



MEDIA RELEASE

SALE OF YACHT 'EQUANIMITY'

The Government of Malaysia is pleased to announce that the Superyacht Equanimity is to be sold to Genting Malaysia Bhd or its special purpose vehicle (SPV) company at the price of USD 126 million. The Admiralty Court in Kuala Lumpur today approved for acceptance, the offer by Genting to purchase the Equanimity on the Sheriff's Terms and Conditions.

The USD 126 million purchase price will be paid by Genting, and received by Court, by the end of April 2019. This will rank as the highest recovery to date for the Government of Malaysia from the 1MDB scandal; within a mere 8 months from the commencement of this action.

This USD 126 million is the best offer received over the 5 months, from October 2018, when the Equanimity was first put up for sale. Many offers were received in this period, and a few were over USD100 million. It was Genting however, that offered the highest price, that was today approved by Court for acceptance. As the Genting offer was negotiated directly with the Government of Malaysia, no agency commission is payable; resulting in a savings of about USD 4.4 million. In consequence, although the Winterbothams' market price evaluation of the Equanimity at USD 130 million was not

reached, the net returns to the Government of Malaysia is as good if not more, than envisaged.

This judicial sale at USD 126 million is historic, by any measure. It records a high-water mark for our judicial system in ensuring that market value is secured for a vessel sold through the processes of Court, without any discount. It is even more commendable that this is achieved in a very sophisticated high-end superyacht sale, where the pool of buyers is extremely small.

The very satisfactory sale price of USD 126 million was accomplished largely through the expertise and mastery of the dedicated Legal Team representing the Government of Malaysia, to whom I pay tribute. The Legal Team acted beyond the call of duty, travelling to meet potential buyers in Hong Kong and London, bearing travel costs personally; to ensure the widest possible outreach, and a better understanding of the circumstances of the sale. Their efforts were complimented by the prompt and steady co-operation of the Court Sheriff; and the professionalism and readiness of the Admiralty Judge to respond to vastly extraordinary circumstances.

The Navy was magnanimous in affording prime space in Langkawi for the docking of the Equanimity over 5 months, free of any charges. The Navy, together with the Malaysian Police, ensured the security and safety of the Vessel whilst under arrest, even carefully escorting her during sea trials by prospective buyers. The Government of Malaysia is most grateful for this, for it helped tremendously in keeping down the costs of maintaining the Equanimity under arrest.

For transparency, a further statement will be issued once the purchase price is received, with a breakdown of the expenses incurred, and the net amount to be credited into the newly opened 1MDB asset recovery account.

The Government of Malaysia is appreciative of the offer by Genting. That the Equanimity is purchased at the market value of USD126 million by the Genting Group which owns a shipyard that builds superyachts and operates a luxury yacht chartering division is significant.

Tommy Thomas
Attorney General
3 April 2019