services Private Limited, 138 Robinson Road #17-00, The Corporate Office, Singapore 068906, or at STAR CRUISES LIMITED, c/o Genting Management & Consultancy Services Sdn Bhd, 23rd Floor Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia not less than 48 hours before the time appointed for holding the meeting and any adjournment thereof and in default, the form of proxy shall not be treated as valid.

30 March 2007

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DEFINITIONS

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

| | |
|-------------------------|--|
| Annual General Meeting | the thirteenth annual general meeting of the Company to be held at Suite 1501, Ocean Centre, 5 Canton Road, Tsimshatsui, Kowloon, Hong Kong SAR on Tuesday, 15 May 2007 at 10:30 a.m. (Hong Kong time) |
| Board | the board of directors of the Company |
| Bye-laws | the Bye-laws of the Company as amended, supplemented or modified from time to time |
| CG Code | the Code on Corporate Governance Practices contained in Appendix 14 to the Listing Rules |
| Company | STAR CRUISES LIMITED, an exempted 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 |
| Group | the Company and its subsidiaries |
| HK\$ | Hong Kong dollars, the lawful currency of Hong Kong |
| Hong Kong | the Hong Kong Special Administrative Region of the People's Republic of China |
| Latest Practicable Date | 23 March 2007, being the latest practicable date prior to the printing of this document for the purposes of ascertaining certain information contained herein |
| Listing Rules | the Rules Governing the Listing of Securities on the Stock Exchange |
| Notice | the notice dated 30 March 2007 for convening the Annual General Meeting as set out on pages 16 to 21 of this document |
| Preference Shares | one per cent. non-voting non-cumulative redeemable preference shares of US\$0.10 each in the share capital of the Company |

DEFINITIONS

| | |
|---|--|
| Proposed Increase in Authorised Share Capital | the proposal to increase the Company's authorised share capital to US\$1,500,000,000 divided into 10,000 Preference Shares and 14,999,990,000 Shares by the creation of 5,000,000,000 new Shares |
| Repurchase Mandate | the proposed general mandate to be granted to the Directors to repurchase Shares of up to a maximum of 10% of the issued share capital of the Company as at the date of passing of the relevant resolution granting such mandate |
| SFO | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| Share Issue Mandate | the proposed general mandate to be granted to the Directors to allot, issue and otherwise deal with new Shares of up to a maximum of 20% of the issued share capital of the Company as at the date of passing of the relevant resolution granting such mandate |
| Shareholders | shareholders of the Company |
| Share(s) | ordinary share(s) of US\$0.10 each in the share capital of the Company |
| Stock Exchange | The Stock Exchange of Hong Kong Limited |
| Takeovers Code | the Hong Kong Code on Takeovers and Mergers |

LETTER FROM THE CHAIRMAN



STAR CRUISES LIMITED

(Continued into Bermuda with limited liability)

(Stock Code: 678)

Board of Directors:

Tan Sri Lim Kok Thay

Chairman, President and Chief Executive Officer

Mr. Alan Howard Smith

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 of the Company, Deputy Chairman,
President and Chief Executive Officer
of NCL Corporation Ltd.*

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

30 March 2007

To Shareholders of the Company,

Dear Sir or Madam,

**PROPOSALS FOR RE-ELECTION OF DIRECTORS,
INCREASE IN AUTHORISED SHARE CAPITAL,
GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE SHARES
AND
AMENDMENTS TO THE BYE-LAWS**

INTRODUCTION

The purpose of this document is to provide you with the information on the resolutions to be proposed at the Annual General Meeting relating to (i) the re-election of Directors; (ii) the Proposed Increase in Authorised Share Capital; (iii) the granting of the Repurchase Mandate and the Share Issue Mandate to the Directors; (iv) the extension of the Share Issue Mandate by the number of Shares repurchased under the Repurchase Mandate; and (v) the amendments to the Bye-laws.

LETTER FROM THE CHAIRMAN

RE-ELECTION OF DIRECTORS

Ordinary Resolutions as set out under item 3 in the Notice will be proposed at the Annual General Meeting to re-elect Directors. In accordance with Bye-law 99 of the Bye-laws, Mr. Alan Howard Smith, Mr. Chong Chee Tut and Mr. David Colin Sinclair Veitch will retire by rotation at the Annual General Meeting.

The retiring Directors, being eligible, will offer themselves for re-election and they will be elected individually. The biographical details of the retiring Directors are set out in Appendix I to this document.

INCREASE IN AUTHORISED SHARE CAPITAL

As at the Latest Practicable Date, the authorised share capital of the Company was US\$1,000,000,000 (comprising 10,000 Preference Shares and 9,999,990,000 Shares, of which 7,202,088,052 Shares have been issued and fully paid or credited as fully paid. In order to accommodate future expansion and growth of the Group, the Directors propose to increase the Company's existing authorised share capital to US\$1,500,000,000 divided into 10,000 Preference Shares and 14,999,990,000 Shares by the creation of 5,000,000,000 new Shares. The Proposed Increase in Authorised Share Capital will afford the Company the flexibility to decide on and conduct future fund raising activities.

Resolution No. 5 as set out in the Notice will be proposed at the Annual General Meeting as an ordinary resolution to approve the Proposed Increase in Authorised Share Capital. No Shareholder is required to abstain from voting on such resolution.

LETTER FROM THE CHAIRMAN

The following table shows the authorised share capital of the Company as at the Latest Practicable Date and immediately after the implementation of the Proposed Increase in Authorised Share Capital:

| | As at the Latest Practicable Date | | Immediately after the implementation of the Proposed Increase in Authorised Share Capital | |
|---|---|----------------|--|--------------------------|
| | Number of Preference Shares/Shares | US\$ | Number of Preference Shares/Shares | US\$ |
| Authorised share capital: | 10,000 Preference Shares | 1,000.00 | 10,000 Preference Shares | 1,000.00 |
| | 9,999,990,000 Shares | 999,999,000.00 | 14,999,990,000 Shares | 1,499,999,000.00 |
| Total number of issued Preference Shares/Shares and issued share capital: | 7,202,088,052 Shares | 720,208,805.20 | 7,202,088,052 Shares (Note) | 720,208,805.20 (Note) |
| Total number of unissued Preference Shares/Shares and unissued share capital: | 10,000 Preference Shares | 1,000.00 | 10,000 Preference Shares | 1,000.00 |
| | 2,797,901,948 Shares | 279,790,194.80 | 7,797,901,948 Shares (Note) | 779,790,194.80 (Note) |

Note: These figures assume that there will be (i) no conversion of the outstanding convertible bonds due 2008 of the Company; (ii) no exercise of options granted by the Company pursuant to the share option agreements dated 17 January 2007; and (iii) no exercise of the outstanding share options granted by the Company which are exercisable under the Company's share option schemes during the period from the Latest Practicable Date and the date of implementing the Proposed Increase in Authorised Share Capital.

GENERAL MANDATES TO DIRECTORS TO REPURCHASE SHARES AND TO ISSUE SHARES

At the twelfth annual general meeting of the Company held on 16 May 2006, the Directors were given a general mandate to exercise the powers of the Company to repurchase issued Shares and a general mandate to issue new Shares in the capital of the Company. Such mandates will lapse at the conclusion of the Annual General Meeting. The Directors therefore propose to seek your approval of the ordinary resolutions to be proposed at the Annual General Meeting to give new general mandates to the Directors to exercise the powers of the Company to repurchase issued Shares and to issue new Shares in the capital of the Company.

LETTER FROM THE CHAIRMAN

Resolution No. 6(B) as set out in the Notice will be proposed at the Annual General Meeting as an ordinary resolution to grant to the Directors the Repurchase Mandate.

An explanatory statement, as required by the Listing Rules, is set out in Appendix II to this document. The explanatory statement contains all the information reasonably necessary to enable you as Shareholders to make an informed decision on whether or not to vote for or against the ordinary resolution to grant the Repurchase Mandate to the Directors at the Annual General Meeting.

Resolutions Nos. 6(A) and 6(C) as set out in the Notice will also be proposed at the Annual General Meeting as ordinary resolutions to grant to the Directors the Share Issue Mandate extended by adding the amount of any Shares repurchased by the Company under the Repurchase Mandate.

AMENDMENTS TO THE BYE-LAWS

Resolution No. 7 as set out in the Notice will be proposed at the Annual General Meeting as a special resolution to amend the existing Bye-laws. The proposed amendments are to ensure that the Bye-laws are in proper compliance with the amended Appendix 3 of the Listing Rules which came into effect on 1 March 2006.

The proposed amendments to the Bye-laws are briefly described below:

- | | |
|-----------------------|---|
| (a) Bye-law 97(A)(vi) | To the effect that a Director shall vacate his office if he shall be removed from office by an ordinary resolution of the Company under Bye-law 104. |
| (b) Bye-law 104 | Existing Bye-law 104 provides that any Director may be removed by a special resolution of the Company before the expiration of his period of office. To comply with the amended Appendix 3 of the Listing Rules, the proposed amendment will provide that the Company may by an ordinary resolution remove any Director before the expiration of his period of office. |

The full text of the proposed amendments to the Bye-laws is set out in Resolution No. 7 of the Notice.

LETTER FROM THE CHAIRMAN

GENERAL INFORMATION

A proxy form for use at the Annual General Meeting is enclosed herein. The procedures by which Shareholders may demand a poll on the resolutions proposed at the Annual General Meeting are set out in Appendix III to this document. Whether or not you intend to attend the Annual General Meeting, you are requested to complete the proxy form or other instrument of proxy and return it to the Corporate Headquarters of the Company at Suite 1501, Ocean Centre, 5 Canton Road, Tsimshatsui, Kowloon, Hong Kong SAR, or at the office of the Company's transfer agent in Singapore, M & C Services Private Limited, 138 Robinson Road #17-00, The Corporate Office, Singapore 068906, or at STAR CRUISES LIMITED, c/o Genting Management & Consultancy Services Sdn Bhd, 23rd Floor Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia, and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the proxy form or other instrument of proxy will not preclude Shareholders from attending and voting in person at the Annual General Meeting (or any adjourned meeting thereof) should they so wish.

RECOMMENDATION

The Board is pleased to recommend the retiring Directors for re-election as set out in Appendix I for Shareholders' consideration. The Board also considers that the Proposed Increase in Authorised Share Capital, the granting of the Repurchase Mandate and the Share Issue Mandate to the Directors, the extension of the Share Issue Mandate by the number of Shares repurchased under the Repurchase Mandate and the amendments to the Bye-laws would be in the interests of the Company and its Shareholders as a whole. Accordingly, the Board recommends you to vote in favour of all the relevant resolutions to be proposed at the Annual General Meeting.

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

The biographical details of the retiring Directors are set out below for Shareholders' information.

Mr. Alan Howard Smith

Deputy Chairman and Independent Non-executive Director

Mr. Alan Howard Smith, aged 63, has been an Independent Non-executive Director of the Company since August 2000 and is the Chairman of the Audit Committee and the Remuneration Committee. Mr. Smith was the Vice Chairman, Pacific Region, of Credit Suisse First Boston ("CSFB"), a leading global investment bank from 1997, until he retired in December 2001. Prior to joining CSFB, he was Chief Executive of the Jardine Fleming Group from 1983 to 1994, and was Chairman of the Jardine Fleming Group from 1994 to 1996. Mr. Smith has over 27 years of investment banking experience in Asia. He was elected a council member of the Stock Exchange on two occasions. He was a member of the Hong Kong Special Administrative Region Government's Economic Advisory Committee, and was for 10 years a member of the Hong Kong Government's Standing Committee on Company Law Reform. He graduated with an L.L.B. (Honours) degree from Bristol University, England in 1964, and was admitted as a solicitor in England in 1967 and in Hong Kong in 1970. Mr. Smith is currently a director of a number of other listed companies including Kingway Brewery Holdings Limited, Frasers Property (China) Limited, VXL Capital Limited and Lei Shing Hong Limited, which are listed on the Stock Exchange; Noble Group Limited and United International Securities Limited, which are listed on the Singapore Exchange Securities Trading Limited; Asia Credit Hedge Fund Ltd., The LIM Asia Arbitrage Fund Limited, CQS Convertible and Quantitative Strategies Feeder Fund Ltd. and Bear Stearns Global Alpha Fund Limited, which are listed on the Irish Stock Exchange; and KGR Absolute Return PCC Limited, which is listed on the London Stock Exchange.

Mr. Smith has entered into a letter agreement with the Company to fix his term of office as an Independent Non-executive Director for a term of not more than approximately two years expiring at the conclusion of the annual general meeting of the Company held in the second year following the year of his last re-election by Shareholders, subject to the requirements for retirement by rotation at an annual general meeting in accordance with the Bye-laws.

For the year ended 31 December 2006, he will be entitled to a Director's fee of US\$58,000 (comprising a base fee of US\$40,000, a further fee of US\$2,000 for attending each Audit Committee meeting and Remuneration Committee meeting and a further fee of US\$1,000 for chairing each of the said Committee meetings during the year 2006 in his capacity as Chairman of the respective Committees, as recommended by the Remuneration Committee for each Independent Non-executive Director and each member as well as the Chairman of the Audit Committee and the Remuneration Committee), subject to Shareholders' approval at the Annual General Meeting. The Director's fee is recommended by the Remuneration Committee with reference to the Group's remuneration policy which takes into account, inter alia, his duties and responsibilities, time commitment and director's fees paid by other comparable companies.

Mr. Smith does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Smith did not have any interests in the Shares within the meaning of Part XV of the SFO.

Mr. Smith was a director of the Jardine Fleming Group from 1975 to 1996. During that time, in 1984, the Monetary Authority of Singapore withdrew the approval for a subsidiary, Jardine Fleming (Singapore) Pte Ltd, to operate as a merchant bank and, in 1996, the Securities and Futures Commission (“SFC”) of Hong Kong issued a public reprimand to a subsidiary, Jardine Fleming Investment Management Ltd, for breaches of the SFC Code of Conduct. Mr. Smith was in no way personally reprimanded. Save as disclosed above, there is no other information which is required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters that need to be brought to the attention of Shareholders.

Mr. Chong Chee Tut
Executive Director and Chief Operating Officer

Mr. Chong Chee Tut, aged 58, was appointed an Executive Director in August 2000. Mr. Chong is the Chief Operating Officer of the Company and a director of a number of subsidiaries of the Company. Mr. Chong worked for 18 years for Exxon Corporation in Australia, Malaysia and Thailand in various senior management positions. Prior to joining the Company in 1995, Mr. Chong was employed by Genting Australia Pty Ltd., an affiliate of the Company, and was involved in property development and management in Sydney. Mr. Chong has a Bachelor of Mechanical Engineering (Honours) degree from the University of Canterbury, New Zealand.

Mr. Chong has entered into a service contract with the Group. He is not appointed for a specific term but is subject to retirement by rotation and re-election at the annual general meeting in accordance with the provisions of the Bye-laws. For the year ended 31 December 2006, his annual salary was approximately US\$488,000 and he was eligible for a discretionary bonus of approximately US\$102,000. He is also entitled to receive certain other benefits such as life and accident insurance coverage and participation in a statutory provident fund.

For the year ended 31 December 2006, he will be entitled to a Director’s fee of US\$12,000 as recommended by the Remuneration Committee for each Executive Director and subject to Shareholders’ approval at the Annual General Meeting. His emoluments are based on the terms of his service contract determined with reference to the Group’s remuneration policy which takes into account, inter alia, his duties and responsibilities, the Group’s performance, remuneration benchmark in the industry, the country where he is based and prevailing market conditions.

Mr. Chong does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Chong as beneficial owner had personal interests in 1,103,605 Shares and 1,210,314 share options of the Company within the meaning of Part XV of the SFO. There is no information which is required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and save as disclosed above, there are no other matters that need to be brought to the attention of Shareholders.

Mr. David Colin Sinclair Veitch
Executive Director of the Company, Deputy Chairman, President and
Chief Executive Officer of NCL Corporation Ltd.

Mr. David Colin Sinclair Veitch, aged 51, has been an Executive Director of the Company since August 2000. He is also the Deputy Chairman, President and Chief Executive Officer of NCL

Corporation Ltd. (“NCLC”, a wholly-owned subsidiary of the Company) and a director of a number of its subsidiaries. Before he joined the NCLC Group in January 2000, Mr. Veitch was the Chief Financial Officer and the Senior Vice President of Marketing and Corporate Development of Princess Cruises for approximately 8 years, with responsibilities at varying times for finance, marketing, international sales, strategic planning and corporate development. In addition, beginning in mid-1998, he was also the executive in charge of Princess Cruises’ sister company, P&O Cruises (Australia). Mr. Veitch graduated with a Master in Business Administration degree from the Harvard Graduate School of Business in 1984 and also holds a Bachelor of Science degree with First Class Honours from the University of London.

Mr. Veitch has entered into a service contract (as amended) with the Group and the particulars of his service contract (as amended) are as follows:

- (a) a three year “evergreen” service contract which was entered into on 7 January 2000 (as amended by a letter agreement dated 24 November 2004), to be perpetually renewed until terminated by either party in accordance with paragraph (d) below;
- (b) the salary of Mr. Veitch is payable bi-monthly and subject to review on 1 January of each year. For the year ended 31 December 2006, his annual base salary was approximately US\$1,240,000;
- (c) Mr. Veitch is eligible for an assured bonus equivalent to two months’ salary and a further discretionary bonus of up to an additional four months’ salary for the financial year ended 31 December 2003 and thereafter;
- (d) in the event of a voluntary termination by Mr. Veitch of his employment, he is entitled to receive an amount equivalent to 1.5 times the aggregate of his annual salary and assured bonus at that time, provided that he will not be entitled to receive such amount if he voluntarily terminates his own employment after 7 January 2010. In the event that Mr. Veitch’s employment is terminated by the Company for reasons other than fraud, embezzlement, misappropriation or gross dishonesty, he is entitled to receive an amount equivalent to three times the aggregate of his annual salary and assured bonus at that time. In the event of a merger or change of control of the Company (as defined in the service contract (as amended)), Mr. Veitch’s employment will be deemed to have been terminated by the Company without cause and he will be entitled to receive the amount as described in the preceding sentence. In the event of (i) any reduction in Mr. Veitch’s salary or benefits; or (ii) any assignment of duties to Mr. Veitch that are inconsistent with, or greater in scope than, those customarily assigned to a chief executive officer; or (iii) a reduction in his title or position, Mr. Veitch shall be entitled to the termination payment as if his employment was involuntarily terminated, i.e., an amount equivalent to three times the aggregate of his annual salary plus assured bonus;
- (e) Mr. Veitch is also entitled to receive certain other benefits including life insurance and accidental death and dismemberment insurance coverage, medical benefits, participation in a supplemental senior executive retirement plan, and housing and travel allowances;

- (f) Mr. Veitch has been granted an option to purchase from the Company the residential accommodation he and his family currently reside at any time during his employment for a price equal to the original purchase price. This purchase option would apply if his employment was to be terminated without cause. In the event that his employment was terminated with cause, he would have an option to purchase at fair market value as assessed by independent valuers or at the original purchase price, whichever is the greater; and
- (g) Mr. Veitch may not, without the prior written consent of the Company, take up any employment outside of his service contract which is reasonably likely to interfere with the performance of his duties or conflict with his obligations to the Company. In the event of a voluntary termination by Mr. Veitch of his employment, he will be subject to a non-compete restriction as follows: if termination occurs one year or more after commencement of his employment, he may not accept employment with a competing cruise line for a period of 12 (twelve) months from the date of termination. In the event that Mr. Veitch's employment is terminated by the Company, there will be no restriction on his ability to accept subsequent employment.

For the year ended 31 December 2006, he will be entitled to a Director's fee of US\$12,000 as recommended by the Remuneration Committee for each Executive Director and subject to Shareholders' approval at the Annual General Meeting. His emoluments are based on the terms of his service contract determined with reference to the Group's remuneration policy which takes into account, inter alia, his duties and responsibilities, the Group's performance, remuneration benchmark in the industry, the country where he is based and prevailing market conditions.

Mr. Veitch does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Veitch as beneficial owner had personal interests in 335,445 Shares and 3,115,023 share options of the Company within the meaning of Part XV of the SFO. There is no information which is required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and save as disclosed above, there are no other matters that need to be brought to the attention of Shareholders.

This Appendix serves as an explanatory statement given to Shareholders, as required under the Listing Rules in connection with the proposed Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 7,202,088,052 Shares.

Subject to the passing of Resolution No. 6(B) as set out in the Notice as an ordinary resolution and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 720,208,805 Shares representing not more than 10% of the issued share capital of the Company as at the Latest Practicable Date.

REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and its Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its assets and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and its Shareholders.

FUNDING FOR REPURCHASES

The Directors propose that the repurchase of Shares under the Repurchase Mandate will be financed by the Company's internal resources and/or available banking facilities. In repurchasing the Shares, the Company may only apply funds legally available for such purchase in accordance with its Memorandum of Continuance and Bye-laws, the Listing Rules and the laws of Bermuda. Further, the Companies Act 1981 of Bermuda (as amended) provides that a company may not repurchase its shares if, on the date on which the repurchase is to be effected, there are reasonable grounds for believing that the company is, or after the repurchase would be, unable to pay its liabilities as they become due.

There might be a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited consolidated financial statements of the Company for the year ended 31 December 2006 contained in the 2006 annual report of the Company in the event that the proposed share repurchases were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or its gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

DISCLOSURE OF INTERESTS

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules), have any present intention, if the Repurchase Mandate is approved by Shareholders, to sell any Shares to the Company or its subsidiaries (within the meaning under section 2(4) of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)).

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate only in accordance with the Listing Rules and the laws of Bermuda.

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code) could, depending on the level of increase in the Shareholders' interest, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Tan Sri Lim Kok Thay, Chairman, President and Chief Executive Officer and a substantial shareholder of the Company, together with parties presumed to be acting in concert with him under the Takeovers Code (the "Concert Parties") beneficially held 5,924,392,435 Shares, representing approximately 82.26% of the issued share capital of the Company. To the best knowledge of the Company, no other person, together with any of his or its associates, was beneficially interested in Shares representing 10% or more of the entire issued share capital of the Company as at the Latest Practicable Date.

In the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Repurchase Mandate, then (if the present Shareholders' interests in Shares remain the same) the attributable aggregate shareholding of Tan Sri Lim Kok Thay and the Concert Parties in the Company would be increased to approximately 91.40% of the issued share capital of the Company. Such increase will not give rise to an obligation on Tan Sri Lim Kok Thay or any Concert Party to make a mandatory offer under Rule 26 of the Takeovers Code. In any event, the Repurchase Mandate will be exercised only to such extent that the number of Shares held by the public would not fall below the minimum threshold for public float of the Company of 10%.

The Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchases of Shares pursuant to the Repurchase Mandate.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event the Repurchase Mandate is approved by the Shareholders.

SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the previous twelve months before the Latest Practicable Date were as follows:

| | Shares | |
|--|----------------|---------------|
| | Highest | Lowest |
| | <i>HK\$</i> | <i>HK\$</i> |
| March 2006 | 2.250 | 1.890 |
| April 2006 | 1.980 | 1.600 |
| May 2006 | 1.780 | 1.250 |
| June 2006 | 1.520 | 1.330 |
| July 2006 | 1.490 | 1.310 |
| August 2006 | 1.530 | 1.340 |
| September 2006 | 1.560 | 1.420 |
| October 2006 | 1.680 | 1.350 |
| November 2006 | 1.650 | 1.370 |
| December 2006 | 2.500 | 1.420 |
| January 2007 | 4.160 | 2.050 |
| February 2007 | 3.400 | 1.800 |
| 1 March 2007 up to the Latest Practicable Date | 2.430 | 1.900 |

SHARE REPURCHASES MADE BY THE COMPANY

The Company has not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

Pursuant to Bye-law 70, subject to the applicable laws and the rules prescribed by the stock exchange in the relevant territory from time to time in force, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:

- (i) by the Chairman of the meeting; or
- (ii) by at least three Shareholders present in person or by a duly authorised corporate representative or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any Shareholder or Shareholders present in person or by a duly authorised corporate representative or by proxy and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or
- (iv) by any Shareholder or Shareholders present in person or by a duly authorised corporate representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

NOTICE OF ANNUAL GENERAL MEETING



STAR CRUISES LIMITED

(Continued into Bermuda with limited liability)

(Stock Code: 678)

NOTICE IS HEREBY GIVEN THAT the Thirteenth Annual General Meeting of the Company will be held at Suite 1501, Ocean Centre, 5 Canton Road, Tsimshatsui, Kowloon, Hong Kong SAR on Tuesday, 15 May 2007 at 10:30 a.m. (Hong Kong time) for the purpose of transacting the following business:

1. to receive and adopt the audited financial statements for the year ended 31 December 2006 and the Directors' and Auditors' Reports thereon;
2. to approve Directors' fees of US\$206,000 (in aggregate) for the year ended 31 December 2006;
3. (A) to re-elect the following Directors:
 - (i) Mr. Alan Howard Smith
 - (ii) Mr. Chong Chee Tut
 - (iii) Mr. David Colin Sinclair Veitch
- (B) to fix the maximum number of Directors at 12;
4. to re-appoint Messrs PricewaterhouseCoopers as the Auditors and to authorize the Directors to fix the Auditors' remuneration;
5. to consider, and if thought fit, pass the following resolution as an ordinary resolution of the Company with or without amendments:

“**THAT** the authorised share capital of the Company be and is hereby increased from US\$1,000,000,000 divided into 10,000 one per cent. non-voting non-cumulative redeemable preference shares of US\$0.10 each and 9,999,990,000 ordinary shares of US\$0.10 each (“Shares”) to US\$1,500,000,000 divided into 10,000 one per cent. non-voting non-cumulative redeemable preference shares of US\$0.10 each and 14,999,990,000 Shares by the creation of 5,000,000,000 new Shares ranking pari passu in all respects with the existing issued and unissued Shares.”;

NOTICE OF ANNUAL GENERAL MEETING

6. to consider, and if thought fit, pass the following resolutions as ordinary resolutions of the Company with or without amendments:

(A) “**THAT:**

- (a) subject to paragraph (c) of this resolution, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds, notes, debentures and other securities which carry rights to subscribe for or are convertible into shares) which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorize the Directors of the Company during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, notes, debentures and other securities which carry rights to subscribe for or are convertible into shares) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors of the Company pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined);
 - (ii) the exercise of any rights of subscription or conversion under the terms of any existing warrants, options, bonds, notes, debentures, and any securities of the Company which carry rights to subscribe for or are convertible into shares of the Company;
 - (iii) an issue of shares upon the exercise of subscription rights under any option scheme or similar arrangement for the time being adopted for the grant or issue to the grantees as specified in such scheme or similar arrangement or rights to acquire shares of the Company; or
 - (iv) an issue of shares pursuant to any scrip dividends or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws of the Company from time to time,

shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

- (d) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Bye-laws of the Company to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares or an offer of options, warrants or other securities of the Company giving rights to subscribe for shares, open for acceptance for a period fixed by the Directors of the Company to the holders of shares of the Company whose names appear on the register of shareholders of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their then holdings of such shares (or, where appropriate, such other securities) as at that date (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations, or the expense and delay in determining the extent of any restrictions or obligations, under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory or otherwise howsoever applicable to the Company).”;

- (B) **“THAT:**

- (a) subject to paragraph (c) of this resolution, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange on which the shares may be listed or traded and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall be in addition to any other authorization given to the Directors of the Company;
- (c) the aggregate nominal amount of shares which the Company is authorized to repurchase pursuant to the approval in paragraph (a) of this resolution shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Bye-laws of the Company to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”;

(C) “**THAT** conditional upon the passing of Resolutions Nos. 6(A) and 6(B) set out in the notice convening this meeting, the general mandate granted under Resolution No. 6(A) be and is hereby extended by adding the aggregate nominal amount of shares repurchased by the Company pursuant to Resolution No. 6(B) to the aggregate nominal amount of shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company under Resolution No. 6(A).”;

7. to consider, and if thought fit, pass the following resolution as a special resolution of the Company:

“**THAT** the Bye-laws of the Company be amended in the following manner:

- (a) by deleting the words “a Special Resolution” from the second line of Bye-law 97(A)(vi) and substituting therefor the words “an Ordinary Resolution”; and
 - (b) by deleting the words “Special Resolution” from the first line of Bye-law 104 and the marginal note thereto and substituting therefor the words “Ordinary Resolution.”;
- and

8. to transact any other ordinary business of the Company.

By order of the Board
Louisa Tam Suet Lin
Company Secretary

Hong Kong, 30 March 2007

Notes:

1. A shareholder entitled to attend and vote at this meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A shareholder who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a shareholder of the Company.

NOTICE OF ANNUAL GENERAL MEETING

2. The form of proxy in the case of an individual shall be signed by the appointor or his attorney and in the case of a corporation, either under its common seal or under the hand of an officer or attorney duly authorized.
3. Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of the Company in respect of such share shall alone be entitled to vote in respect thereof.
4. If the form of proxy is returned without any indication as to how the proxy shall vote, the proxy will vote or abstain as he thinks fit.
5. If no name is inserted in the space for the name of your proxy on the form of proxy, the chairman of this meeting will act as your proxy.
6. The form of proxy, together with any power of attorney or other authority under which the form of proxy is signed or a notarially certified copy of that power or authority, shall be deposited at the Corporate Headquarters of the Company at Suite 1501, Ocean Centre, 5 Canton Road, Tsimshatsui, Kowloon, Hong Kong SAR, or the office of the Company's transfer agent in Singapore, M & C Services Private Limited, 138 Robinson Road #17-00, The Corporate Office, Singapore 068906, or at STAR CRUISES LIMITED, c/o Genting Management & Consultancy Services Sdn Bhd, 23rd Floor Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia not less than 48 hours before the time appointed for holding the meeting and any adjournment thereof and in default the form of proxy shall not be treated as valid. Completion and return of the form of proxy shall not preclude shareholders from attending and voting in person at the Annual General Meeting (or any adjourned meeting thereof) should they so wish.
7. With respect to Resolution No. 5, approval is being sought from shareholders for the increase in the authorised share capital of the Company.
8. With respect to Resolution No. 6(A), approval is being sought from shareholders for a general mandate to issue shares to be given to the Directors.
9. With respect to Resolution No. 6(B), approval is being sought from shareholders for a general mandate to repurchase shares to be given to the Directors.
10. With respect to Resolution No. 6(C), approval is being sought from shareholders for an extension of the general mandate to be granted to the Directors pursuant to Resolution No. 6(A) to allot shares by adding to it the number of shares repurchased by the Company under the authority granted to the Directors pursuant to Resolution No. 6(B).
11. In accordance with the Rules Governing the Listing of Securities on the Stock Exchange and the Hong Kong Codes on Takeovers and Mergers and Share Repurchases, an explanatory statement setting out the terms and conditions upon which the powers to be granted under Resolution No. 6(B) will be exercised accompanies this notice.

NOTICE OF ANNUAL GENERAL MEETING

12. With respect to Resolution No. 7, approval is being sought from shareholders for amendments to the Bye-laws of the Company.
13. The Bye-laws of the Company are written in the English language. There is no official Chinese language translation in respect thereof. Therefore, the Chinese language version of Resolution No. 7 above on amendments of the Bye-laws is purely a translation for convenience purposes only. Should there be any discrepancies, the English language version will prevail.