

The State of the Industry, Emerging Markets and Passenger Mix

Michael Hackman

Executive Vice President
Marine Operations & New Ship Building
Genting Hong Kong



a voyage of
DISCOVERY & SURPRISE



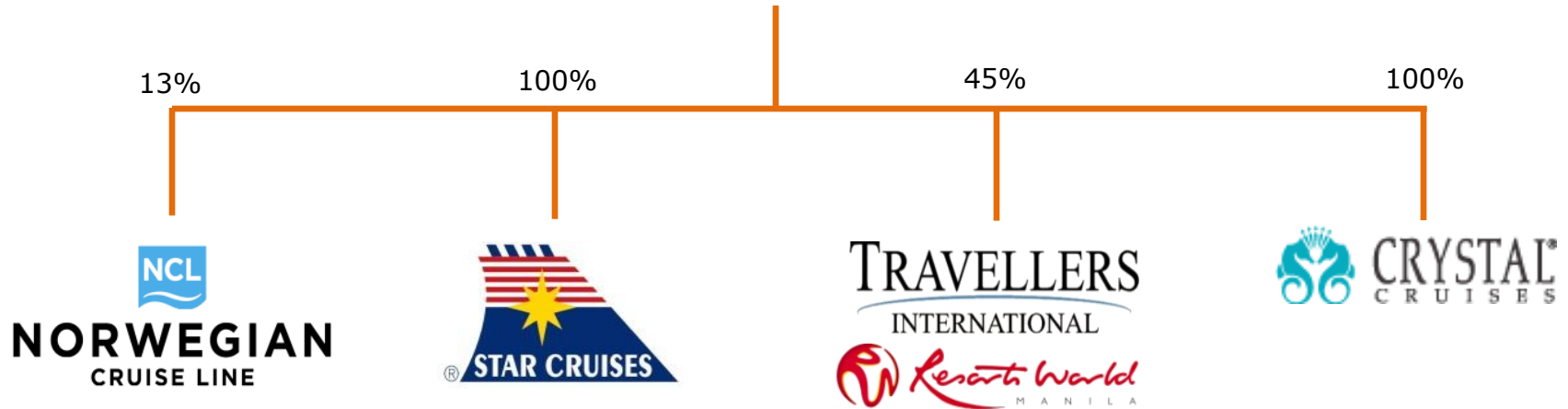
The Leading Cruise Line In Asia-Pacific®

The Genting Group

- ❑ Founded in 1965
- ❑ First project - Genting Highlands in Malaysia
- ❑ Annual revenue of Genting Berhad **RM20 Billion** in 2014

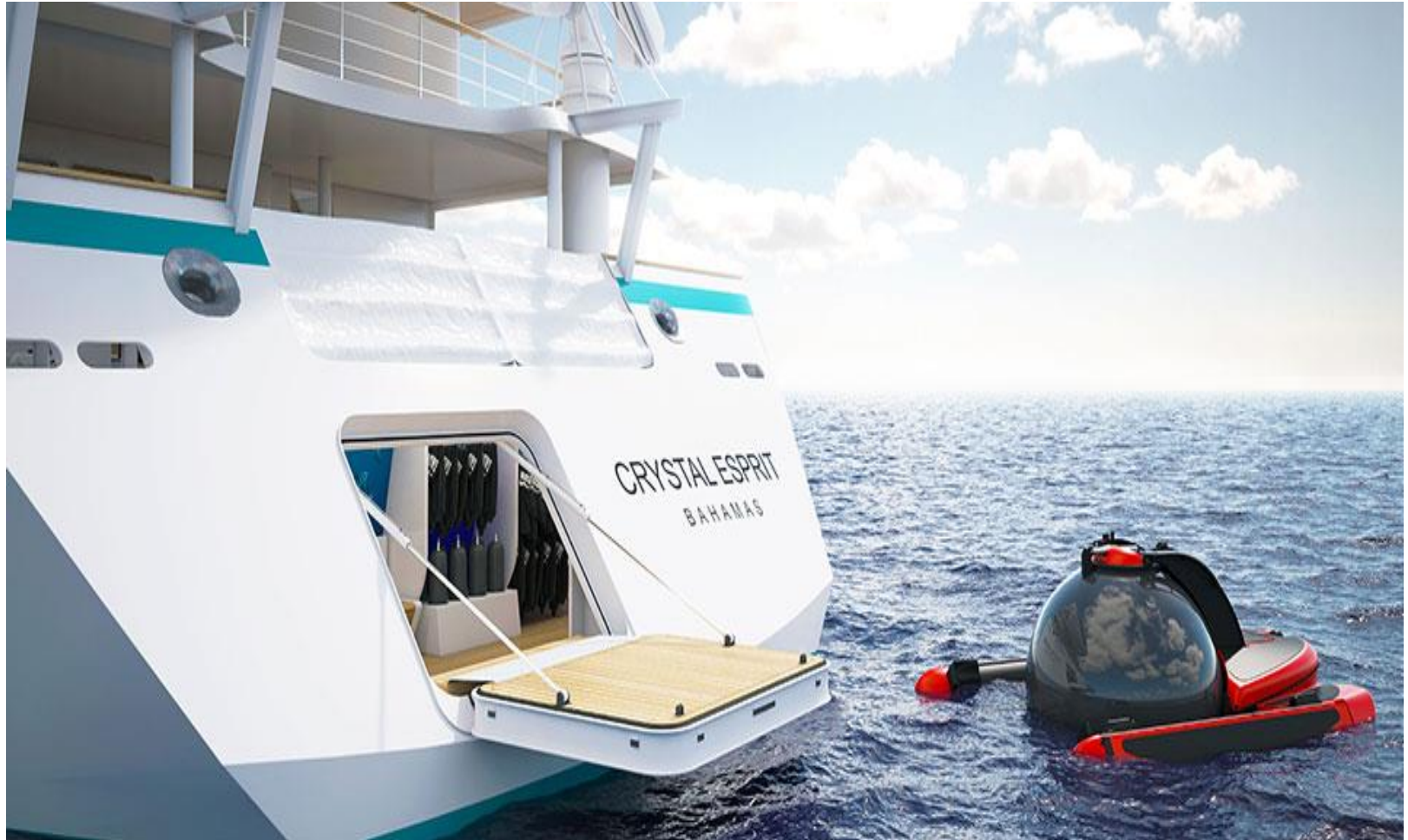


Genting Hong Kong



Corporate and ownership structure

Crystal Yacht Cruises



Cruise Trends - New Build Programs

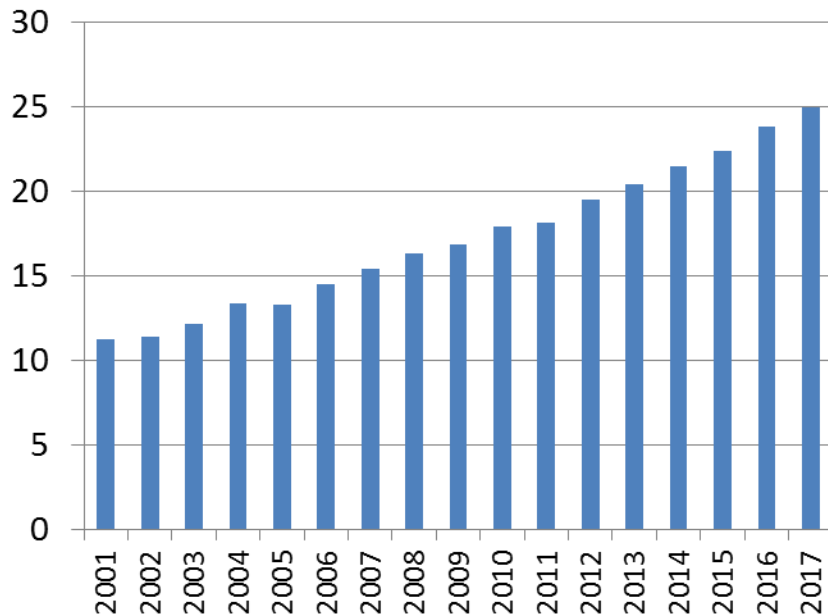
- ◆ Two new mega ships under construction with Meyer Werft in Germany
- ◆ 151,300 GRT with about 3,368 lower berths
- ◆ Designed to offer a wide variety of Asian and international cuisine, a state-of-the-art theatre, 1,000sqm of retail space as well as world-class recreation, health & fitness and conference facilities catering for the unique demand of Asian clientele
- ◆ Delivered in 4Q2016 and 4Q2017 respectively to cater for our continual growth in Asia



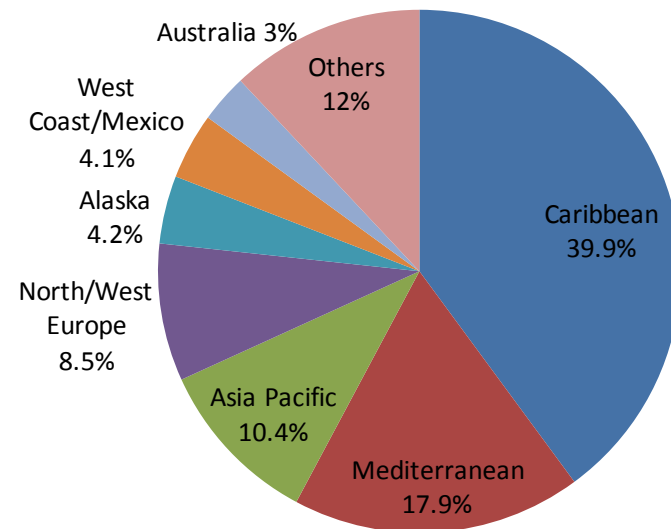
State of the Industry - Global Cruise Trends

- In 2014, the global cruise industry carried an estimated total of **22.1 million** passengers.
- This will growth further to **23 million** in 2015. (CLIA)

Global Cruise Capacity



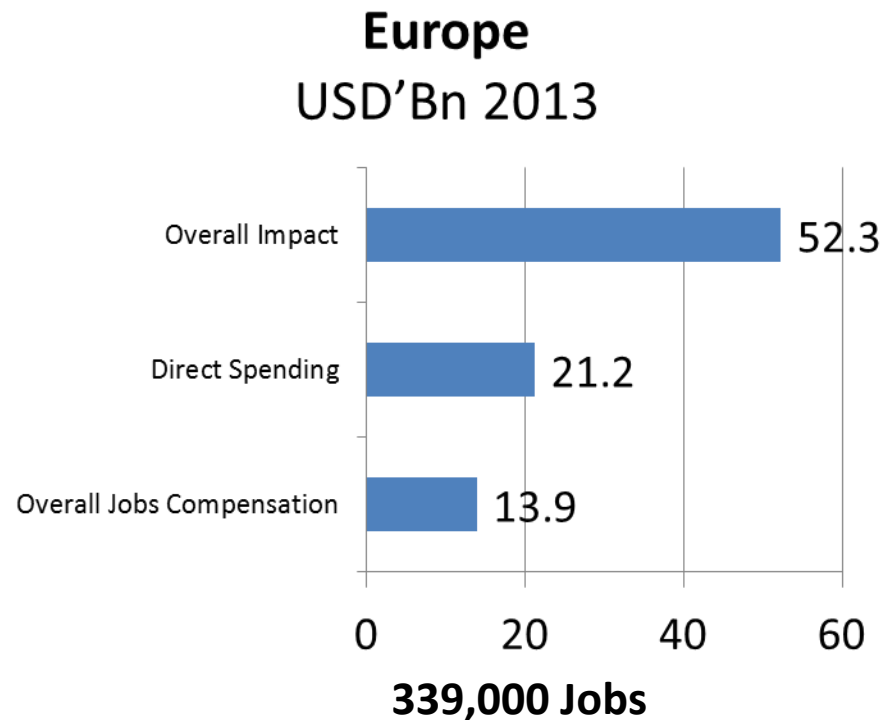
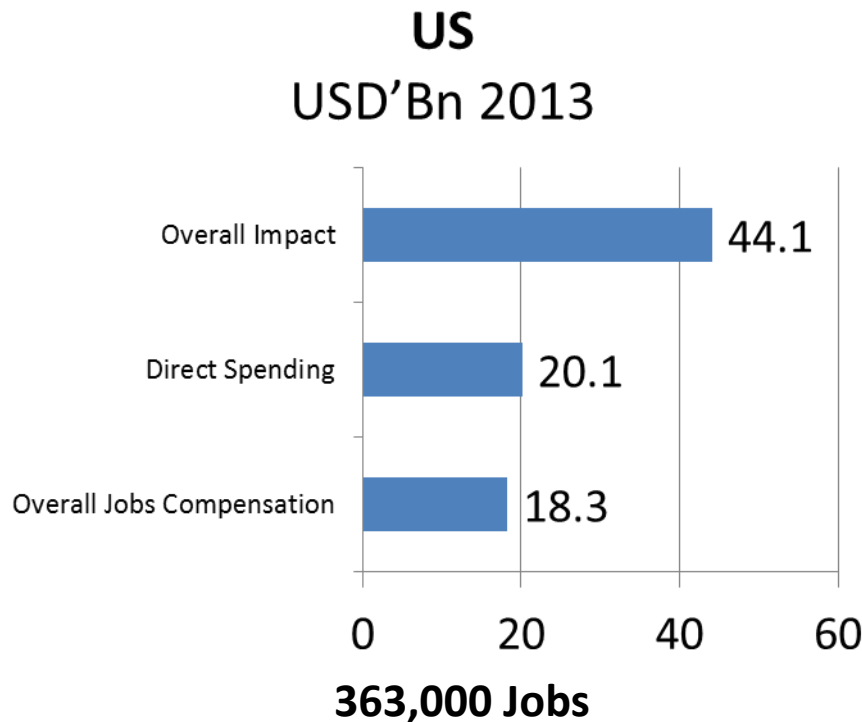
Global Cruise Markets: Capacity Share



(Cruise Industry News Report 2015)

Economic Benefits of Cruise Industry

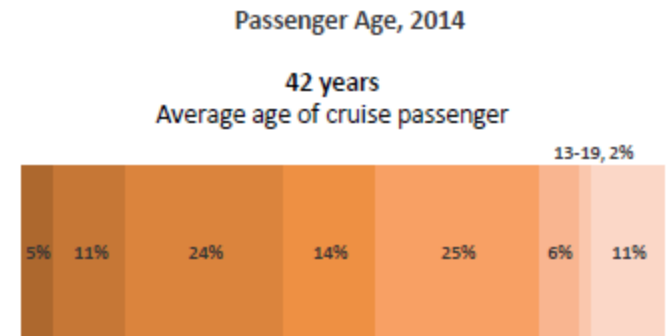
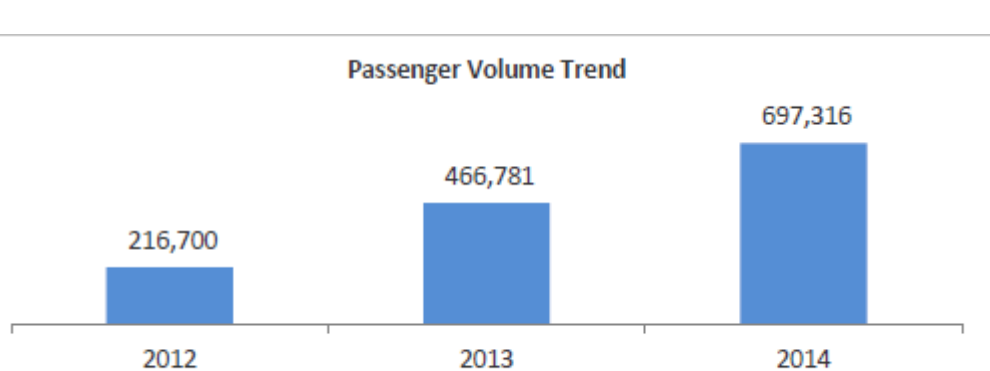
- **USD114.9 billion** in terms of global economic impact in 2013
- **USD38.5 billion** in wages for **891,000 jobs** globally (CLIA 2013)



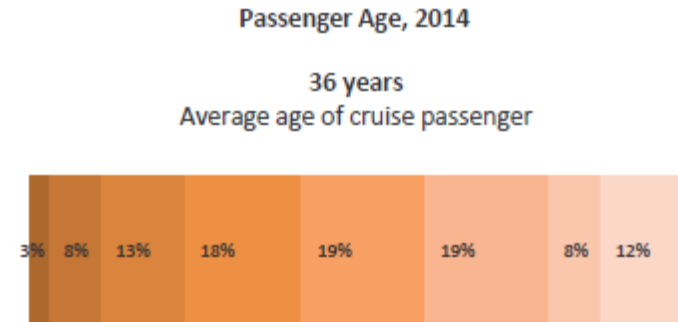
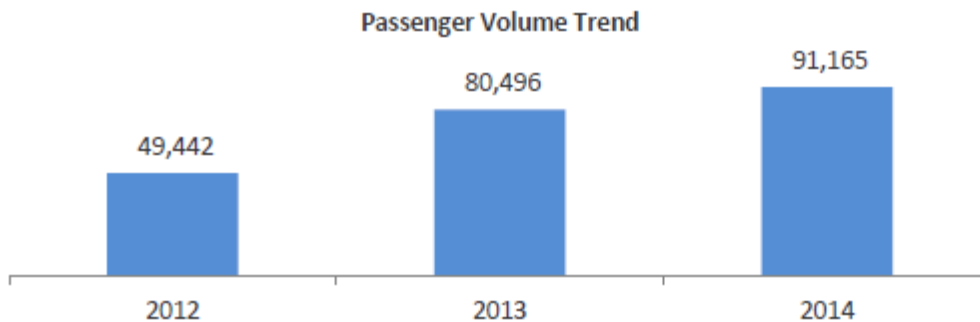
Source: Contribution of Cruise Tourism to Economies of Europe 2013 (CLIA Europe);
Global Economic Contribution of Cruise Tourism 2013 (BREA 2013)

Emerging Markets - China and India

- China: Passenger volume grew to **0.7 million in 2014**, representing a CAGR growth of **79%** in 3 years. (CLIA 2014)

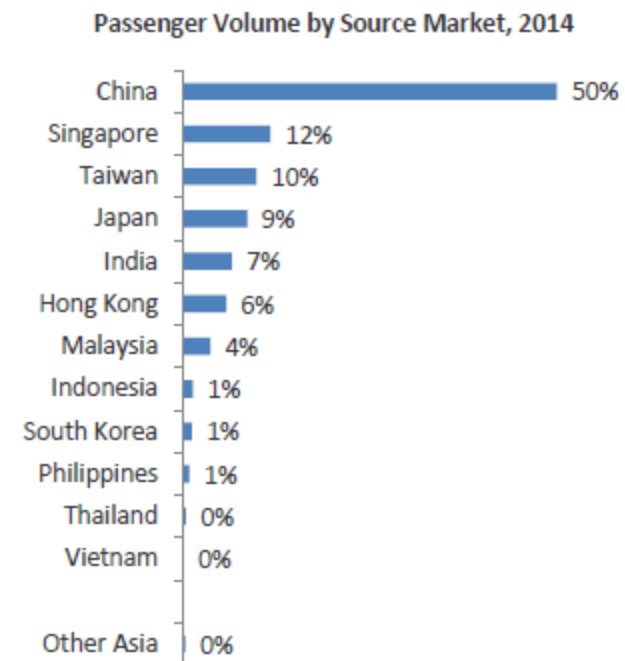
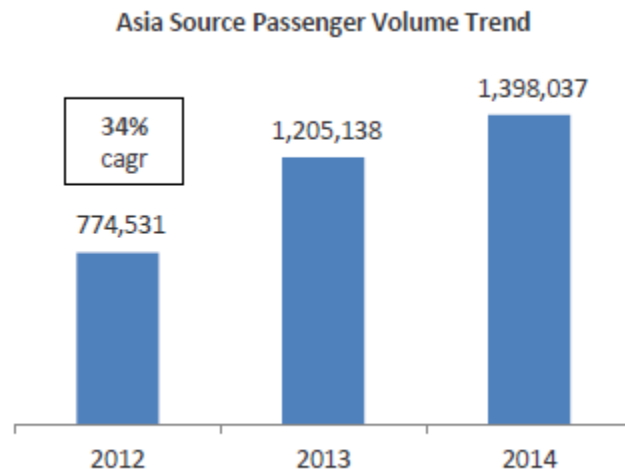


- India: Also emerging with **0.09 million** in 2014, with a CAGR growth of 36% in 3 years. (CLIA 2014)



Asia as a Key Source Market

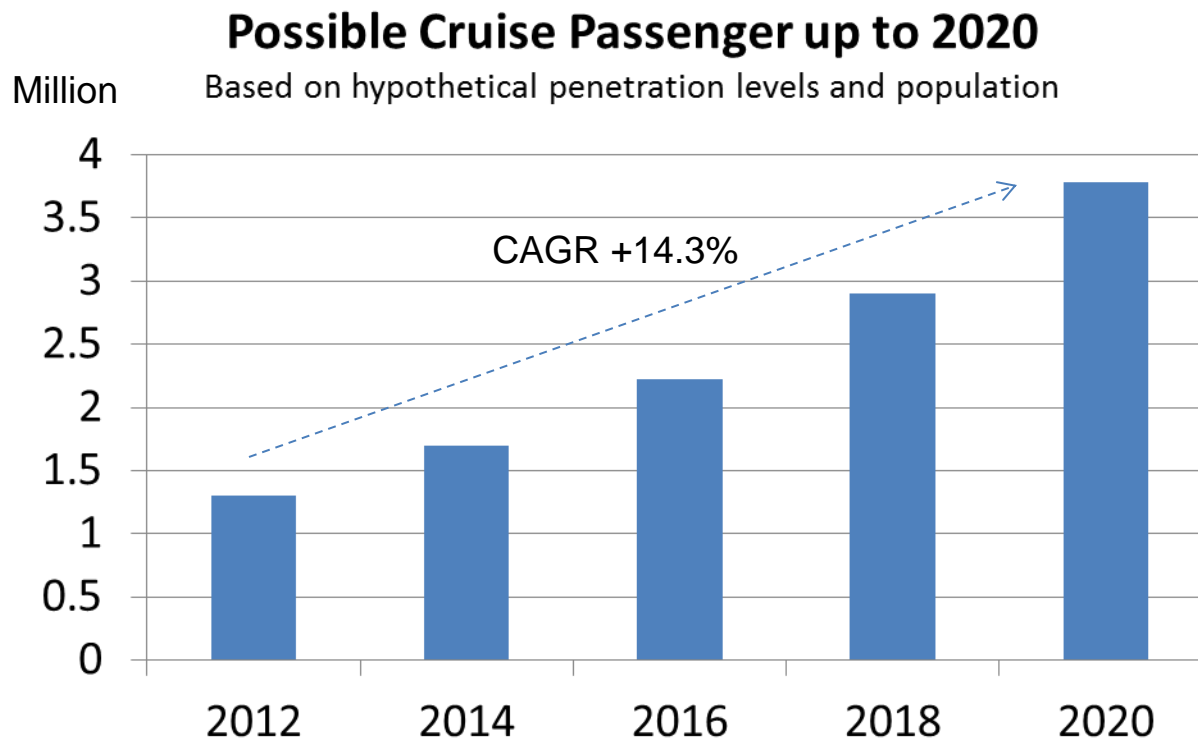
- Market size grew to **1.4 million** in **2014**, with China accounting for half of the pax



Asia Cruise Trends CLIA 2014

Asia Cruise Tourism Trend

- Potential Asian source market of **3.8 million by 2020**, representing a compound annual growth of **14.3%** and a total penetration of **0.12%**.

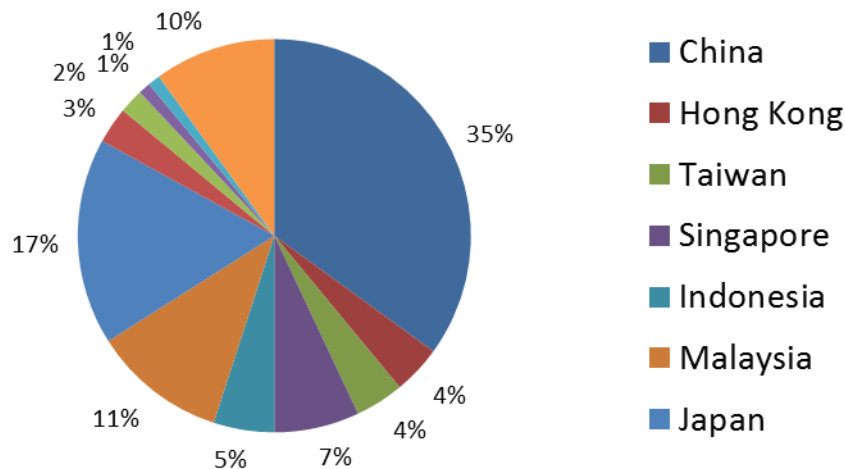


Asian Passenger Mix

- By 2020, cruise passengers in China will reach **1.6 million**.
(Asia Cruise Association, 2013)

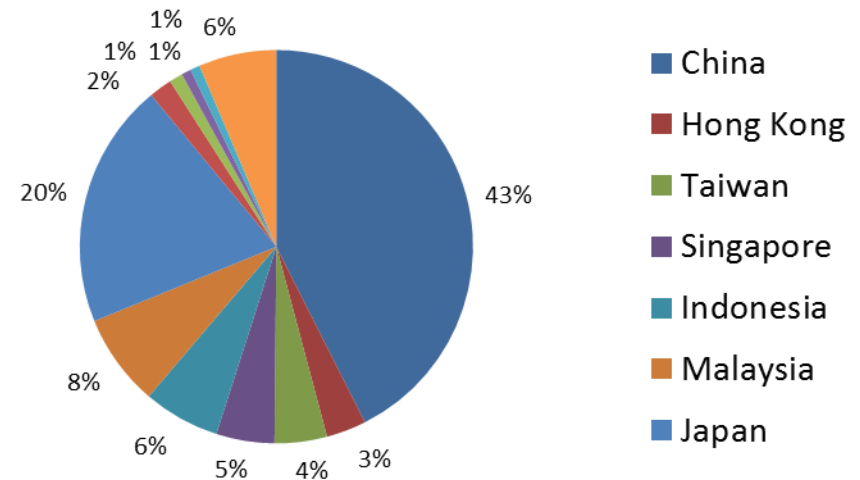
Possible Asian Markets 2012

(1.3M passengers)



Possible Asian Markets 2020

(3.8M passengers)



Infrastructure for Growth

- Capabilities, comfortable and efficiency
- Ability to handle passenger movements of larger ships with 2000-4000+ passengers including ground transportation
- Streamlining of CIQ formalities



China – 21 Ports, 10 Terminals, 21 Berths



Bringing Asian Passengers to Australia

- **46-night** itinerary from HK to Australia 15 Nov – 31 Dec 2015
- Will call at Geraldton, Fremantle, Albany, Adelaide, Melbourne, Burnie, Sydney, Brisbane, Cairns and Darwin



Thank You