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Royal Caribbean Announces \$210 Million Partnership With Major Firm For Investments in USVI, Other Port Destinations

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**The Ann E. Abramson Marine Facility in Frederiksted, St. Croix. By. ERNICE GILBERT/
V.I. CONSORTIUM**

Royal Caribbean Group announced Monday that it has entered into a new partnership with iCON Infrastructure Partners VI, a fund advised by iCON Infrastructure LLP to develop strategic cruise port infrastructure in support of Royal Caribbean Group's robust growth plans.

Among the growth areas is the U.S. Virgin Islands, where Royal Caribbean has partnered with the V.I. Port Authority for several major enhancement projects at the Crown Bay port in St. Thomas and the Frederiksted Pier on St. Croix.

Access to destinations continues to be of strategic importance to Royal Caribbean Group's core business, Royal Caribbean said. The proposed partnership will own, develop, and manage cruise terminal facilities and infrastructure in home ports and key ports of call. The partnership, which will be owned 90% by iCON VI and 10% by Royal Caribbean Group, will be managed by an independent management team with strategic support from Royal Caribbean Group. Both parties have committed to provide funding for future expansion in accordance with their percentage interest.

"Our partnership with iCON is a unique opportunity to catapult us into the coming decades of port investments, build further financial strength, and provide exceptional cruising experiences, responsibly, to our guests at the best destinations in the world," said Jason Liberty, president and CEO of Royal Caribbean Group. "Over the last few years, we have developed more destinations than any other cruise company and this new partnership will allow us to implement a capital-light investment framework to accelerate the development of strategic destinations around the world. We selected iCON because of our shared strategic priorities – delivering the best experiences in the world, responsibly – and our shared commitment to sustainability, being a committed partner in each of the destinations we visit and exploring the very best locations around the world."

According to the release, iCON is a leading independent investment group with a focus on investing in high-quality infrastructure assets located predominantly in North America and Europe, with extensive experience investing in ports and port-related infrastructure.

The new partnership will initially include PortMiami Terminal A and several development projects in Italy, Spain, and as previously mentioned the USVI. The partnership will also pursue additional port infrastructure developments based on the robust pipeline of projects as part of Royal Caribbean Group's destination development strategy.

At closing (anticipated for the first quarter of 2023), Royal Caribbean Group expects to receive net cash proceeds of approximately \$210 million. The partnership is expected to be accretive to earnings, ROIC, and leverage metrics and will allow Royal Caribbean Group to continue investing in the development of strategic infrastructure while supporting the goals of its Trifecta program.

"We are thrilled to be partnering with Royal Caribbean Group to develop, own and manage a portfolio of cruise terminals in key strategic markets," said Iain Macleod, Managing Partner at iCON. "Through this partnership, we will provide world class cruise terminal infrastructure, offering cruise guests more opportunities to see and experience the world in partnership with the Royal Caribbean Group, a world class operator. In the years to come, we look forward to delivering new high-quality terminals, working closely with key destination communities and with a strong focus on sustainability."

BofA Securities is serving as exclusive financial advisor to Royal Caribbean Group.