



# PRESIDENT'S MESSAGE



“CMI continues to grow; however, selectively, with attention to quality and care for our current fleet”

Dear Officers, Crew, Clients and Shareholders;

Wishing you and your families a Happy, Safe and Healthy 2020.

So much has happened in 2019; ‘and we are on roll’. With the rapid expansion of our organization; new vessels, new technology, updated systems and great innovative ideas within all our Group Companies, it’s hard to contain oneself, I am looking forward to what 2020 will bring.

Our first newbuild, the M/V Greg Mortimer finally entered into management, and in September we signed the technical management agreement with Grupo Vidanta, the owners of the M/V Vidanta Elegant. As you can imagine there is a lot that took place behind the scenes, and for a very long time, to make all this happen, and we couldn’t do it without your constant feedback and support, so thank you.

I had the privilege to join the M/V Greg Mortimer on her very first cruise. It’s hard to believe, but this was my first time to Antarctica, and it absolutely exceeded my expectation. It was an unbelievable experience, as it also ignited a renewed respect for the condition under which we operate in that area, cruise after cruise.

Meeting Mr. Greg Mortimer himself was the ‘icing on the cake’ of course. His personal approach and intense interaction with the teams onboard and passengers was impressive. And while dealing with the constant changes in weather conditions and other challenges, he concluded our first cruise on time and on schedule, delivering a quality product.

The entire CMI and CMIL team worked hard to deliver a fantastic experience to our passengers. All agreed that the food was the best ever, so my hats off to the officers, crew, culinary and the expedition team onboard, thank you and well done!

Vidanta Cruises is our latest new client, they are the owners of the M/V Vidanta Elegant. They have spent the last two years remodeling the vessel to meet their resort standards and will operate the vessel as an extension of their timeshare business to commence cruising in March 2020. This is an exciting project and we are pleased to be associated with another > > >

quality-driven organization. They will offer the vessel to their current clientele as a timeshare amenity; a concept many have tried before but couldn't really make it a success. Grupo Vidanta however, is uniquely positioned to make this concept a reality.

As you can see, our growth is inevitable; however, our directive is clear: "we are to grow our business, selectively with the emphasis on making our organization stronger to the benefit of our clients".

"It is great to work for an organization that cares more about quality and how this will benefit the Fleet than just increasing the number of ships under management."

With our CMI Board approval, I am extremely excited to introduce our new Vision, Mission and Values Statement;

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## OUR VISION

*To be the preferred provider of expert marine services to select passenger shipowners, with the highest regard for safety, the marine environment, our clients, our employees, and our shareholders.*

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## OUR MISSION

*To efficiently provide industry standard, technical management services to our shipowners in a manner that is cost effective, risk averse and optimizes the passenger and crew experience.*

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## OUR VALUES

*Safety / Integrity / Profitability / Transparency / Risk Aversion*

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We must however continue to focus on how we are going to translate these statements into a performance that can be measured over time. Therefore, we are developing new Key Performance Indicators (KPI's) that will connect our new mission, vision and value statements. We are in the process of establishing this new framework, which we anticipate rolling out later this year.

The aim is to have everyone within our team clear on our purpose, our objectives and to concentrate on performing to the highest standards, while preparing for our growth. Ultimately for our shareholders, these efforts will allow us to improve efficiency, streamline our organization, while increasing our profitability.

In September, CMI Ship Management, jointly with SunStone and CMI Leisure hosted the Semester at Sea (SAS) Board Meeting here in Miami. It was a great opportunity to introduce the entire SAS Board to our team in Miami, tour our beautiful offices and provide an overview of our services. I outlined my personal involvement with the SAS program for the past 21 years and how, through CMI, we are going to continue providing the services they have been accustomed to, for years to come. We concluded with our proposed vessel strategy for the future. It was a productive and engaging two days and CMI is proud to be part of Semester at Sea's mission.

Our three companies agreed to start a SAS Scholarship Fund to support student scholarships at Semester at Sea to honor and celebrate the lasting partnership between Cruise Management International-Leisure (CMI Leisure), Cruise Management International-Ship Management (CMI Ship Management), and SunStone Ships.

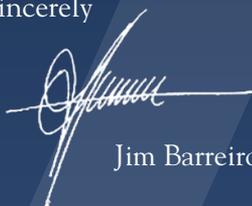
Preference for this award will be given to students whose parents are employed by CMI Leisure, CMI Ship Management, or SunStone, but a more formal announcement will be made, in which further details will be provided in due time.

As we prepare for 2020, I would like to thank all crew and the office teams for their dedication and hard work in making 2019 another successful year. We concluded a tremendous number of projects during our April-May transition season and on time. Several dry docks, major interior upgrades and new stabilizers required focus, good planning and teamwork. It is a privilege to be part of this team!

Over the past two and half years, we introduced many initiatives, from having dedicated teams onboard each ship, (which is now starting to pay off), to introducing ship management software, training/ workshops and building relations with new strategic partners. As we took charge, we must continue building upon these initiatives in 2020, however these initiatives require constant updates, upgrades and adjustments as we aim to maximize the benefits for all our stakeholders. Your involvement, whether you are a crewmember, a charterer, a strategic partner, or a shareholder, is of utmost importance to us. We value and need your constructive feedback, as this allows us to constantly customize, reorganize and improve our services. I, therefore would like to stress the importance of completing the Client's and Crew Surveys distributed by our Compliance Department annually and thank you in advance for taking the time.

This edition of CMI's NEW HORIZON will outline what each department within the Company is working on. I hope you will enjoy it and remember, I am always available for any questions, suggestions and or concerns you may have.

Sincerely



Jim Barreiro de León



*CMI Leisure Management President & CEO Dietmar Wertanzl with CMI Ship Management President & CEO Jim Barreiro de León, and the M/V Greg Mortimer's Engine crew.*

## OUR VALUES

Safety + Integrity + Profitability + Transparency + Risk Aversion