

MALAGA – CAGLIARI – CATANIA – ZADAR CRUISE PORTS TRAVEL RETAIL RFP

Table of Contents

1.	INTRODUCTION	2
1.1.	DISCLAIMER	2
1.2.	PURPOSE OF THIS DOCUMENT	2
1.3.	GPH OVERVIEW	3
1.4.	BACKGROUND INFORMATION	4
1.4.1.	Ports Operations	4
1.4.2.	Primary Port Operations	4
1.4.3.	Cruise and Terminal Services Operations	5
1.4.4.	Facility / Area Management Operations	5
1.4.5.	Management of the Retail Areas at GPH Ports	5
1.5.	GPH TRAVEL RETAIL STRATEGY	5
1.5.1.	GPH “Mission Statement”	5
1.5.2.	Travel Retail Strategy	5
2.	CONCESSION OPPORTUNITIES	6
2.1.	PREMISES & TERMS	6
2.2.	SUMMARY OF BUSINESS TERMS	7
2.3.	SUBMISSION, DESIGN, DEVELOPMENT AND REFURBISHMENT SCHEDULE	9
2.4.	OPERATION AT THE CRUISE PORT	10
3.	SUBMISSION INFORMATION	10
3.1.	PORT VISITS	10
3.2.	QUESTIONS AND REQUESTS FOR CLARIFICATION	10
3.3.	GPH FURNISHED INFORMATION TO PROPOSERS	11
3.4.	DELIVERY OF SPACE	Error! Bookmark not defined.
4.	EVALUATION AND AWARD PROCESS	11
4.1.	SCORING	11
4.1.1.	QUALIFICATION STATEMENT & PROFILE (20%)	12
4.1.2.	VISION & CONCEPTUAL DESIGN (35%)	12
4.1.3.	COMMITMENT & FINANCIAL OFFER (45%)	12
5.	RIGHTS OF GPH	13
6.	FORMS:	14
6.1.	Form 1 Qualification Statement	14
6.2.	Form 2 Financial Proposal	14
6.3.	Form 3 Rent Proposal	14
7.	EXHIBITS:	14
7.1.	Exhibit 1 Minimum Qualifications	14
7.2.	Exhibit 2 Data Files (Historical Data, Passenger - Duty Free / Duty Paid Projections)	14
7.3.	Exhibit 3 Port Drawings, Lease outline drawings, photos, pictures, passenger flows	14
7.4.	Exhibit 4 Retail Area Lease, Management and Revenue Share Agreement	14
7.5.	Exhibit 5 Design Criteria	14

1. INTRODUCTION

1.1. DISCLAIMER

Prior to responding to this invitation, please be sure to review this document and all related appendices and forms in their entirety.

- This document is not an offer or commitment by Global Ports Holding Plc (GPH) to enter into a definitive agreement.
- All questions and information requests related to the opportunity outlined herein are to be made in writing to retail@globalportsholding.com
- Questions and requests made formally or informally, through other channels, will not be answered and may be interpreted as circumventing the outlined process.
- The final terms of the Proposal's appointment will be contained in a binding retail area lease, management and revenue sharing agreement, which will be signed in form and substance materially similar to the agreement as attached hereto in Exhibit 4 - Retail Area Lease, Management and Revenue Share Agreement ("**Agreement**"). Should a Proposer have comments with respect to any terms and provisions of the Agreement, specific written comments with the exact proposed language must be submitted with the Proposal. Any comments to the Agreement submitted will be reviewed during the evaluation of the Proposals. Proposers should note that comments must not exceed a total of one (1) page, double sided in twelve (12)-point font. Modifications to the Agreement based upon comments received with Proposals will be at GPH's sole and absolute discretion. GPH is under no obligation to make any modifications to the Agreement based upon comments submitted. GPH will only consider comments to the Agreement which are included in Proposals, no additional comments to the Agreement will be considered following the award of any spaces, except for any change for compliance with the applicable law and/or necessitated as a result of discovery of conflicts, errors, omissions or discrepancies in this request for proposal. By submitting a Proposal, the Proposer confirms and acknowledges that it will sign the Agreement if it is awarded with the tender.
- Following the evaluation of proposals, GPH may choose to negotiate the commercial terms with one or more respondents and is under no obligation to reveal to a respondent how a response was assessed or to provide specific information relating to the decision-making process.
- GPH reserves the right, at its sole discretion and for any reason, to award a contract for all or any portion of the items covered by this solicitation, to conduct further negotiations on commercial terms, if necessary, to reject all proposals or cancel the process at any time without prior notice or without assigning any reasons whatsoever and without prejudice to its right to re-tender at any time in the future.
- GPH, by this process, does not intend to assume any legal obligation whatsoever, including any binding relationship of any kind, with any Proposer, nor will GPH accept any liability howsoever arising, in relation thereto. By this document Proposers are so informed, and unconditionally acknowledge that they are fully aware that through an invitation to the submit a Proposal, no entitlement whatsoever vests, or will vest in them.
- All documents and other information supplied by GPH shall remain the property of GPH. GPH will not return any application or any information provided along therewith, other than as provided for in this Request for Proposals.
- By submitting a Proposal, Proposers acknowledge that the relevant Port Authority has the power to intervene into and instruct changes in the design, refurbishment, construction and investment into the spaces and that GPH shall have no liability towards the Proposers due to such intervention and instructions of the relevant Port Authority.

1.2. PURPOSE OF THIS DOCUMENT

The purpose of this Request for Proposal (RFP) is to brief potential business partners (Proposer) to submit a priced proposal (Proposal), supported by appropriate reference information to meet the requirements of GPH and its subsidiaries (ports) as described and in accordance with this RFP.

GPH would like to consolidate management of the duty free and retail areas in its selected ports as, Malaga, Zadar, Cagliari and Catania (Ports) by establishing an outsourcing model with a strong partnership.

Pursuant to this Request for Proposal document, GPH is seeking to achieve the following goals:

1. Communicate the concession opportunities to all interested parties;
2. Provide the overall vision, schedule, contractual terms and proposal requirements;
3. Ensure a fair, transparent and neutral evaluation process;
4. Reward and recognize Proposals that clearly demonstrate good practices and great behaviors, specifically through a balance of design, concept, innovation, proposal requirements and quality operations (execution); and
5. Select the best overall Proposals based on range of criteria detailed in this document.

GPH have strong interest in developing a one of-a-kind, world-class duty free/duty paid travel retail program at its Ports. The following factors will be important in the evaluation of submittals:

1. Strong local brand representation supported by international brands in core categories.
2. Appealing designs that complement the specific Port and its terminal's shopping environment.
3. Expanded brand and merchandise offerings.
4. Commitment to concept flexibility throughout the term; ability to update brands as needed.
5. Inclusion of pop-ups, in-store promotions and entertainment.
6. Balanced merchandise mix to drive sales and revenue.
7. Overall travel retail strategy and marketing plan.

Respondents are encouraged to present ideas and concepts that exceed these objectives and offer a unique, creative and customer-focused duty free/duty paid travel retail program.

1.3. GPH OVERVIEW

Global Ports Holding Plc is the world's largest cruise port operator with an established presence in the Caribbean, Mediterranean, and Asia-Pacific regions, including commercial port operations in Turkey and Montenegro.

GPH was established in 2004 as an international port operator with a diversified portfolio of cruise and commercial ports. As an independent cruise port operator, the group holds a unique position in the cruise port landscape, positioning itself as the world's leading cruise port brand, with an integrated platform of cruise ports serving cruise liners, ferries, yachts and mega-yachts. As the world's sole cruise ports consolidator, GPH operates 15 cruise ports in 9 countries and continues to grow steadily.



Cagliari Cruise Port, located halfway between the Iberian coasts to the west, Italian coast to the east, and North African coast to the South, has the advantage of being included on different routes while offering unforgettable experiences to cruise passengers and fuel efficiency to cruise lines. GPH obtained the majority of indirect shares in Cagliari Cruise Ports in 2016, along with other Italian ports located in Catania and Ravenna.

Catania Cruise Port is located in the middle of the Mediterranean, at the crossroads of major cruise itineraries. Catania Cruise Terminal offers transit, inter-porting and homeporting operations, as well as an increasingly wide range of ancillary services since 2011. The port features a large area convenient for transportation, with a designated shore excursion location and parking for coaches and taxis.

Málaga Cruise Port is established in 2008, as part of Creuers Del Port de Barcelona. It manages all three cruise terminals of the Port of Málaga. Málaga Cruise Port is located in a strategic area in Southern Europe, connecting with routes to the Atlantic and the Mediterranean to make it a gateway to Andalusia. The port is just 15 minutes away from Málaga International Airport, which offers flights to and from Europe and all around the world. Málaga's port facilities, hotels and airport all make it a truly world-class international homeport.

Zadar Cruise Port is at the historical centre of Dalmatia. With a modern highway network and proximity to the airport, Zadar Cruise Port is an ideal Adriatic port for both transit and turnaround operations. Zadar Cruise Port serves cruise ship passengers as well as international ferry, Ro-Ro and vehicles. The cruise ports infrastructure includes a maximum draft of 13m and 1170m of total pier length, accommodating ships of any sizes.

1.4. BACKGROUND INFORMATION

1.4.1. Ports Operations

GPH's structured and efficient port operations to drive organic growth in its ports. Duty free and other retail areas subject to this RFP are also managed as part of these operations.

Cruise companies plan their itineraries from 6 months up to 18 months in advance. Therefore, number of passengers that are planned to disembark from a cruise ship to the related port or embark to a cruise ship in the related port, are already known by GPH before cruise ship arrives to the port. GPH ports plan their operations and services according to these cruise ship timelines.

A cruise ship typically stays 1 or 2 days at a port. GPH ports offers port operations and services for passengers, crew of the cruise ship, cruise ship and related cruise line company which owns the cruise ship. GPH runs three operations at a port, namely, "Primary Operations", "Cruise and Terminal Services Operations" and "Area Management" that are planned to be partially outsourced within the scope of this RFP.

1.4.2. Primary Port Operations

Primary Port Operations starts with marine services to cruises during arrival and departure of the cruises.

Marine operational responsibilities are handling of planning and berthing until ships clear off and passengers move out of berthing area. Berthing is an activity to provide space for a vessel to dock on port. After berthing activity is provided and cruise ship is docked on port, shoreside operations starts.

Shoreside operations include activities off disembarkation, embarkation, immigration and custom service for turnaround and transit passengers detailed as below;

- Disembarkation: This is the process of passengers leaving a vessel after berthing process is completed.
- Embarkation: Embarkation is the process of passengers loading to vessels.
- Immigration and Custom Services: After a cruise ship is docked in a port, disembarked passengers pass through the designated terminals. If the port country is the final destination of the passenger's itinerary, GPH port operators ensure that the passengers go through the customs checkpoint to pass through (if so required) the passport control and immigration. GPH port operators on duty prepare terminal's queuing area to ensure smooth inspection and custom procedures at the inspection and custom areas.

- Turnaround Passenger: A passenger who originates an excursion with an initial port and subsequently terminate the excursion at the final port according to excursion's itinerary planned by cruise line company is called as "Turnaround Passenger".
- Transit/Transfer Passenger: Passengers visiting port of call over a certain period of time.
- Port of call: Any port where a ship stops, except for its home port.

1.4.3. Cruise and Terminal Services Operations

Cruise and Terminal Services Operations include services provided to cruise after berthing at the port and passengers embarked from / disembarked to GPH port's terminal. Cruise services are comprised of different segments in terms of operations:

- Services include supply of any items (food, personal or home care products etc.) required by cruises within the boundary of the port services area.
- Waste management is a process to collect all type of generated waste from vessels and transport to an incineration site or disposal area. Waste management in GPH ports has policies for solid and liquid wastes generated by cruises.
- Water supply services consist of fresh water provision by a GPH port to any requesting vessel within the boundary of the port services area.
- Infrastructure / Maintenance / Cleaning services related fixing work at the terminal area if necessary. This service is provided based on workplace safety rules.

1.4.4. Facility / Area Management Operations

Facility / Area Management encompass usage of all facility and areas in GPH ports. These operations covers tenant relations and contract management related with travel, retail or any commercial entity within the facility/ port area.

Rental places, such as terminal offices, advertising areas, booths, facilities and stores that have specific agreements signed between GPH and tenants are not within the scope of this tendering process. Retail areas are defined as a different heading, "Management of Retail Areas at GPH Ports" in this section.

1.4.5. Management of the Retail Areas at GPH Ports

Retail areas are designated by GPH in the ports. These sections can be operated inhouse or outsourced to third parties. Whichever method is chosen, the operators undertake to ensure the retail areas are operated in line with standing agreements, practices, safety and security standards of GPH.

The areas in the ports such as Advertisement Areas, Guest Center Services Areas (Info Desk, Internet Services, Luggage Keeping Services) Booth and Marina Areas and Terminal Building Offices are not included in the scope of this tender process.

It is anticipated that further ports planned to be acquired might be requested from the selected business partner in the future, subject to completing satisfactory negotiations with the partner.

1.5. GPH TRAVEL RETAIL STRATEGY

1.5.1. GPH "Mission Statement"

GPH intends to establish through the "Delivery of Excellence" the best possible Duty Free/Duty Paid travel retail shops at the GPH Cruise Ports network.

1.5.2. Travel Retail Strategy

GPH'S retail strategy should focus on four corner stones:

Be Local: Give a sense of destination. Welcome guests and design the port and the retail offer accordingly.

Be Original: Sell original and local products and elevate experience at the port: Tasting, demos, courses etc.

Be Immersive: Manage the passenger traffic flow through immersive environments. Strategically ensure passengers walk through the retail area.

Be Deliberate: Educate passengers on retail offering to capture revenue otherwise spent in the city through clear promotion, messaging and technology. Leverage trust as a Port versus souvenir shops in the City.

To be the best, all of the successful ingredients of a world class Travel Retail operation need to be identified and established for the passengers who experience the facilities have all of their expectations exceeded.

The successful ingredients required to meet the objective are:

- Stunningly attractive exterior store design.
- Easy accessibility.
- An instantly apparent sense of entertainment and visual stimulation.
- Simple signage to identify merchandise location categories and payment points.
- A high profile, strongly communicated, value guarantee message.
- Constantly changing seasonal promotional campaigns.
- Attention to detail in all aspects of the store.
- Clear, easy to read product pricing method.
- A wide product choice in all categories.
- An experienced, well-resourced management team dedicated to providing exceptional levels of shop keeping and customer service.
- Efficient, courteous, polite, well trained sales consultants in every post.
- Simple, clear, visible currency conversion information.
- Exceptional customer service.
- Creative marketing that clearly differentiates from the regional competition.
- An Electronic Point of Sales System that supports operational efficiency and optimal stock availability.
- A strong relationship between GPH and the operator and the joint monitoring of the annual Business Plan.

2. LEASE OPPORTUNITIES

This section includes specific information relating to the retail area and duty free / duty paid businesses in GPH ports that is planned to be rented in the scope of this tender process.

2.1. PREMISES & TERMS

The proposer is offered the opportunity to operate any or all of Duty Free and associated Travel Retail spaces at Malaga Cruise Terminals A & B, Zadar Cruise Terminal, Cagliari Cruise Terminal and Catania Cruise Terminal on an exclusive basis. Products and merchandising should include, but not limited to, Liquor, Tobacco, Perfumes, Cosmetics, Confectionery, Jewelry, Sunglasses, and Fashion Apparel, Local Souvenirs and Artifacts. (Reference plans in Appendices)

- The term for the lease is seven (7) years (Lease). The term includes the transition and construction of the program.
- The selected proposer will be responsible for the build and a minimum capital expenditure of €500/sqm for Zadar, Cagliari and Catania and €1,000/sqm for Malaga creating the new store/concession spaces (Space).

The Terminal opportunities offered in this document are as follows:

- Malaga Cruise Port Terminal A & Terminal B Travel Retail Areas for which a GPH entity is the concession holder until 2038.
- Zadar Cruise Port Terminal Travel Retail Areas for which a GPH entity is the concession holder until 2038.
- Catania Cruise Port Terminal Travel Retail Areas
 - A GPH entity holds the concession rights of the Catania Cruise Port Terminal until 7 June 2026.
 - Please note: There are currently a Terminal wide improvement initiative underway in Catania Port in which port will be upgraded and rebuilt including a new terminal. The award of contract to operate the Spaces in Catania is subject to grant by the Catania Port Authority of construction rights to the GPH entity for a new terminal. If such approval is granted, GPH expects that Catania Port Authority will also extend the term of the concession.
 - If construction rights are granted, GPH will work diligently to best coordinate the timing to avoid conflicting with the tenant construction schedules in Spaces but in certain instances it may be necessary to adjust the

tenant timetables and/or operations. All commercially reasonable efforts will be made to mitigate the impact and to provide timely updates to all projects that are affected.

- Cagliari Cruise Port Terminal Travel Retail Areas
 - A GPH entity holds the concession rights of the Cagliari Cruise Port Terminal until 31 December 2027.
 - Please note: There are currently a Terminal wide improvement initiative underway in Cagliari Port in which port will be upgraded and rebuilt including a new terminal. The award of contract to operate the Spaces in Cagliari is subject to grant by the Cagliari Port Authority of construction rights to the GPH entity for a new terminal. If such approval is granted, GPH expects that Cagliari Port Authority will also extend the term of the concession.

If construction rights are granted, GPH will work diligently to best coordinate the timing to avoid conflicting with the tenant construction schedules in Spaces but in certain instances it may be necessary to adjust the tenant timetables and/or operations. All commercially reasonable efforts will be made to mitigate the impact and to provide timely updates to all projects that are affected.

It should be noted that size and extent of the location identified are estimates only and are subject to the final field verification by Proposers and modifications, including, those related to base building requirements and utility capacity. Please also note the square meters shown on the lease outline drawings, attached hereto as Exhibit 3, do not purport to show exact dimensions nor the final location of any mechanical, electrical, structural or architectural element.

GPH reserves the right to add, eliminate, modify or change any such element, as may be required from time to time.

Proposers may choose to (i) submit Proposals on select individual ports, or (ii) a joint Proposal for all ports listed in this RFP. In the event that a proposer's joint Proposal for all ports is successful, the Proposer will also be granted with a right to match /right of first refusal for the Kuşadası & Bodrum Travel Retail Tender. (Which is planned to take place in 2021)

There is no limit as to the number of Ports a Proposer can separately submit Proposals for. Details of the minimum qualifications and Proposal requirements are outlined in Exhibit 1.

- a. **INDIVIDUAL PORTS:** There are five (5) individual Spaces within four (4) ports available in this document.
- b. **SQUARE METER:** The approximate size, layout, and location of the Spaces are estimates only, and subject to final field verification by Proposers, and potential modifications including those related to base building requirements and utility capacities.
- c. **TERM:** The term, in years, is seven (7) years.
- d. **MERCHANDISING PLAN AND LEASE OUTLINE DRAWINGS.** This document contains Lease Outline Drawings (Exhibit 3), which are diagrammatic plans that are intended to show the general layout, passenger flows and sketch of each Space in the Terminals. The Merchandising Plans and Lease Outline Drawings do not purport to show exact dimensions nor the final layout of each Space or the final location of any mechanical, electrical, structural or architectural elements both within and exterior to a Space. GPH reserve the right, in each's sole and absolute discretion, to add, eliminate, modify or change the dimensions reflected or any such elements, as may be required from time to time.

2.2. SUMMARY OF BUSINESS TERMS

- a. **RENTALS:** There are two rent components for each Port successful Proposers will be responsible for: (i) Minimum Annual Guarantee (MAG); and (ii) Revenue Share (together, Rental Payment). MAG is an annual amount due at each year of the Term, independent from sales made or revenue generated. Revenue Share is an amount due monthly, calculated based on the percentage of the total retail revenue. In accordance with the Lease, each month, the Proposer will be responsible to pay GPH or to the relevant subsidiary the Revenue Share for that particular month. At the end of each year of the Term, MAG will be calculated based on the total number of disembarking, embarking and transit passengers at that port in a given year. If the MAG is

greater than the aggregate of the monthly Revenue Share collected during a year, the difference will be paid by the Proposer to the relevant GPH entity.

All Proposals must specify both the MAG (per duty-free/duty-paid Turnaround and duty-free/duty-paid Transit Passenger) and Revenue Share amounts (duty-free / duty paid) that Proposer agrees to pay, allocated per Port in Proposals.

The Rental Payments shall start for each individual Port's Spaces shall whichever of the following is the earliest:

- (a) operational commencement within the Space; or
- (b) 120 days from the date GPH makes the Space available to the Lessee for its occupancy.

- b. **ADDITIONAL RENTAL AND ADDITIONAL CHARGES:** In addition to MAG and Percentage Rental, the following additional charges are included under the Lease:
 - i. **Trash Removal:** Proposers will be responsible, at their expense, for removal of trash, garbage, debris and other waste material, on a daily basis, in a manner approved by the GPH, unless the GPH elects to provide such services;
 - ii. **Taxes:** any applicable taxes;
 - iii. **Miscellaneous Charges:** may include, but are not limited to security background checks, badges, employee parking, and security escorts.
 - iv. **Maintenance Support Charge:** Proposers shall pay its proportionate share of the Maintenance Support Reimbursement Charge
 - v. **Utilities:** Proposers shall pay its proportionate share of certain utilities consumed in the Premises
- c. **DELIVERY OF SPACE.** GPH will provide the proposed spaces in Cagliari, Catania and Zadar on "Shell and Core" basis and in Malaga on an "AS IS" condition. If awarded, prior to execution of the Lease, Proposers should make themselves fully aware of the condition of their awarded Space(s) and the availability of and capacity of utilities as of delivery of possession. If a Space is developed for a different permitted use or at a different square meter from that which is intended in this document, Proposer agrees to, and shall work with, GPH to modify its permitted use and/or square meter.
- d. **PERMITTED USES** (collectively, Permitted Use). This lease opportunity categories and the respective permitted uses are summarized below. We also encourage and appreciate innovative ideas within Proposals and would consider compelling alternate uses or concepts within the Spaces. Additionally, if size permits, Proposers may also propose operating more than one concept (co-branding) within a Space.

A detailed product list, menu or list of services, as applicable, shall be provided by the Proposer to be included as an exhibit to the Lease, and the same shall be subject to GPH's approval, as determined in their sole and absolute discretion. GPH shall have the right to revise any proposed Permitted Use, menus, product lists or list of services received in any Proposals, as determined in their sole and absolute discretion. Future expansions to the product line will be subject to GPH's prior approval, determined in their sole and absolute discretion.

- i. **Duty Paid/Duty Free:** For the operation of a duty free and duty paid retail rights providing for the sale at retail of liquor, tobacco products, cosmetics, skincare, fragrances, luxury gifts, high quality accessories, confections, pharmacy and for no other use or purpose.
- ii. **Travel Essentials (News & Gifts):** Retail rights in this document also includes Travel Essentials. For the operation of a Travel Essentials retail providing of the following: magazines, books, newspapers (in both print and electronic formats); prepackaged refrigerated and ambient snacks; confectionary and energy bars (candy, chocolate bars, gum, mints, premium boxed chocolates, health bars); refrigerated and room temperature bottled beverages (water, soda, energy drinks, teas and fruit juices); sundries; travel accessories (such as neck pillows, travel

blankets and umbrellas); electronics and electronic accessories (which may include power converters, power chargers, power supplies, cases for electronics devices and digital music players) e-readers, portable electronic gaming (non-gambling) hardware; non-prescription reading glasses; non-designer sunglasses; eyewear accessories; cigarettes and tobacco products; film; batteries; gift cards; pre-paid telephone cards; SIM cards; digital memory cards; travel-size health and beauty aids; and one-time use cameras and digital cameras; and a small assortment of travel bags (such as duffels, totes, backpacks and rolling luggage); souvenirs; gifts; regionally-themed apparel (for children and adults); children's toys, games, dolls, gifts, crafts, books, backpacks, character-themed children's apparel, plush toys, related toy accessories including an assortment of novelty/fun pre-packaged candy and pre-packaged snacks specific for children; and costume fashion jewelry, and for no other use or purpose.

- iii. **Breakout Beauty & Lifestyle Brands:** Men's and women's national - international branded apparel and accessories, cosmetics, fragrances, luxury gifts, high quality accessories and confections, and for no other use or purpose.

2.3. SUBMISSION, DESIGN, DEVELOPMENT AND REFURBISHMENT SCHEDULE

GPH will favourably recognize Proposals that clearly demonstrate good practices and great behaviours through a balance of design, concept, innovation, RFP requirements and quality operations (execution). Proposers should place emphasis on the opening of the Spaces as quickly as possible and submit Proposals that are transparent, reflecting proper bidding and thorough assessment and budgeting for design, concept, building time and ability to execute. Proposers should submit the economic portion of the Proposal based on Proposers' own independent assessment of the capital spending and assessment of passenger traffic in the Terminal. It is important to reiterate that Proposers' level of capital investment, commitment to open Spaces as per agreed schedules and the overall quality of concepts and operations are major elements in the Evaluation Criteria, as further described in Evaluation and Award Process Part below.

An example of project milestones and projected dates with respect to the design, development, plan submission and preliminary refurbishment schedule is as follows:

The proposed timescale (from the date the RFP is issued) for this process is as follows:

RFP Post: 17 July 2019

Site Visits & Questions from Proposers answered: 17 July 2019 – 01 October 2019

Proposals to be Submitted 01 October 2019

Selected Company Informed by 15 October 2019

Final Negotiations with selected company completed by 31 October 2019

Contract Signed: 15 November 2019

Premises built and fitted out: 15 November - 15 March 2020

Duty Free Shops open: 01 April 2020

Whilst the above timescale cannot be guaranteed, GPH will use commercially reasonable efforts to meet the proposed timescale.

Proposers will be required to start design immediately upon on award notification. Details of design criteria are outlined in Exhibit 5.

Proposers shall acknowledge that the schedule to complete all design work, have plans approved, obtain requisite permits and complete the construction and fit out of the Spaces is critical and Proposers must ensure that the Spaces are open for business on the date that a Proposer is required to initially open for business per their Lease. If a Proposer cannot commit to adhering to such dates, then their Proposal(s) may be rejected, at the sole and absolute discretion of GPH.

2.4. OPERATION AT THE CRUISE PORT

All Proposers should understand that Cruise Port retail operations present a unique set of challenges that does not exist in typical retail environments. The following circumstances and factors may affect proposed concession operations in the Terminal:

CUSTOMER SERVICE. All Proposers must share the passion and desire to distinguish the Terminal as a truly world-class customer service experience. To achieve this high level of results, Proposers are expected to agree and meet two criteria: (i) an agreement on minimum staffing requirement for certain benchmark number of passengers arriving to the Port, and (ii) comprehensive training is essential for all employees. In addition, employees should be trained to assist passengers with the utmost courtesy and respect, going beyond what is normally expected and exceeding expectations as a normal course of action. Employees will be expected to be knowledgeable of Terminal, cruise port services available to passengers and the ability to consistently enhance the passenger experience on a daily basis.

MERCHANDISING. Products and services must be maintained at adequate levels for passenger services at all times. Staffing levels must be enough to maintain excellent customer service as it relates to product knowledge, selling, employee break coverage, receiving deliveries, moving products, and tending to other administrative matters.

STORAGE. In the event additional storage space is available, GPH will distribute it based upon its sole discretion with commercially reasonable efforts to help assure the highest level of customer service. Following the award of any Spaces and the completion and execution of the Lease, Lessees shall submit a request in writing as to the amount of storage space needed for operations, provided, however, there are no assurances that the requested amount of storage will be made available. All storage space will be delivered in AS IS condition.

HOURS OF OPERATION. Ship calls are commonly affected by weather and other conditions, resulting in unscheduled delays or cancellations. All concession operations must be flexible and able to quickly extend operating hours to provide services during these periods, and staffing levels must be maintained during any such extended operating hours.

3. SUBMISSION INFORMATION

3.1. PORT VISITS

In addition to examination of the Request for Proposal Document each Proposer shall make whatever other arrangements are necessary to become fully informed regarding all existing and expected conditions and matters, including, but not necessarily limited to, studying the demographic profile of passengers or properly evaluating and estimating the business opportunity based on its own expectations which might in any way affect the cost or the performance of the services or the payments to be made by the Proposer. Such visits will be on a pre-arranged scheduled basis as determined by the relevant Port. Such visits will occur between the dates stated in the section 2.3.

All costs and charges in connection with visits to and examination of the Port and the preparation of the Proposal shall be borne by the Proposer. Failure to fully inspect the Ports shall not relieve the Proposer from the responsibility for properly evaluating and estimating the business opportunity based on its own expectations and the requirements and cost of satisfactorily performing the services and the payments to be made by the Proposer to GPH or to the relevant subsidiary. Neither GPH nor its relevant subsidiary or any of their representatives or agents assume any responsibility for any understanding or representation made by any person contrary to this RFP before or after the execution of a Contract with a Proposer.

3.2. QUESTIONS AND REQUESTS FOR CLARIFICATION

Requests for interpretations, clarifications, corrections or questions pertaining to this solicitation or any of the Proposal documents, forms or other materials can be submitted by e-mail by an authorized representative of the Proposer. All questions will be responded by e-mail.

3.3. GPH FURNISHED INFORMATION TO PROPOSERS

Any and all information furnished to Proposers by GPH or gained during Port inspections are not intended as representations or warranties but for informative purposes only. The Proposer agrees that it has satisfied itself as to the correctness of such information and data and all information and data gained by itself and accepts full responsibility for any use by it thereof. The Proposer, by submitting a Proposal, agrees that it has collected all necessary available information and data through RFP documents and its visits. The Proposer, by putting forward a Proposal, further agrees that it has the sole responsibility for any interpretation, deduction or conclusion based on the information provided shall be the Proposer's liability.

The passenger statistics and other statistical information are provided solely for the information and convenience of the Proposers. GPH assumes no responsibility whatsoever in respect to the sufficiency or accuracy of the figures and there is no warranty or guarantee, either expressed or implied.

3.4. PERFORMANCE BOND

PERFORMANCE BOND. As part of the execution of the Agreement with the successful Proposer, the successful Proposer shall provide the relevant subsidiary a performance bond in the form of an irrevocable, unconditional and payable upon first demand bank letter of guarantee issued by a reputable banking institution satisfactory to GPH for an initial term of 1 year (Performance Bond).

Latest by 15 days prior to the expiry of the Performance Bond's term, the successful Proposer shall submit a new Performance Bond issued for another 1-year period in the same terms as the Performance Bond being replaced (except for the amount of the Performance Bond which will be set out as per the following paragraph). If the successful Proposed fails to provide a new Performance Bond at any time during the term of the Agreement, the relevant subsidiary shall be entitled to enforce the Performance Bond and/or suspend the performance of the services by the successful Proposed until the successful Proposed provides a new Performance Bond.

The amount of the Performance Bond shall be determined in the sole and absolute discretion of GPH and may be adjusted from time-to-time. For the first year, the amount of Performance Bond shall not be less than 50% of the Minimum Annual Guarantee. For the subsequent years, the amount of the Performance Bond shall not be less than 50% of the Minimum Annual Guarantee or previous year's aggregate Revenue Share, whichever is greater. This Performance Bond is independent of any kind of security deposit that GPH or its subsidiaries are allowed to have for the lease of the Spaces under relevant jurisdiction.

GPH may also require a corporate guarantee from the parent corporation, franchisor or licensor of any Proposer or a personal guarantee from any individual owners if the Proposer is an entity with: (i) no prior operating experience, (ii) no audited financials; or (iii) has a current net worth of less than total amount of MAG proposed in its Proposal for the entire term of the letting.

Proposers should note that the foregoing requirements are in addition to any cash security deposits, letters of credit, contract bonds (payment and performance bonds) that are required with respect to the construction of the Spaces. Proposers should factor in, as part of their Proposals, the costs of any such cash security deposits, letters of credit, contract bonds (payment and performance bonds) required for construction. Please refer to the applicable provisions of the sample copies of the proposed legal agreements and related documents as well as the proposed criteria and construction manual requirements for additional information on these additional requirements.

4. EVALUATION AND AWARD PROCESS

4.1. SCORING

The following evaluation criteria ("Evaluation Criteria") has been established to accomplish the goals and objectives of this RFP Document and to enhance the passenger experience in the Terminal. The selection process will include a detailed evaluation of how well the Proposals meet the goals, objectives and RFP requirements set forth herein. The sections and total eligible points will reflect the level of commitment each Proposer has in each area of focus.

The following sections are required to be included in all Proposals. Respondents may include additional information beyond what has been requested herein.

1. Qualification Statement & Profile (10%)
2. Vision & Conceptual Design (30%)
3. Commitment & Financial Offer (60%)
4. Additional Information (optional)

In the event that a proposer's joint Proposal for all ports is successful, the proposer will also be granted to have a price match option / right of first refusal for the Kuşadası & Bodrum Travel Retail Tender. (Which is planned to take place in 2021)

Please organize submissions as outlined above and as detailed on the following pages:

4.1.1. QUALIFICATION STATEMENT & PROFILE (10%)

Please fill and sign Form 1 Qualification Statement:

- Respondent contact name, mailing address, phone number and email address
- Brief highlights of the submission (cover letter)
- A statement of commitment to fully comply with GPH's policies and requirements including without limitation anti-corruption, sanctions and forced labour
- Proposing entity and its structure
- Overview of company experience to include specific information regarding existing operations at Ports, Cruise Ships, Airports, Train stations or Borders. (references)
- Financial statements for the past three fiscal years to include annual reports for public corporations, CPA
- Prepared and certified financial statements for private corporations, or balance sheets, income statements and or partner tax returns for joint ventures and partnerships
- Copies of formation documents including operating agreements or, if applicable, teaming agreement

4.1.2. VISION & CONCEPTUAL DESIGN (30%)

This section will measure the proposed concept on how well it matches the passenger need, concept category and overall design. At a minimum, this section must include the following:

- A key bubble plan showing the proposed merchandise/ products and concepts.
- Concept Relevance to Terminal & Passenger Profile
- Category Justification Quality and Offering
- Innovation (concept, format, passenger interaction, memorable & impactful experience)
- Technology (application and integration)
- An outline Marketing strategy based on GPH Travel Retail Strategy
- Pop-ups and other initiatives
- Examples of the use of innovation to engage with passengers & Promotions and events
- Basic Management & Operations Plan

Guidance:

- Dual purpose duty free/duty paid units are required for the ports.
- Renderings / mood boards and 3D / Perspective Designs are encouraged but not mandatory.

4.1.3. COMMITMENT & FINANCIAL OFFER (60%)

This section will evaluate the projected financial value of each proposal. At a minimum, this section must include the following:

- Provide 6 years of income and expense projections by unit; use the provided format (Form 2), include notes as appropriate Guidance:
- Rent offer must include minimum annual guarantee and percentage rent, must be effective upon opening the stores. (April 2020) (Form 3)
- Investment Commitment / Capital Investment:

- Proposers should provide a good faith estimate of their proposed capital investment. Proposers must specify the amounts projected for the initial capital investment of each Space. While the Minimum Capital Investment is a baseline, the expectation of quality of aesthetics, materials and finishes within this world class terminal is anticipated to be higher than these amounts. Proposers should perform their due diligence and project costs as accurately as possible before responding to this RFP. The amounts by which such costs exceed the Minimum Capital Investment required shall be positively reflecting in the overall scoring process.
- Spaces may require that the Premises undergo a mid-term refurbishment, and will require a mid-term capital investment, however this is not mandatory.
- Adjust format as may be needed, also include notes and assumptions

The proposal document is not to exceed 50 pages including forms and appendices but excluding financial statements.

Upon receiving the notice of award, the successful Proposer shall (after submission of the Performance Bond) sign the Agreement and its subsequent addenda (if any) within ten (10) calendar days after GPH's written request that the Agreement be executed by the successful Proposer, deliver to GPH the requisite number of executed original counterparts of the Agreement along with other documents to be provided. Should any Proposer to whom a lease opportunity has been awarded, fail to deliver to GPH the Agreement and any other documents required, within the time permitted, then GPH shall have the right to cancel the award of such concession opportunity, determined at its sole and absolute discretion unless such ten (10) day period is extended by GPH.

5. RIGHTS OF GPH

Without limiting the generality of any other provisions of this RFP, GPH reserves the right, at any time prior to execution and delivery of the Agreement with the successful Proposer, to exercise any and all of the following rights and options, which rights and options may be exercised in GPH's sole and absolute discretion:

- To request additional or supplemental information.
- To modify, amend or change any part of this RFP via addendum at any time.
- To negotiate unacceptable provisions incorporated within an otherwise acceptable Proposal submitted in response to this RFP.
- To reject without evaluation any Proposal that is incomplete, unclear, conditional, or which contains irregularities or contingencies of any kind.
- To reject all Proposals received and reissue this RFP without change or modification.
- To reject any Proposals received on Spaces offered within this RFP and re-issue a RFP for such select Spaces to those entities who submitted Proposals on such Spaces or to cancel this RFP with respect to such select Spaces without issuing another RFP.
- To reject all Proposals received for all or any number of Spaces contained within this RFP with or without issuing another RFP.
- To cancel this RFP for all or any number of Spaces contained within the RFP with or without issuing another RFP.
- To reject the Proposal of a Proposer that has been in breach or default under any other agreement with GPH at any time or has been delinquent or otherwise unsatisfactory in the performance of any other agreement with GPH, or who is financially or technically incapable of performing the services required in this RFP.
- To investigate as GPH considers appropriate with respect to the qualifications of any Proposer and/or any information contained in any Proposal.

- To change the schedule of events set forth in this RFP at any time.
- To modify the locations of and the sizes of any of the Spaces or to modify the number or composition of Spaces in any Package.
- To modify concept categories for any Spaces.
- To enter into direct negotiations for any of the Spaces included in this RFP with any entity as determined in GPH's sole and absolute discretion.
- To make revisions to the form and content of the Agreement in GPH's sole and absolute discretion.

6. FORMS:

6.1. [Form 1 | Qualification Statement](#)

6.2. [Form 2 | Financial Proposal](#)

6.3. [Form 3 | Rent Proposal](#)

7. EXHIBITS:

7.1. [Exhibit 1 | Minimum Qualifications](#)

7.2. [Exhibit 2 | Data Files \(Historical Data, Passenger - Duty Free / Duty Paid Projections\)](#)

7.3. [Exhibit 3 | Port Drawings, Lease outline drawings, photos, pictures, passenger flows](#)

7.4. [Exhibit 4 | Retail Area Lease, Management and Revenue Share Agreement](#)

7.5. [Exhibit 5 | Design Criteria](#)