

The logo for INCHCAPE SHIPPING SERVICES features the word "INCHCAPE" in a large, white, sans-serif font. The letter "A" is stylized with a red triangle pointing upwards. Below "INCHCAPE" is the phrase "SHIPPING SERVICES" in a smaller, red, sans-serif font. To the right of the text is a white graphic element consisting of several curved lines that sweep upwards and to the right, ending in a red triangle pointing upwards, resembling a stylized ship's wake or a compass needle.

INCHCAPE
SHIPPING SERVICES

State of the Cruise Industry

Transport Events, Abu Dhabi

by: Grant Holmes



Connect to
**A Smoother,
Smarter Ocean**

Cruise Overview



Grant Holmes
Global VP Cruise & Superyachts

Inchcape Profile

Fact: World's largest Cruise Port Agent

Annual Cruise Calls: 12,000

Ports Covered: 850 with Partners

Own Offices: 247

Cruise Lines Handled: All somewhere

Destinations Consulting: 20+

2023 Cruise Industry

Market: Total Global Cruise passengers - 31.5+ million

Cruise Lines: 51 Ocean Cruise Lines

Cruise Ships : 491 Ships

Employment: 227 million active jobs *(Source: CLIA)*

Output: \$150 + Billion USD total output worldwide *(Source: CLIA)*

Wages: \$57 Billion salaries generated *(Source: CLIA)*



Source: CLIA data; % of cruise passengers traveling to major destinations (2022)

COVID-19 Pandemic 2020-2022



The global COVID-19 pandemic and subsequent pause in commercial cruise ship operations had a devastating impact on the cruise community between March 2020 and 2022.

→ **Industry Loss: \$77 Billion** in global economic activity *Source: CLIA*

→ **Impact: 518,000 Jobs affected**; industry calculation of **30 Passengers = 1 job** *Source: CLIA*

→ **Income loss: \$23 Billion USD** in wages

TODAY: 85% of travelers who have cruised will cruise again (6% higher than pre-pandemic)

2020: Year of Crisis

2021: Year of Restart

2022: Year of Transition

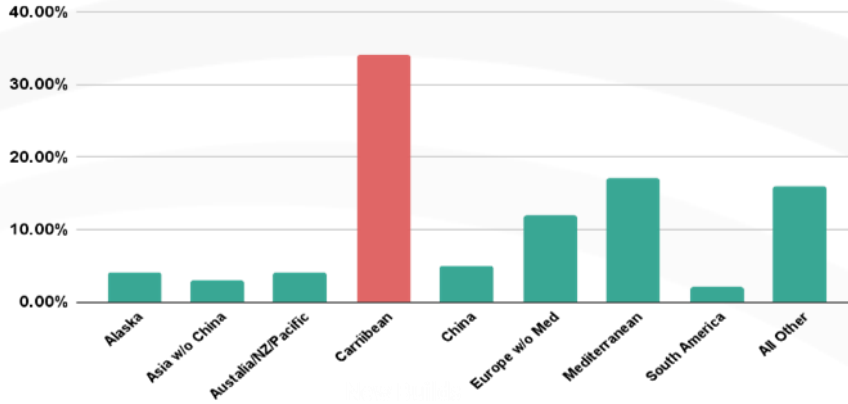
2023: Year of Recovery

2024: Year of Growth

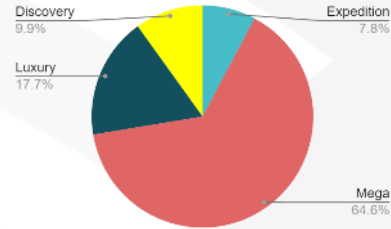
Deployment & New Builds



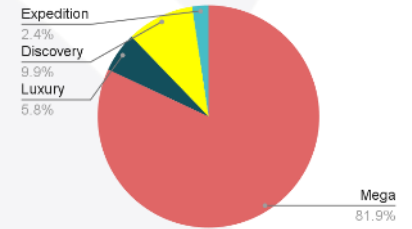
Cruise Line Deployment by Region



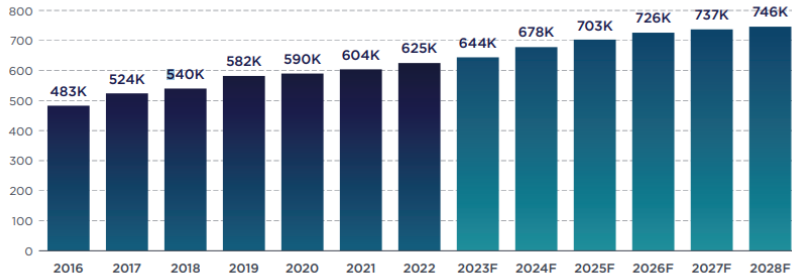
Sector Market Share by Vessels



Sector Market Share Pax / year



Cruise capacity projections



Source: CLIA Cruise Forecast / Tourism Economics Note: Capacity measured at the beginning of the year.

2023 Cruise Sector Overview

*Inchcape sourced

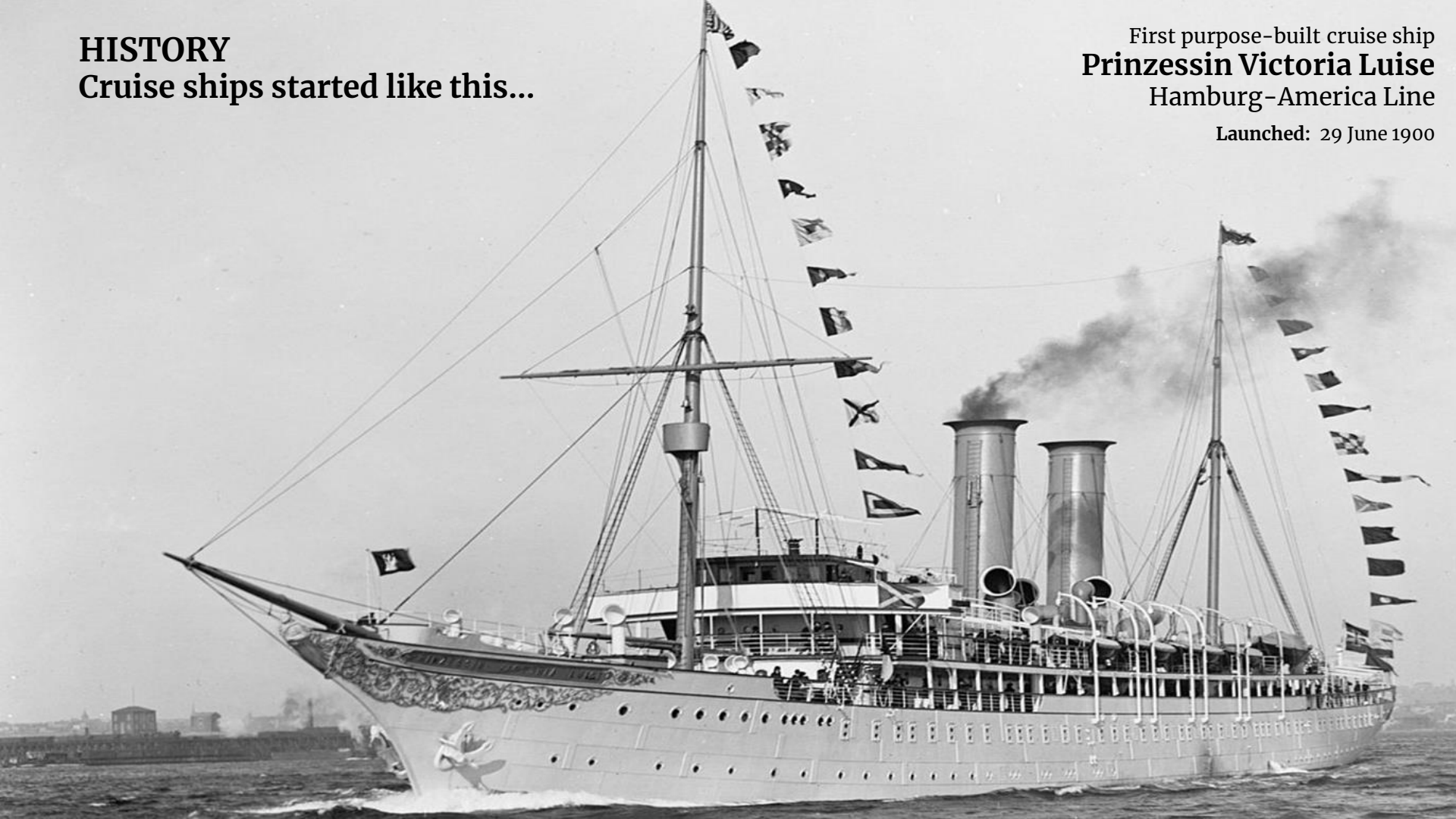
Segment	Ships	Cabins	LB Capacity	Pax / year	Crew	Cost to build Billions
Mega	215	279,580	525,447	26,797,818	211,341	\$97.6
Luxury	96	19,788	37,259	1,900,204	21,287	\$11.5
Discovery	76	37,650	63,232	3,224,808	25,584	\$7.7
Expedition	104	7,764	15,296	780,099	4,983	\$1.2
Grand Total	491	344,782	641,234	32,702,929	263,195	\$118 Billion

HISTORY

Cruise ships started like this...

First purpose-built cruise ship
Prinzessin Victoria Luise
Hamburg-America Line

Launched: 29 June 1900



Perspective



- The law of Scalability
- The Fun Ships
- Las Vegas at Sea
- Rise of Mega Ships
- Sector Orientation



Cruise Sectors



MEGA



Ship Size	2500 to 6,500 PAX
LOA/Draft	177-362 m / 6.5-9.8 m
Focus	The ship is the destination
USP's	S-O-T-A Facilities
Markets	All encompassing
Examples	RCCL, Carnival, Costa, MSC

LUXURY



Ship Size	60 to max 1,000 PAX
LOA/Draft	39-227 m / 2.2-7.3 m
Focus	5* Personalised service
USP's	Exotic luxury experience
Markets	Elite profile \$1,000 per day
Examples	Silversea, Regent, Ponant

DISCOVERY



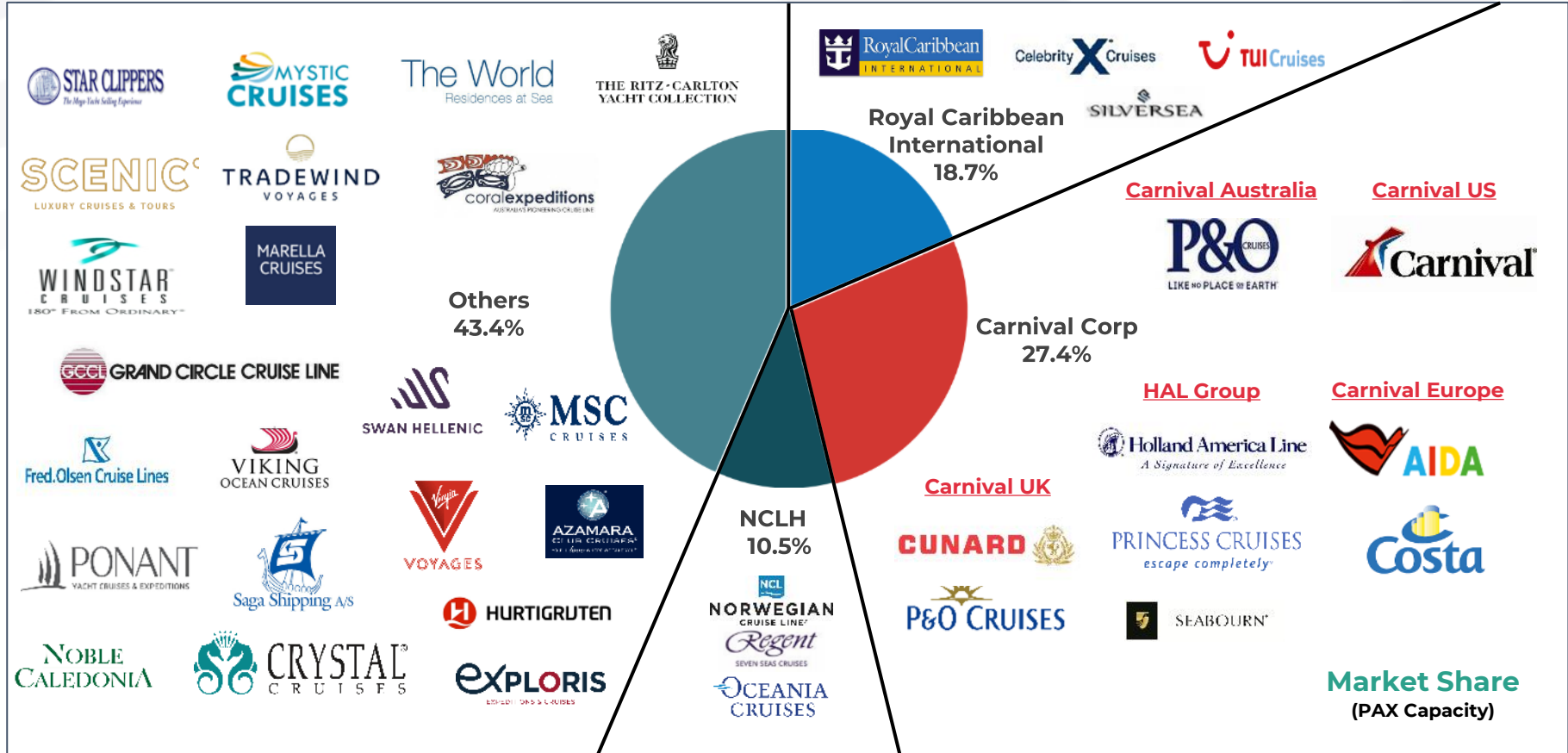
Ship Size	500-2500 PAX, smaller/older
LOA/Draft	54-268 m / 3-7.8 m
Focus	Destination is king
USP's	Traditional value cruising
Markets	Mature guests
Examples	Fred Olsen, Celestyal, Marella

EXPEDITION



Ship Size	300 PAX or less, cozy
LOA/Draft	27-160 m / 3-7.5 m
Focus	Access to remote locations
USP's	Adventure, Nature, Science
Markets	Adventure seekers
Examples	Hurtigruten, Lindblad, Quark

Cruise Line Market Share



Cruise Sustainability



Compelling Facts...

- Cruise ships account for **less than 1%** of the total global ocean-going commercial fleet of vessels.
- CLIA represents **95% of global PAX capacity** provides a unified voice for the Industry.
- The Cruise Industry is committed to **Net Zero Carbon cruising by 2050**.
- By 2028; **72% of global CLIA fleet** - capable to connect to shoreside electricity (74% global PAX capacity).
- EGCS technology (installed on ships) will **remove 98% Sulphur & well over 50% Particulate matter**.
- In the last 10 years Cruise Lines invested significantly in vessels powered by Liquefied Natural Gas (**LNG**).
- **32 Pilot Programs** are currently underway testing sustainable fuels (Methanol, Hydrogen & Battery).
- Currently, 30% of ships (representing 40% of capacity), is **plug-in ready**; 30% will be be retrofitted.



Cruise Tourism Trends



- 85%+ of passengers feel Cruising is ideal for sampling destinations they aim to return to.
- 50% of Cruisers fully expect to return to the destinations they like for a land based vacation.
- Cruisers are not exclusively Cruisers; they are frequent vacationers.
- Cruisers take 3 trips each year, with 25% of their total holidays being a cruise.
- Cruise passenger volume is reached 106% of 2019 levels in 2023 (31.5 million passengers).
- The Cruise Industry is Cruise tourism is rebounding faster than international tourism arrivals.



Instagrammable Moments
Promote the Destination



Total Restoration
Desire to Relax



Achievement Vs Experiences
Pleasant and memorable place



On-board Smart Tech
Improving customer experience



Conscious Travel
Sustainability and Ethics



Access the New Luxury
Remote location and expedition



Gen Z @ Sea
86% will cruise again



Off Peak Adventures
Thinking outside box



Working Nomads
Remote worker mentality



Women Rule
Critical to pax spending



Going Solo
New trend

END OF PRESENTATION

