



Heads of Agreement Authorizes \$600 Million Transformation of Grand Bahama Shipyard

August 29, 2024

Expansion will help the shipyard regain its position as the largest cruise ship repair facility in the world

FREEPORT, Bahamas – Aug. 29, 2024 – Today, the Government of The Bahamas signed a Heads of Agreement with Grand Bahama Shipyard, Ltd., authorizing a \$600 million transformation project that positions The Bahamas and the shipyard as global leaders in cruise and commercial shipping vessel repair. The project is expected to bring billions of dollars in economic impact to Grand Bahama's economy over the next 25 years and making it the largest cruise ship repair facility in the world.

"This landmark agreement signals a bold new chapter for Grand Bahama and our entire nation," said Prime Minister the Hon. Philip Davis K.C. "The \$600 million investment in Grand Bahama Shipyard not only secures our place as a global leader in maritime repair but also lays the foundation for sustained economic growth and job creation for Bahamians. We are committed to ensuring that the benefits of this transformation are felt across the island and that Grand Bahama continues to rise as a pillar of our national economy."

"Our administration has maintained a laser focus on restoring economic vitality to Grand Bahama Island with major, complex investments and smaller, boutique operations," said Deputy Prime Minister and Minister of Tourism, Investments & Aviation the Hon. I. Chester Cooper. "That commitment continues today with this development signaling a sea change in Grand Bahama's prospects for growth. This monumental step won't be the last, as there's much more to come for Grand Bahama Island, whose fortunes are inextricably tied to the fortunes and future of our entire Bahamas."

Minister for Grand Bahama the Hon. Ginger Moxey M.P. added that: "This \$600 million dollar investment by Grand Bahama Shipyard Limited strengthens our island's position as the 'Home of Maritime and Logistics.' We are excited to work with all partners to build a brighter future for Grand Bahama, confident that this investment will bring unparalleled spin-off opportunities and prosperity for generations to come."

Building on a History of Close Collaboration

According to the Grand Bahama Shipyard, Ltd. shareholders, the development reinforces a commitment to the community and the nation that began 24 years ago when in 2000 Carnival Corporation & plc, Royal Caribbean Cruises, Ltd, and Grand Bahama Port Authority founded Grand Bahama Shipyard.

"I am proud of our enduring partnership with The Bahamas and the progress it has yielded over the decades," said Jason Liberty, president and CEO, Royal Caribbean Group. "By working closely together on the Grand Bahama Shipyard transformation project we are deepening the impact of this significant industrial investment and ensuring it reaches beyond our industry to create long-lasting opportunities for the Bahamian workforce and local communities." Josh Weinstein, president, CEO and Chief Climate Officer of Carnival Corporation & plc. said: "For decades, we've worked side-by-side with The Bahamas to foster economic growth and community impact through cruise tourism. Our investment in the Grand Bahama Shipyard transformation advances those efforts, establishing The Bahamas as **the** global epicenter of ship repair and a vital service provider for cruise and commercial shipping fleets."

"The Grand Bahama Port Authority is committed to fostering a stronger, more connected Freeport economy that benefits Bahamians and the Grand Bahama Shipyard transformation delivers across every measure," said Rupert Hayward, Director of the Grand Bahama Port Authority, Limited and the Grand Bahama Shipyard, Limited. "This expansion not only positions Grand Bahama at the forefront of global ship repair, but it also promises sustainable economic impact for local businesses and the community. We look forward to the positive ripple effects on Freeport's important and growing economy."

Since breaking ground in late 2023 on the transformation project, steel has been cut on two-world class floating docks and preparations have started for their delivery to Freeport in 2025 and 2026. The docks — the largest in the world — will allow the shipyard to service the entire range of cruise ships in operation and under construction, as well as much of the world's commercial shipping fleet.

Expansion to Create Employment Opportunities for Bahamians

As the largest private non-tourism employer in The Bahamas, the expansion of shipyard operations will further support Bahamians, local businesses, and contractors, creating hundreds of full-time jobs at the shipyard once it is in full operation.

"At the shipyard we are managing the infrastructure upgrades required to accommodate the new docks, they are progressing on time and we eagerly await the arrival of the new docks so that we can return to our position as a major world player in the global ship repair market, and to our position as world's busiest cruise ship repair facility. Alongside the infrastructure we are advanced in our planning of ensuring we have enough skilled persons and resources to carry out the works for our valued customers," said Dave Skentelbery CEO, Grand Bahama Shipyard.

The shipyard's apprenticeship program is also ramping up as part of the project, helping equip Bahamians for the marine trade workforce. The four-year program developed with Bahamas Vocational and Technical Institute and the Engineering College in Birkenhead, Liverpool provides training and workshops to ensure trainees are well-versed in all international standards.

The first cohort of apprentices started in the Fall of 2023 and recruitment for the second group is now underway with the goal of having over 80

apprentices in training across four trades. The program will broaden access to well-paying, long-term career opportunities at the shipyard and other industrial employers.

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About Grand Bahama Shipyard

Founded in 2000 by shareholders Carnival Corporation & plc, Royal Caribbean Cruises, Ltd, and Grand Bahama Port Authority, Grand Bahama Shipyard is a leader in dry-docking, afloat repairs, refurbishments refits and revitalizations for vessels from the cruise, commercial and offshore segments of the maritime industry. With a strategic location along major shipping routes, Grand Bahama Shipyard has scheduled 85-100 drydocks a year, including more than two dozen cruise ship refits and drydocks annually, and the expanded shipyard is expected to surpass the previous performance.

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