
RISK FACTORS

An investment in our Shares involves various risks. You should carefully consider all the information in this document and in particular the risks and uncertainties described below before making an investment in our Shares.

The occurrence of any of the following events could materially and adversely affect our business performance, financial condition, and/or results of operations or prospects. If any of these events occur, the trading price of our Shares could decline and you may lose all or part of your investment. You should seek professional advice from your relevant advisers regarding your prospective investment in the context of your particular circumstances.

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

Our business and results of operations depend on our ability to attract customers, which may be affected by global economic conditions and certain risks common to the global resort industry.

We are a global premium vacation lifestyle group. Anchored by our Club Med brand, we operate premium all-inclusive resorts and provide asset-light vacation scenario services, delivering high-quality vacation experiences to our guests worldwide. As of the Latest Practicable Date, we had sales and marketing operations in more than 40 countries and regions across six continents and operated 69 resorts, including mountain and ski resorts and sun and beach resorts offerings. As a result, our business is particularly sensitive to the general economic environment, which could affect levels of discretionary business and leisure travel and discretionary consumer spending. In particular, the number of travelers and the amount that customers spend when they travel could decrease if disposable income decreases, sales taxes or value-added taxes increase, the unemployment rate increases, transportation and fuel costs increase, or the spending habits of customers change in response to increased uncertainty regarding economic conditions.

During the Track Record Period, we generated substantially all of our revenue from the operations of our resorts. As a result, any significant downturn in revenue due to a decreased number of guests at our resorts may have a material adverse effect on our ability to service our debt and direct costs and our ability to satisfy our borrowing requirements on favorable terms, or at all. A significant deterioration or sustained decline in economic conditions could reduce consumer spending at our resorts, and could result in a decrease in occupancy rates and the number of guests, which would have a material adverse effect on our business, financial condition and results of operations.

We currently operate resorts across EMEA, the Americas and APAC. Our operations and results of operations are subject to a number of factors that could adversely affect our business. Many of these are common to the global resort industry, and we believe the most significant factors are: (i) downturns in international travel market conditions and national, regional or local political, economic and travel market conditions, including epidemics, travel-related accidents, travel-related industrial action, increased transportation and fuel costs, or natural disasters in the countries and regions in which we operate, which may diminish the demand for leisure travel; (ii) increased competition and periodic local oversupply of guest accommodations in the locations where we have operations; (iii) changes in travel patterns or in the structure of the global resort industry, including any increase in, or the imposition of new taxes on, air travel; (iv) increases in operating expenses as a result of inflation, increased personnel and healthcare-related costs, higher utility costs, and increased taxes and insurance costs, as well as unanticipated costs arising from acts of nature and other factors that may not be capable of being offset by increased occupancy rates or room rates; (v) changes in

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governmental laws and regulations relating to the global resort industry, including those relating to employment, the preparation and sale of food and beverages, health and alcohol licensing laws and environmental concerns, fiscal policies and zoning ordinances and the related costs of compliance; and (vi) limited natural tourism resources, which could affect our ability to expand our operations or acquire high-quality destination resources on favorable terms, or at all. Our vacation scenario services are subject to many of these factors as well, and also depend on the willingness and ability of property owners and developers to invest in vacation and leisure projects.

The impact of any of these factors, or a combination of them, may adversely affect price and occupancy levels at our resorts, and/or otherwise cause a reduction in our revenue. Such factors, or a combination of them, may also adversely affect the value of our assets and in either such case would have a material adverse effect on our business, financial condition and results of operations.

Changes in consumer tastes and preferences may affect demand for our resorts, premium all-inclusive vacation offerings and vacation scenario services.

As one of the world’s leading operators of premium all-inclusive vacations with a global presence, consumer tastes and preferences are important to our operations. For our resorts, our success depends, to a large extent, on our ability to attract guests to our resorts offering all-inclusive packages. We currently operate our resorts under three brands, namely Club Med, Club Med Joyview and Club Med Urban Oasis, spanning mountain and ski resorts and sun and beach resorts. For our vacation scenario services, our success depends on the consumer demand for the vacation and leisure projects for which we provide operational, management, branding and other services. Changes in consumer tastes and preferences, particularly those affecting the popularity of the all-inclusive vacation model, experiential and lifestyle-oriented leisure activities, and other social and demographic trends, could adversely affect the number of guest visits to our resorts and demand for our vacation scenario services.

We lease some of our resorts from third parties, and termination, non-renewal, or disputes relating to these leases could negatively impact our results of operations.

We lease some of our resorts in EMEA, the Americas and APAC from third parties. As of the Latest Practicable Date, we operated 41 of our resorts under the lease operating model. Under such model, we are entitled to operate and manage resort premises as Club Med resorts, and the lessor is entitled to receive rent under the relevant lease agreement, which may include fixed rent and, in some cases, variable rent linked to the volume or revenue generated by the resort. We generally enter into long-term lease agreements, with a typical term of 15 years and are usually renewable.

Our lease arrangements expose us to a number of risks. Our leases create fixed rental obligations over a long term regardless of resort performance, and the relief available to us under force majeure or similar provisions is limited. If demand or operating conditions at a leased resort deteriorate, we generally remain bound by these obligations, which may materially affect our results of operations. We may not be able to renew our leases on commercially acceptable terms, or at all, upon their expiration, and property owners may seek to increase rental payments, impose less favorable contractual terms or decline to renew the leases. Disputes may also arise regarding the interpretation or performance of lease agreements, and any failure to register a lease or amendment thereto may affect its enforceability, which in extreme circumstances may result in us having to vacate the relevant resort. In addition, we cannot assure you that the lessors will continue to have valid ownership of, or the right

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to lease, the relevant properties. If a lessor becomes insolvent or the relevant property becomes subject to enforcement or judicial auction proceedings, we may be required to terminate the relevant lease and cease operations at the affected resort. Any termination, non-renewal or material disruption of our lease arrangements could require us to relocate or cease operations at the affected resorts, increase our operating costs or capital expenditure, and materially and adversely affect our business, financial condition and results of operations.

We are subject to risks related to our management contract operating model, and the owners of resorts we manage may terminate our management agreements or fail to meet their obligations.

We provide management services to some resorts that we do not own or lease within the framework of the relevant management agreements, under which the property owners engage us to operate and manage the resorts. We also provide operating, management, branding and other services to owners and developers of certain vacation and leisure projects, primarily in China, through our vacation scenario services. If we fail to meet the requirements in the relevant management or service agreements or fully satisfy other requirements set out by the owners or developers of these resorts or projects, they may make claims against us and/or terminate our services in whole or in part. Conversely, the owners or developers may fail to perform their own obligations, including funding, developing or delivering the relevant property, in which case we may be unable to operate the relevant resort or project as planned. There is a potential risk that the owners or developers of these resorts or projects might terminate their agreements with us due to their business considerations. Also, where the actual profit achieved falls below the agreed threshold, the owners or developers might terminate their agreements with us, refuse to pay fees to us, or even request compensation from us. In that case, our business, financial condition and results of operations could be materially and adversely affected.

Our results of operations may fluctuate due to seasonal and other factors.

Our operations are subject to seasonal factors. Demand for our resorts generally increases during school holidays, major public holidays and peak vacation seasons, particularly the summer season for our sun and beach resorts and the winter season for our mountain and ski resorts, and we achieve higher profitability from our mountain and ski resorts in winter. As a result, our revenue, occupancy levels and operating results vary across different periods of the year, and comparisons between different periods may not be meaningful. Adverse weather conditions and changes in holiday calendars may also affect demand for our products and services. For details, see “Financial Information—Major Factors Affecting Our Results of Operations—Seasonality.”

Our financial and operating performance may be adversely affected by epidemics, adverse weather conditions, natural disasters and other catastrophes.

Our financial and operating performance may be adversely affected by epidemics, adverse weather conditions, natural disasters and other catastrophes, particularly in locations where we operate our resorts. Outbreaks of contagious diseases may materially disrupt our resort operations, including through reduced travel demand, operational restrictions, and the need to quarantine employees, guests or affected resort areas. Any such events could adversely affect occupancy rates, guest confidence and the safety reputation of the affected resorts. Losses resulting from epidemics, adverse weather conditions, natural disasters or other catastrophes, including earthquakes, hurricanes, typhoons and wildfires, may be uninsured or exceed available insurance coverage. In the event of an uninsured or underinsured loss, we may lose all or part of our investment in the affected resorts, as well as

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anticipated future revenue. In addition, we may not be adequately prepared for major incidents or crises at our resorts, which could disrupt operational continuity and harm our reputation.

Our business depends on international travel and may be adversely affected by geopolitical tensions, visa and aviation restrictions, travel advisories and other disruptions to cross-border travel.

A significant portion of our guests travel internationally to reach our resorts, and our business therefore depends on the continued willingness and ability of customers to travel across borders. War or the threat of war, geopolitical tensions, armed conflicts, terrorist activity, social unrest, travel-related accidents, heightened travel security measures and international security concerns, including recent and ongoing conflicts and instability in various regions, may reduce customers’ willingness to travel to affected destinations or internationally at all. Changes in visa policies, entry requirements, immigration controls or bilateral relations between countries may make it more difficult, costly or time-consuming for our customers to travel to our resorts, particularly customers traveling to resorts located outside their home markets. In addition, disruptions to air travel, including flight cancellations, reduced route availability, higher fares, airport congestion, strikes and changes in aviation regulations, may limit our customers’ ability to reach our resorts and increase the cost of their vacations. Governments may also issue travel advisories or impose travel restrictions in response to geopolitical events, public health emergencies, natural disasters or security concerns, which may discourage or prevent travel to the affected destinations. Because our resort network spans EMEA, the Americas and APAC and relies on customers from diversified source markets, any of these developments could reduce demand for our resorts in the affected destinations, disrupt our operations and require us to offer refunds, rebooking or alternative destinations, any of which could materially and adversely affect our business, financial condition and results of operations.

Any deterioration in the reputation or value of our “Club Med” brand or our other brands could adversely affect our business and results of operations.

Our success depends, to a large extent, on the image, reputation and perceived value of the Club Med brand, which was founded in 1950 and has over 75 years of history in the premium all-inclusive vacation industry. Centering on Club Med as our flagship brand, we have developed an integrated brand portfolio comprising our core premium all-inclusive resort offering, sub-brands such as Club Med Joyview and Club Med Urban Oasis, and other brands used in our vacation scenario services, appealing to a range of customers across different vacation scenarios. Our continued success in maintaining and enhancing our brand portfolio and brand value depends, to a large extent, on our ability to satisfy guest needs by consistently delivering high-quality, premium all-inclusive vacation experiences across our global resort network, as well as our ability to innovate in response to competitive pressures and evolving customer preferences. If we are unable to consistently deliver such quality of services, our occupancy rates may decline, which could in turn adversely affect our results of operations. Because we also extend our brands to third parties through our vacation scenario services and our management contract operating model, any failure by our business partners, licensees or the operators of resorts we manage to follow our standards and requirements, or any misuse of our brands, could adversely affect our reputation and brand image. In addition, like any operator in the service industry, we are subject to complaints from our guests. Guests may complain that they are not satisfied with the standard of service provided at our resorts. Any complaint, regardless of its nature and validity, may affect our reputation and, in turn, adversely affect our results of operations, whether justified or not, particularly given the amplification of such matters on social media. We may also need to incur additional costs to address guest concerns or to protect our reputation. Moreover, if we are

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unable to identify and respond to issues in a timely manner, our image and reputation may be damaged, which may adversely affect our results of operations.

Incidents or adverse publicity concerning us, our business partners or our Controlling Shareholders could harm our brand or reputation and negatively affect our results of operations and prospects.

Our brand and reputation are central to our premium positioning and our ability to attract and retain guests, and they may be harmed by incidents or adverse publicity, whether or not justified. Such incidents or publicity could relate to, among other things, safety incidents, accidents or injuries at our resorts, food safety or hygiene issues, employee or G.O. misconduct, service quality shortfalls, data or privacy breaches, litigation, regulatory actions, or environmental, social or governance matters. Because we operate, license and manage resorts and other vacation and leisure projects under the Club Med brand and our other brands, and cooperate with a range of business partners, including brand, technology, distribution and supply partners, the owners of resorts we manage and the owners and developers of the projects to which we provide vacation scenario services, adverse publicity or incidents involving these partners, or their failure to meet our standards, could also be associated with us and harm our brand and reputation. Similarly, as a subsidiary of Fosun International, adverse publicity concerning our Controlling Shareholders or their affiliates could affect us by association, even where it does not relate to our business. Negative publicity can spread rapidly, particularly through social media and online review platforms, and may be difficult to control or correct. Any harm to our brand or reputation could reduce demand for our resorts and services, and could materially and adversely affect our business, results of operations and prospects. See also “—Any deterioration in the reputation or value of our “Club Med” brand or our other brands could adversely affect our business and results of operations,” “—Failure to comply with data protection and cybersecurity laws or to maintain the integrity of internal or customer data could result in harm to our reputation or subject us to costs, liabilities, fines or lawsuits,” “—Accidents or injuries at our resorts may adversely affect our reputation and subject us to liability” and “—We face risks related to instances of food-borne illnesses, food contamination and associated liability claims.”

We recorded net liabilities and net current liabilities during the Track Record Period, which exposes us to liquidity risk and may affect our working capital sufficiency.

As of December 31, 2023, 2024 and 2025 and June 30, 2026, we recorded net liabilities of approximately EUR187.5 million, EUR171.7 million, EUR147.0 million and EUR171.9 million, respectively, primarily as a result of accumulated deficits arising from losses recognized in prior periods. Although we recorded profit for each period during the Track Record Period, we cannot assure you that we will be able to eliminate our net liability position or accumulated deficit, or maintain profitability, in the future. Our net liability position and accumulated deficit may limit the reserves available for distribution and adversely affect our financial position and the perception of our financial condition. See “Financial Information” and “Relationship with Our Controlling Shareholders.”

In addition, as of December 31, 2023, 2024 and 2025 and June 30, 2026, we recorded net current liabilities of approximately EUR1,088.9 million, EUR1,056.4 million, EUR1,041.0 million and EUR673.9 million, respectively. Our net current liabilities were primarily attributable to our accrued liabilities and other payables, amounts due to related companies, interest-bearing bank and other borrowings, trade payables and the current portion of our lease liabilities. Our net current liability position exposes us to liquidity risk, and our ability to meet our payment obligations as they fall due

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depends on our ability to generate sufficient cash flow from operations, maintain access to available banking facilities and, if necessary, obtain additional financing. If we are unable to do so, we may not have sufficient working capital to fund our operations and satisfy our obligations, and we may be required to seek additional financing on unfavorable terms, or at all. Any of the foregoing could materially and adversely affect our business, financial condition and results of operations.

Disruption to our information technology systems or those of third parties could adversely affect our business and results of operations.

We rely on information technology systems to manage many aspects of our business, including our centralized reservation, pricing and revenue management systems, customer relationship management and membership programs, online and mobile booking platforms, payment processing, procurement, human resources and financial reporting. We also rely on the information technology systems of third-party business partners, including distribution partners, travel agents, payment processors and software and cloud service providers. Our systems and those of our business partners are vulnerable to damage, disruption or interruption from a variety of causes, including power outages, hardware and software failures, telecommunications failures, cyberattacks, computer viruses, ransomware, human error, natural disasters and other events beyond our control. Any interruption or failure of these systems could impair our ability to accept and manage bookings, deliver services to our guests, process payments and operate our resorts efficiently. In addition, we may need to incur significant costs to upgrade, maintain, secure or replace our systems, and any failure to do so on a timely basis could disrupt our operations. Any of the foregoing could damage our reputation and have a material adverse effect on our business, financial condition and results of operations.

Failure to comply with data protection and cybersecurity laws or to maintain the integrity of internal or customer data could result in harm to our reputation or subject us to costs, liabilities, fines or lawsuits.

In the ordinary course of our business, we collect, store, process and transmit a large volume of personal and other data relating to our guests, employees and business partners, including names, contact details, payment card information and travel preferences. As we operate across multiple jurisdictions, we are subject to a range of data protection, privacy and cybersecurity laws and regulations, including the General Data Protection Regulation in the European Union and data protection and cybersecurity laws in other jurisdictions in which we operate. See “Regulatory Overview—French and EU Laws and Regulations—General Data Protection Regulation.” These laws and regulations are complex, continue to evolve and may be inconsistent across jurisdictions, and compliance may require significant time, resources and expense. Despite the measures we have implemented, our systems and data, and those of our business partners, may be subject to unauthorized access, cyberattacks, data breaches, loss or misuse of data, or other security incidents, which may be difficult to detect or prevent. Any actual or alleged failure to comply with applicable data protection or cybersecurity laws, or any breach or compromise of the data we hold, could result in investigations, fines, penalties, litigation, remediation costs and restrictions on our operations, as well as damage to our reputation and loss of customer trust, any of which could have a material adverse effect on our business, financial condition and results of operations.

Accidents or injuries at our resorts may adversely affect our reputation and subject us to liability.

There are inherent risks of accidents or injuries at our resorts. Due to the nature of our business, safety incidents occur at our resorts from time to time, including incidents over which we have no

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control. Such incidents, including fatalities, occurred during the Track Record Period. We may face complaints or litigation arising from such incidents and our reputation, business, operations and financial condition could be materially adversely affected. Moreover, one or more accidents or injuries at any of our resorts could adversely affect our reputation for safety among our current and potential guests, decrease our overall occupancy rates and increase our costs by requiring us to take additional measures to make our safety precautions even more visible and effective. In addition, as we provide age-specific kids clubs and family activities at our resorts, we are exposed to greater risks relating to child safety compared to competitors that do not provide such services to the same extent, or at all. For example, children may be inadvertently injured even if we maintain our childcare equipment in good condition and our staff and G.O.s hosting children’s activities take sufficient care. Guests may also be injured when participating in sports, ski or water activities at our resorts. If accidents or injuries, especially involving children, occur at any of our resorts, our reputation might be damaged and we may be held liable for costs related to the injuries. Our current insurance policies may not provide adequate coverage, and we may be unable to renew our insurance policies or obtain new insurance policies without increases in cost or decreases in coverage levels.

We face risks related to instances of food-borne illnesses, food contamination and associated liability claims.

As we provide all-inclusive packages, including food and beverage, to our guests at our resorts, we face an inherent risk of food contamination and associated liability claims. Our food quality depends partly on the quality of the food ingredients and raw materials provided by our suppliers. We may not be able to detect all defects in our supplies, and food contamination could be caused by third-party food suppliers or other factors outside of our control. Due to the scale of our operations, we also face the risk that certain of our employees may not adhere to our mandated procedures and requirements. Food-poisoning incidents may occur at our resorts from time to time. Any failure to detect defective food supplies or to observe proper hygiene, cleanliness and other quality control requirements or standards in our operations could adversely affect the quality of the food we offer, which could lead to liability claims, complaints and related adverse publicity, reduced customer traffic and the imposition of penalties by relevant authorities and compensation awards by courts.

We depend on numerous suppliers to provide food, beverages and other supplies for our resort operations, which exposes us to various risks that may materially and adversely affect our reputation, business, financial condition and results of operations.

The ability to source quality food ingredients and beverages at competitive prices in a timely manner is important to our business. Our ability to maintain consistent quality and maintain our dining offerings across our resorts depends in part upon our ability to acquire fresh food products and beverages and related supplies from reliable sources that meet our quality specifications and in sufficient quantities. If our suppliers do not deliver high quality supplies in a timely manner, the dining offerings at our resorts will be adversely affected and we may face customer complaints and reputational damage, especially given that we operate in the premium vacation market.

Moreover, we are exposed to the risks that we may not be able to obtain supplies in sufficient quantities and that the price of our supplies may rise significantly. A disruption of our food or beverage supplies could occur for a variety of reasons, many of which are beyond our control and this could increase our food and beverage costs and/or cause shortages of food, beverages and other supplies at our resorts. These factors could have a material and adverse effect on our business, financial condition, results of operations and reputation.

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Any disruption to the supply of flights, accommodations, land operator services, or other travel products or related services, or increase in the prices of travel products, could adversely affect our operations and profitability.

Our business, in particular our package tour operations, depends on a number of travel products and services including flights, accommodations, service of land operators and ground transportation, and we sometimes rely on our suppliers or service providers to provide us with such services. To remain flexible in our operations, we usually do not enter into long-term arrangements with our suppliers, and our suppliers may reduce or cease their provision of travel products or services to us at any time, which could materially and adversely affect our business and operating results. We may experience shortages in the supply of these services in the future due to various factors including the market conditions in the relevant industries or the operations of the relevant suppliers or service providers, which could materially and adversely affect our operations. If any supplier or service provider is unwilling or unable to provide us with the relevant products or services in required quantities and at acceptable prices, we may be unable to find alternative sources at commercially acceptable prices, on satisfactory terms, in a timely manner, or at all. Our inability to secure alternative sources could result in delay in our operations and adversely affect our revenue.

Furthermore, we are exposed to fluctuations in airfares, tariffs and land operator fees and other costs. The prices of these products and services are determined principally by market forces and our bargaining power against our suppliers and service providers. We may not be able to offset all increases in prices of our supplies by raising the prices of our products and services. If we increase our prices significantly, we may lose our competitive advantage, and if we cannot pass on such increases to our consumers, we may not be able to maintain our current gross profit margins, and the operating results of our business may be materially and adversely affected.

Our resorts may encounter temporary closures or lower capacity as a result of repairs, replacements, renovation or redevelopment.

Our resorts may require repairs and replacements from time to time, which may be time-consuming and require significant capital expenditures. Much of the infrastructure and equipment will eventually need to be replaced or significantly repaired or modernized, which could result in interruptions to our business, particularly during our peak periods. Our resorts may also need to undergo renovation or redevelopment works from time to time to retain their attractiveness and may also require maintenance or repairs in respect of faults or problems that may develop or because of new planning laws or regulations.

During the Track Record Period, we incurred capital expenditure relating to the renovation and maintenance of existing resorts, and we plan to continue to invest in renovating and upgrading our existing resort facilities. Such repairs, replacements, redevelopments or renovations may adversely affect our ability to attract guests at the affected resorts and may require the partial or complete closure of a resort or of facilities within a resort. During such periods, we may experience a reduction in the capacity of the affected resorts. Moreover, the inconvenience caused by such activities may affect the satisfaction and experience of our guests, which may in turn affect their future spending behavior when they choose resorts in the future.

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We depend on our Directors, senior management and other key personnel, and the loss of such key personnel could harm our business.

Our future business and results of operations substantially depend on the continuous contributions of our Directors, senior management and other key personnel. The loss of any services of the Directors and senior management could have a material adverse effect on our business, financial condition and results of operations. Our Directors and senior management are key to our success because of their expertise and experience in the global vacation and lifestyle industry, market development and their expertise in managing our operations. Several of our Directors hold positions in other companies and organizations. See “Directors and Senior Management.” In addition, other key personnel, such as our Chefs de Village, are also important to our business, and the loss of any of them may adversely affect our resort operations.

We expect that our Directors and our senior management team will continue to play an important role in the future growth and success of our business. However, there is no assurance that we will be able to retain such personnel. In the event of the loss of services of any Director or senior management, we may not be able to recruit new highly experienced personnel in a timely manner, or at all. As our ability to effectively implement our business strategy will depend upon, among other factors, the successful retention and recruitment of senior management, our business, financial condition and results of operations could be adversely affected as a result.

If we fail to attract, retain and train a sufficient number of qualified employees, in particular our G.O.s, or if we experience increased labor costs, strikes or labor disputes, our operations and profitability may be adversely affected.

Our operations depend on our ability to attract, retain, train, manage and engage a sufficient number of qualified and skilled employees. For example, G.O.s are important at our resorts to provide premium services and to share our friendly and unique culture with our guests, and the failure to train and retain a sufficient number of G.O.s may adversely affect our attractiveness to, and the satisfaction of, our guests. In addition, due to the complexity of our business, the number of qualified and skilled personnel in certain areas may be limited. We may be unable to attract and retain a sufficient number of employees, especially G.O.s of foreign nationalities, due to any shortage of labor available for hire or employment-related local regulatory constraints and requirements, such as visa and work permit requirements for foreign employees. If we are unable to attract, retain, train and engage a sufficient number of qualified and skilled employees, our ability to staff our operations adequately could be impaired, and any shortage of G.O. staff might affect resort customer satisfaction. Moreover, a shortage of skilled labor or increase in wages, social security contributions or related employment costs could increase our labor costs, which could reduce our profits.

We may also experience disruptions of our operations due to strikes, labor disputes or other unrest which may adversely affect our business, financial condition and results of operations. Any disruptions due to strikes or other events could adversely affect our business, financial condition and results of operations.

We may from time to time be involved in legal and other proceedings arising out of our business.

We may be involved in legal and other proceedings arising out of our businesses. For example, our online platforms contain information about our resorts and services, and if any information accessible on our online platforms contains errors or false or misleading information, third parties

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could take action against us for losses incurred in connection with the use of such information. Moreover, we may be involved in disputes in connection with employee misconduct, such as inappropriate contact, or perceptions of impropriety, by our staff or G.O.s, or the delivery of content that may be taken as offensive by our guests. We may also be involved in disputes with various parties relating to the construction of our resorts and the daily operation of our business, including contractual disputes with owners, contractors, suppliers, construction workers and retailers, personal liability claims, and disputes over property damage or other property right infringements. We may also become involved in other litigation, arbitration, administrative proceedings or disputes arising from our business operations, including contractual, commercial, employment, property and other claims. Regardless of the outcome, these disputes may lead to legal or other proceedings and may result in substantial costs, delays in our development schedule, and the diversion of resources and management’s attention. We may also have disagreements with regulatory bodies in the course of our operations, which may subject us to administrative proceedings and unfavorable decisions that result in penalties and/or delay our development. In such cases, our business, financial condition, results of operations and cash flows could be materially and adversely affected. During the Track Record Period and up to the Latest Practicable Date, we were not involved in any litigation or claim of material importance. For further information, see “Business—Legal Proceedings and Compliance.”

Our financing arrangements and level of indebtedness subject us to interest rate risk and restrictive financial covenants, and we may be unable to obtain additional financing, refinance our indebtedness or comply with such covenants.

As of December 31, 2023, 2024 and 2025 and June 30, 2026, our indebtedness comprised interest-bearing bank and other borrowings of EUR423.6 million, EUR331.7 million, EUR285.8 million and EUR662.6 million, respectively, and lease liabilities of EUR1,485.5 million, EUR1,540.2 million, EUR1,489.6 million and EUR1,447.9 million, respectively, of which 35%, 32%, 33% and 32%, respectively, would mature within one year. Any increase in interest rates, or in the incremental borrowing rates used to measure our lease liabilities, would increase our financing costs and may have a material and adverse effect on our business, financial condition and results of operations.

We are also subject to risks relating to our level of indebtedness, including that (i) our cash flow may be insufficient to meet our required principal, interest and lease payments, which, unless we obtain alternative funding, would result in a default under our loans or leases; (ii) we may be unable to borrow additional funds as needed, or to refinance our indebtedness at maturity, on favorable terms or at all; and (iii) the restrictive and financial covenants in our loan agreements, and similar or other covenants in future financing arrangements, may have restrictions on our ownership and change of control, limit our ability to incur additional indebtedness, acquire and dispose of resorts, make other investments or capital expenditures, sell operating assets, declare dividends and make other distributions and make amendments to our constitutional documents. If any of the above events were to occur, our financial condition, results of operations, cash flow and our ability to satisfy our debt obligations could be materially and adversely affected.

We may face delays in the development and opening of new resorts, and we may fail to obtain or renew the licenses, permits and approvals required for our new and existing resorts.

We may face delays in completing and opening our new resorts under development. We intend to expand our resort network over time, and we have a number of pipeline projects at various stages of

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evaluation, negotiation, signing and development. The completion and opening of these new resorts can be adversely affected by many factors, including, but not limited to: (i) shortages of construction and building materials, equipment, contractors or skilled labor; (ii) construction accidents; (iii) natural catastrophes; (iv) adverse weather conditions; (v) complex hydrogeological conditions; and (vi) lack of infrastructure facilities.

We may also encounter delays or may not be able to obtain all necessary governmental and regulatory licenses, permits, approvals and authorizations for our resorts under development. Our resorts under construction may be subject to risks which include, among other things, default by contractors or other third party providers of their obligations or financial difficulties faced by such persons and increases in construction costs which will take us additional time to seek additional funding, all of which could cause a delay in construction. Any delay in the completion of our resorts under construction could lead to increased construction costs. Also, for resorts under construction to be managed by us, the landlords of resorts might delay the construction schedules, which may result in delays in opening the resort.

Further, if the construction or renovation of these resorts is not completed on time, revenue generation from these resorts could be affected and delayed. There is no assurance that we will not experience any delays in completion, delivery or operation or that we will not be exposed to liability or revenue shortfalls for any such delays in the future. Any delay in completion or failure to complete these resorts according to the specifications, schedule or budget may materially and adversely affect our business, financial condition and results of operations.

In addition, the operation of our existing resorts requires a range of licenses, permits and approvals, which vary by jurisdiction and by the type of resort, facilities and services provided, and certain of which are subject to expiry and periodic renewal. We cannot assure you that we will be able to obtain or renew them in a timely manner or at all, including as a result of changes in applicable laws or regulatory requirements, or that we will not be subject to fines, penalties, suspension of operations or other regulatory action in respect of any non-compliance.

Our new resorts incur pre-opening expenses and generate relatively low revenue during development and ramp-up periods, our resorts may generate reduced revenue during renovation, and our vacation scenario services projects may incur costs in advance of their revenue contribution, which may adversely affect our financial performance.

Before a new resort begins operations, we incur pre-opening expenses, including marketing and promotion, recruitment and training of G.O.s and other personnel, and other initial operating costs, and, for resorts operated under our ownership and lease models, we also bear the associated operating costs and, in the case of owned resorts, capital expenditure. Following opening, a new resort generally requires a ramp-up period, which we expect to be up to approximately three years, before it reaches a stabilized level of occupancy and operating performance. During the development and ramp-up periods, a new resort generates relatively low revenue while continuing to incur fixed and other operating costs, and may operate at a loss. As we intend to accelerate the pace of new resort openings, the aggregate pre-opening expenses we incur are expected to increase, and the addition of new resorts that have not yet stabilized may temporarily dilute our overall occupancy rates and operating margins. In addition, our existing resorts may generate reduced revenue, or may be required to close partially or entirely, while they undergo renovation, upgrade or redevelopment. Our vacation scenario services projects are subject to similar timing risks. Our services for these projects generally commence at the

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pre-opening stage, including project preparation and oversight of construction progress, and we may therefore incur personnel and other operating costs, as was the case for certain of our cultural tourism-related initiatives during the Track Record Period. We cannot assure you that our new resorts or our vacation scenario services projects will achieve their expected occupancy, revenue or profitability within the anticipated time frame, or at all, or that the benefits of any renovation will justify the associated costs and revenue impact. Any of the foregoing could have a significant negative impact on our business, financial condition and results of operations.

An increase in our resort capacity without a corresponding increase in demand could adversely affect our business, financial condition and results of operations.

We intend to expand our resort network and capacity over time, including by opening new resorts and, in some cases, expanding or upgrading existing resorts. The addition of capacity depends on our assessment of expected future demand, which is subject to numerous factors beyond our control, including general economic conditions, consumer preferences, competition and the other factors described in these risk factors. There is often a lead time of several years between our decision to develop a new resort and its opening, during which market conditions and demand may change. If demand for our resorts does not increase in line with our capacity, or if capacity is added in particular destinations or resort types where demand does not materialize as expected, we may experience lower occupancy rates and downward pressure on our pricing. Because a significant portion of our resort operating costs is fixed, reduced occupancy or pricing may not be offset by cost savings and could disproportionately affect our profitability. Any failure to match our resort capacity with demand could materially and adversely affect our business, financial condition and results of operations.

We incur high maintenance and operating costs in operating our business.

We incur high maintenance and operating costs in operating our business. For example, our business operations utilize a large amount of utilities such as gas, water and electricity. We are generally not able to influence the prices which utilities providers charge us, nor can we easily switch to a different utilities provider. Any price increase or change in pricing structure from these utilities providers could have an adverse effect on our operating costs. Therefore, increases in the prices of products and services which we procure to maintain our services to our customers could increase our operating costs if we are not able to pass these higher costs on to our customers.

In addition, operating facilities involves a significant amount of fixed costs which limit our ability to respond to adverse market conditions by minimizing costs. Such limitations may have an adverse impact on our profitability when the global resort industry experiences a downturn and may exacerbate the impact of a decline in occupancy and/or average daily rates or in demand for our facilities. Any significant increase in maintenance costs and operating costs may have a material and adverse effect on our business, financial condition, results of operations and prospects.

We face certain risks of defects or deficiencies of properties and facilities in connection with our operations.

The properties and facilities that are essential for our daily operations, such as our resorts and their facilities, may have design, construction or other latent property or equipment defects or deficiencies requiring significant capital expenditures, repair or maintenance expenses or payment of other obligations to third parties. In addition, there may be breaches of laws or regulations, including

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those in relation to real estate, or non-compliance with certain regulatory requirements in respect of our resorts. In addition, wear and tear of our resorts and their affiliated facilities or adverse weather conditions could result in defects requiring repairs or replacement. Such defects and/or the repair, maintenance or replacement works carried out to rectify them could increase our costs and could have an adverse effect on the operations of our resorts and their affiliated facilities.

Our resorts may be affected by contamination or other legal issues which may not previously have been identified and/or rectified. This could give rise to a number of risks, including the risk of prosecution by relevant governmental authorities and the requirement for unbudgeted additional expenditures to remedy such issues, including paying penalties, fines, damages or additional capital expenditures or compliance costs.

Our insurance coverage may not be adequate to cover all losses and liabilities.

We face various risks during our daily operations, such as the risks of physical damages of our resorts caused by fire, acts of God and claims arising from the operations of our resorts. We seek to maintain comprehensive insurance coverage at commercially reasonable rates. The major types of insurance that we maintain include general liability insurance, property damage and business interruption insurance, and directors’ and officers’ liability insurance, as well as other insurance policies required under applicable laws and regulations or customary for our business operations. However, our insurance policies do not cover all types of losses and liabilities. There is no assurance that our insurance will be sufficient to cover the full extent of all losses or liabilities for which we are insured, and we cannot guarantee that we will be able to renew our current insurance policies on favorable terms, or at all. In addition, if we sustain significant losses or make significant insurance claims, our ability to obtain future insurance coverage at commercially reasonable rates could be materially adversely affected.

We face intense competition that could adversely affect our business, financial condition and results of operations.

We operate in a competitive and highly fragmented industry. We compete with other resort brands, all-inclusive resort operators, hotel and hospitality groups and vacation and lifestyle service providers for consumers’ discretionary spending on leisure travel and vacation experiences. The key competitive factors include access to attractive destination resources, brand recognition, product positioning, service quality, customer engagement and integrated resort operating capabilities. We also face competition in securing attractive resort locations, recruiting and retaining qualified resort staff and G.O.s, and developing new resort projects in certain markets. Moreover, there is no guarantee that other brand competitors will not enter into this market with competitive services and prices, and our competitors may offer more facilities and/or services at similar or more competitive prices compared to ours to attract more customers. If the efforts of our competitors are successful, our business may be adversely affected. For example, our resorts may experience lower occupancy rates, or we may be required to lower our rates, both of which would result in a material and adverse effect on our business, financial condition and results of operations.

Fluctuations in foreign currency exchange rates may lead to volatility in our results of operations and foreign currency exchange losses.

Our reporting currency is the Euro. As we operate our business across EMEA, the Americas and APAC, our results of operations are exposed to fluctuations in the exchange rates between the

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Euro and the other currencies in which we generate revenue and incur costs, including the U.S. dollar, the Renminbi and various other currencies, and the major subsidiaries exposed to such currency risks use the Euro, Canadian dollar or Brazilian real as their functional currencies. The value of these currencies against the Euro fluctuates and is affected by, among other things, domestic and international economic and political developments, as well as supply and demand in the relevant markets. It is difficult to predict how market forces or government policies may affect these exchange rates in the future.

As we conduct our business worldwide, we receive payments from our customers, and hold bank borrowing balances, in a number of different currencies. Fluctuations in currency exchange rates may significantly decrease the Euro amount of revenue we recognize from our foreign currency operations, and could have a significant impact on our indebtedness position. As a result, we are subject to fluctuations in currency exchange rates which may cause volatility in our results of operations and may make it difficult or impossible to compare our results of operations from period to period.

Exchange differences on translation of foreign operations are recognized in our exchange fluctuation reserve, the movement of which is recorded in other comprehensive income. In addition, the effect of foreign exchange rate changes on our cash and cash equivalents was a decrease of EUR0.3 million, EUR0.4 million and EUR3.5 million in 2023, 2024 and 2025, respectively, and an increase of EUR0.8 million in the six months ended June 30, 2026. For more information, see “Financial Information—Financial Risks Disclosure—Foreign Currency Risk.”

Also, the proceeds from the [REDACTED] will be received in Hong Kong dollars. As a result, any appreciation of the Euro against the Hong Kong dollar may reduce the value of our proceeds from the [REDACTED]. Conversely, because our reporting currency is the Euro, exchange rate movements between the Euro and the Hong Kong dollar may adversely affect the value of, and any dividends payable on, the Shares in Hong Kong dollar or other foreign currency terms. In addition, instruments available for us to reduce our foreign currency risk exposure at reasonable costs may be limited. All of these factors could materially and adversely affect our business, financial condition, results of operations and prospects, and could reduce the value of, and dividends payable on, our Shares in foreign currency terms.

We engage in hedging transactions, which can limit gains and increase exposure to losses.

Due to our global operations, during the Track Record Period, we engaged in hedging transactions to protect us from the effects of changes in interest rates on our indebtedness and the effects of changes in foreign exchange rates and to reduce our exposure to market volatility. Hedging could fail to protect us or could adversely affect us because, among other things: (i) the available hedging may not correlate fully with the risk for which protection is sought; (ii) the duration or nominal amount of the hedge may not match the duration of the related liability; (iii) the party owing money in the hedging transaction may default on its obligation to pay; (iv) the credit quality of the party owing money on the hedge may be downgraded to such an extent that it impairs our ability to sell or assign our side of the hedging transaction; and (v) the value of the derivatives used for hedging may be adjusted from time to time in accordance with accounting rules to reflect changes in fair value. Downward adjustments would reduce our net assets and profits.

In addition, hedging involves transaction costs. These costs may increase as the period covered by the hedging increases and during periods of rising and volatile interest rates or foreign exchange

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rates. In periods of extreme volatility, it may not be commercially viable to enter into hedging transactions due to the high costs involved. Any of the above factors could have a material and adverse effect on our business, financial condition and results of operations.

We are subject to environmental laws and regulations and we could incur significant costs or liability related to environmental costs.

Our operations are subject to various environmental laws and regulations, including those relating to water pollution control, air pollution control, soil pollution control, noise pollution control and other pollutant discharge and disposal control. In certain jurisdictions, upon the completion of construction, the relevant environmental authorities inspect our properties to ensure our compliance with the applicable environmental protection standards. Under these laws and regulations, an owner or operator of resorts may be subject to liability, including a fine or imprisonment, for water pollution control, air pollution control, soil pollution control, noise pollution control and other pollutant discharge and disposal control. Furthermore, we may be required to make significant capital expenditures to comply with existing or new environmental laws or regulations. The presence of water pollution, air pollution, noise pollution, soil pollution, or other pollutant pollution without a valid license or the failure to remedy water pollution, air pollution, soil pollution, or other pollutant pollution or non-compliance with any environmental laws, regulations or environmental impact reports, environmental impact statements or environmental impact registration forms, or the failure to obtain valid environmental certificates or complete inspection from relevant environmental authorities, may expose us to liability or have a material and adverse effect on our business, financial condition and results of operations.

If our risk management and internal control systems fail to operate effectively, our business and reputation may be materially and adversely affected.

We have recently enhanced our risk management and internal control policies and systems in a continual effort to improve our risk management capabilities and enhance our internal controls. See “Business—Risk Management and Internal Control” for more details. However, we cannot assure you that our risk management and internal control policies and procedures will adequately control, or protect us against, all risks. Some of these risks are unforeseeable or unidentifiable and may be more severe than what we may anticipate.

Our risk management capabilities and ability to effectively monitor legal compliance and other risks are restricted by the information, tools, models and technologies available to us. In addition, given the limited history of some aspects of our risk management and internal control policies and procedures, we will require additional time to implement these policies and procedures in order to fully assess their impact and evaluate our compliance with them. Moreover, our employees will require time to adjust to these policies and procedures and we cannot assure you that our employees will be able to consistently comply with or accurately apply them.

If our risk management and internal control policies, procedures and systems fail to be implemented effectively, or if the intended results of such policies, procedures or systems are not achieved in a timely manner, including our ability to maintain an effective internal control system, our business, financial condition, results of operations and reputation may be materially and adversely affected.

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Our success depends on the continued effective execution of our business strategy and our ability to manage our growth, and our inability to do so may affect our financial condition and results of operations.

The successful execution of our business strategy depends on our ability to provide attractive experiences at our resorts as well as other good-quality vacation products and services, develop attractive resort and vacation offerings and offer premium services. Our revenue also depends on a healthy and evolving mix of revenue from our Club Med resort operations and our vacation scenario services. As we generated a majority of our revenue from the operation of resorts during the Track Record Period, our revenue mix may change over time and we may face difficulties in managing our growth.

In addition, our success in executing our business strategy may be adversely affected by a number of factors, including loss of our key management members, changes in the regulatory environment of jurisdictions where we operate with respect to the global resort industry, the availability of suitable sites and sufficient funding, or a downturn in the global economy. If we cannot continue to execute our business strategy, we may be unable to continue our growth or maintain our market position, which may adversely affect our financial condition and results of operations. Specifically, we plan to expand our resort network from 69 resorts as of the Latest Practicable Date to approximately 85 resorts by 2030, which may place substantial strain on our managerial, operational and financial resources. For instance, we may not have sufficient working capital or financing to expand our network and presence in the world’s top destinations. In addition, we may have limited knowledge of the local conditions of these new markets, which may differ from the conditions of the markets in which we currently operate. We cannot assure you that we will be able to successfully leverage our experience to expand into other destinations around the world. When we enter into new markets, we may face intense competition from other operators with industry experience or which have established a presence in the relevant geographical areas. We may not be able to recover the costs incurred in the expansion of our business or to realize the intended or projected benefits. We also cannot assure you that we can anticipate and resolve all problems that may occur during our expansion, and failure to do so may have a material adverse effect on our business, financial condition and results of operations.

We could suffer impairment losses on our goodwill and intangible assets.

We carry significant amounts of goodwill and intangible assets on our combined statements of financial position, which arose primarily from the acquisition of Club Med. Our intangible assets consist mainly of the Club Med trademarks and patents, which are treated as having indefinite useful lives, as well as other intangible assets such as software. We test goodwill and intangible assets with indefinite useful lives for impairment at least annually, and test other assets for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Impairment testing requires us to make significant estimates and assumptions, including the expected future cash flows of, or forecasted revenues and royalty rates attributable to, the relevant assets or cash-generating units and the discount rates used to calculate their present value. If actual results differ adversely from our estimates, or if market, competitive or economic conditions deteriorate, the recoverable amount of our goodwill or intangible assets may fall below their carrying amount, and we may be required to recognize impairment losses. Any significant impairment losses could materially and adversely affect our financial condition and results of operations.

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We may not be able to fully collect our trade receivables, which could result in impairment losses that adversely affect our financial condition and results of operations.

Although a substantial portion of our resort guests are required to prepay before their stay, we extend credit terms to certain customers and counterparties, including travel agents, corporate and MICE customers and, in respect of our vacation scenario services, third-party project owners and developers to whom we provide services for management, operation, brand licensing and other fees. As of December 31, 2023, 2024 and 2025 and June 30, 2026, our net trade receivables were EUR58.1 million, EUR51.1 million, EUR38.1 million and EUR31.4 million, respectively, and our trade receivables turnover days were 15.3 days, 10.4 days, 8.4 days and 5.8 days for the corresponding periods. As of the same dates, we had aged trade receivables of more than 90 days of EUR3.2 million, EUR1.2 million, EUR0.8 million and EUR1.4 million, respectively. If the financial condition of our customers or counterparties deteriorates, if we are unable to collect amounts owed to us in a timely manner or at all, or if actual defaults exceed our estimates, we may be required to recognize additional impairment losses on our trade receivables, which could materially and adversely affect our financial condition and results of operations.

We may not be able to recover our deferred tax assets.

We recognize deferred tax assets in respect of deductible temporary differences, the carryforward of unused tax credits and unused tax losses only to the extent that it is probable that future taxable profits will be available in the relevant entities and jurisdictions against which those items can be utilized. As of December 31, 2023, 2024 and 2025 and June 30, 2026, we recognized deferred tax assets of approximately EUR74.4 million, EUR63.7 million, EUR46.4 million and EUR36.1 million, respectively, and had unrecognized tax losses of approximately EUR448.9 million, EUR420.6 million, EUR462.5 million and EUR361.8 million, respectively, in respect of which no deferred tax assets were recognized because it was not considered probable that sufficient future taxable profits would be available against which such tax losses could be utilized. The recognition and measurement of deferred tax assets require significant management judgment regarding the likely timing and level of future taxable profits, and are assessed by reference to the relevant taxable entities and jurisdictions, such that tax losses in one entity or jurisdiction generally cannot be used to offset taxable profits in another, and certain of our tax losses are subject to expiry. If we do not generate sufficient taxable profits in the relevant entities or jurisdictions within the applicable periods, or if our estimates or the applicable tax laws change, we may be unable to utilize or recover our deferred tax assets and may be required to reduce their carrying amount, which could increase our income tax expense and materially and adversely affect our financial condition and results of operations.

Share-based payment expenses may reduce our profit.

We recognized equity-settled share-based payment expenses of EUR4.7 million, EUR3.2 million and EUR3.0 million in 2023, 2024 and 2025, respectively, and EUR0.8 million in the six months ended June 30, 2026. These expenses arose from share incentives previously granted to certain of our Directors, senior management and other employees under the share incentive plans of FTG. Those plans were cancelled or modified in connection with the privatization and delisting of FTG in March 2025, and the related costs and cash settlement obligations were borne by FTG rather than by us. We have adopted the Pre-[REDACTED] Share Option Scheme and the Pre-[REDACTED] Share Award Scheme, and intend to grant all Options and Awards available under the Pre-[REDACTED] Share Option Scheme before [REDACTED]. For details, see “Statutory and General Information—D. Pre-[REDACTED] Share Schemes” in Appendix IV. We measure the cost of equity-settled awards by reference to their fair value at the grant

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date and recognize that cost as an expense over the vesting period, which reduces our profit. Because fair value is determined using valuation models that depend on significant judgment and assumptions, our share-based payment expenses may fluctuate, and any cancellation, modification or settlement of awards may accelerate or increase the expenses we recognize. Any of the foregoing could materially and adversely affect our results of operations.

Our vacation scenario services segment has a limited operating track record and incurred operating losses during the Track Record Period, and we cannot assure you that it will achieve or sustain profitability.

Our vacation scenario services segment is an asset-light business that provides operating, management, branding and other services to property owners and developers, primarily in China. This segment recorded segment operating losses in each year of the Track Record Period, and recorded a segment operating profit in the six months ended June 30, 2026. Because certain of our cultural tourism-related initiatives remain at an early stage, we may continue to incur personnel and other operating costs in advance of the corresponding fee income. We cannot assure you that this segment will achieve or sustain profitability, or that our efforts to develop higher-margin services such as brand licensing and vacation facility operation will succeed. If this segment incurs losses or fails to grow as we expect, our business, financial condition and results of operations could be adversely affected.

Our historical results of operations have been affected by non-recurring gains, indemnities and provision reversals and other items, and may not be comparable from period to period or indicative of our future performance.

Our results of operations during the Track Record Period were affected by a number of non-recurring or fluctuating items, including gains on disposal of items of property, plant and equipment, gain on disposal of a subsidiary, gains on reversal of provisions, compensation and indemnity, compensation costs relating to employees and provisions for litigation, tax-related matters and resort closure costs. In particular, we recognized compensation and indemnity in 2025 and the six months ended June 30, 2025, primarily relating to business interruption indemnity and asset indemnity in connection with a resort in North America, which did not recur in the six months ended June 30, 2026 and contributed to the change from other income and gains, net, in the six months ended June 30, 2025 to net other expenses in the six months ended June 30, 2026. Many of these items are non-recurring in nature or depend on events outside our control, and we cannot assure you that we will realize similar gains, or avoid similar or greater expenses and provisions, in the future. Accordingly, our results of operations for any prior period may not be comparable to those of any other period or indicative of our future performance.

Our ability to maintain or improve our profitability depends in part on our ability to control our operating costs, and we cannot assure you that we will be able to improve our cost efficiency.

Our operations are labor-intensive and involve a significant amount of fixed and semi-fixed costs. During the Track Record Period, fixed operation cost of resorts, comprising mainly wages, salaries and benefit costs, facility maintenance costs, utilities, taxes and insurance, accounted for 45.1%, 46.1%, 46.3% and 47.2% of our cost of revenue, and property-related depreciation, lease and other expenses accounted for a further 16.6%, 16.9%, 17.7% and 17.1%, in 2023, 2024 and 2025 and the six months ended June 30, 2026, respectively. Many of these costs are subject to inflationary pressures and other factors beyond our control, and may increase over time. Our ability to maintain or

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improve our profitability depends in part on our ability to control these operating costs and to realize efficiency gains, including through centralized procurement, a common menu framework across our resorts, workforce planning, digitalization and other cost-efficiency initiatives. Certain of these initiatives are still being developed or implemented, may involve significant upfront or one-time costs, and may require consultation or negotiation with employees, labor unions or governmental authorities in certain jurisdictions. We cannot assure you that these initiatives will be implemented successfully or achieve their intended benefits within the expected time frame, or at all, or that any efficiency gains will be sufficient to offset increases in our operating costs or to maintain or improve our profitability. If we are unable to control our operating costs or improve our cost efficiency, our business, financial condition and results of operations could be materially and adversely affected.

RISKS RELATING TO DOING BUSINESS IN THE JURISDICTIONS IN WHICH WE OPERATE

We are subject to laws and regulations in multiple jurisdictions, and changes in such laws and regulations may restrict our business and development.

Legal systems of the geographic markets where we operate vary significantly from jurisdiction to jurisdiction, and include both civil law and common law jurisdictions. Unlike the common law system, prior court decisions under the civil law system may be cited for reference but have limited precedential value. In certain markets, laws and regulations are evolving, and their interpretation and enforcement may be uncertain. The application of such laws to our business may not be settled, and administrative or court authorities may exercise broad discretion, making it difficult to predict outcomes or assess the level of legal protection available to us. Courts in some jurisdictions may also refuse to enforce foreign judgments or arbitration awards. In addition, regulatory policies and interpretations in some jurisdictions may not be published in a timely manner, may be unclear or inconsistent, may have retroactive effect, or may differ from our own interpretations. As a result, we may not become aware of non-compliance until after it occurs. Regulatory uncertainty may also expose us to unmerited or frivolous claims or legal actions. Administrative and judicial proceedings in certain markets may be lengthy and costly and may divert management attention and resources. New or amended laws and regulations may be adopted or construed to apply to our business in the markets where we operate. Increased regulatory scrutiny or changes in applicable laws may impose additional compliance burdens, restrict our operations, slow industry growth, and materially and adversely affect our business, financial condition and results of operations.

Changes in the economic, political and social conditions and government policies in the countries and regions where we operate could adversely affect our business and prospects.

We operate our business in a number of international geographic markets across EMEA, the Americas and APAC. Accordingly, our business, financial condition and results of operations could also be influenced by political, economic and social conditions in these markets. Economic growth in each of our geographic markets has been uneven, both geographically and among various sectors within any one of the relevant economies. Any economic downturn, whether actual or perceived, further decrease in economic growth rates or an otherwise uncertain economic outlook in our geographic markets or any other market in which we may operate could affect our business, financial condition and results of operations. Changes in the economic or political environment in the countries and regions where we operate could increase our costs, increase our exposure to legal and business risks, disrupt our operations and affect our results of operations.

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Our global operations may expose us to compliance risks under economic sanctions laws imposed by the United States, the European Union and other jurisdictions, as well as counterparty, reputational and operational risks.

Sanctions laws and regulations administered by the United States, the European Union, the United Kingdom and the United Nations, among others, prohibit or restrict business in or with certain countries or governments, and with certain persons or entities that have been designated under applicable sanctions programs. Although the primary markets in which we operate are not jurisdictions currently subject to comprehensive economic sanctions, we operate one wholly owned subsidiary in Russia, Club Med Russia LLC, which promotes and resells holiday stays at our resorts located outside Russia. Revenue attributable to Russia accounted for approximately 1% of our total revenue in each period during the Track Record Period.

During the Track Record Period, we have not identified any instance where the Group engaged in activity that violated applicable sanctions laws or regulations and would result in any material sanctions risk to the Relevant Persons; the Group’s activities are not expected to create any material secondary sanctions risk to the Relevant Persons; none of the Group entities has been designated as a Sanctioned Target, nor is it located, incorporated or organized in a Sanctioned Country; and the Group is not a Sanctioned Trader.

The Group has historically managed sanctions compliance through regulatory monitoring and case-by-case review rather than a formal standalone sanctions compliance program or systematic automated counterparty screening. The regulatory landscape governing economic sanctions continues to develop, and the scope of activities and persons subject to restrictions has expanded significantly in recent years. While the Group is implementing enhanced compliance measures — including a formal sanctions policy, dedicated screening tools, and strengthened oversight of Club Med Russia — there can be no assurance that we have been or will be in full compliance with all applicable sanctions laws at all times, particularly as we cannot predict with certainty the interpretation or future changes to any sanctions laws or policies. Any actual or alleged violation of sanctions, or any association with sanctioned persons or jurisdictions, could result in governmental investigations, fines, loss of banking relationships, adverse publicity, or other consequences that could adversely affect our reputation, business, results of operations and financial condition. In addition, increased regulatory scrutiny and heightened public awareness of sanctions compliance may affect the perception of companies with any operational presence in jurisdictions subject to targeted sanctions programs.

We may be exposed to various types of taxes in the jurisdictions in which we operate or have a presence.

We operate our business across numerous jurisdictions in EMEA, the Americas and APAC, and are therefore subject to a wide variety of taxes in the jurisdictions in which we operate or have a presence, including corporate income tax, withholding tax, value-added tax, goods and services tax, tourism and occupancy taxes, property tax, payroll-related taxes and other levies. Tax laws and regulations, and their interpretation and enforcement, vary significantly among jurisdictions, are subject to change, and may be applied inconsistently or with retroactive effect. Because we operate through subsidiaries and branches in multiple jurisdictions and engage in cross-border transactions among members of our Group, we are also subject to transfer pricing rules and other requirements governing intra-group arrangements, and tax authorities may challenge the positions we have taken. In addition, international tax developments, such as the implementation of the global minimum tax under the OECD/G20 base erosion and profit shifting framework, may increase our tax burden and

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compliance costs. Any increase in applicable tax rates, imposition of new taxes, adverse change in tax laws or their interpretation, or successful challenge by tax authorities to our tax positions could result in additional tax liabilities, interest and penalties, and could materially and adversely affect our business, financial condition and results of operations.

You may experience difficulties in effecting service of legal process and enforcing judgments against us and our management.

We are an exempted company incorporated in the Cayman Islands, and substantially all of our assets and operations are located outside Hong Kong, across various jurisdictions in EMEA, the Americas and APAC. In addition, most of our Directors and members of our senior management, and a significant portion of their assets, are located outside Hong Kong. As a result, it may not be possible for investors to effect service of process within Hong Kong upon us or those persons, or to enforce against us or them, in Hong Kong or elsewhere, judgments obtained in Hong Kong courts. The recognition and enforcement of foreign judgments and arbitral awards in the various jurisdictions in which our assets and management are located are subject to the applicable laws and procedures of, and any treaties or reciprocal arrangements in effect in, those jurisdictions, and a court in the relevant jurisdiction may decline to recognize or enforce a foreign judgment or award on a variety of grounds, including where doing so would be contrary to local public policy. Investors may therefore experience difficulties, incur additional costs or face delays in protecting their interests or enforcing their rights against us or our management.

RISKS RELATING TO THE [REDACTED]

There has been no prior public market for the Shares and the liquidity and market price of our Shares may be volatile.

Prior to completion of the [REDACTED], there has been no public market for our Shares. There can be no guarantee that an active trading market for our Shares will develop or be sustained after completion of the [REDACTED]. The [REDACTED] is the result of negotiations between our Company and the Overall Coordinators (for themselves and on behalf of the [REDACTED]), which may not be indicative of the price at which our Shares will be traded following completion of the [REDACTED]. The market price of our Shares may drop below the [REDACTED] at any time after completion of the [REDACTED].

Since there may be a gap of several Business Days between [REDACTED] and trading of our Shares, holders of our Shares are subject to the risk that the price of our Shares could fall during the period before trading of our Shares begins.

The [REDACTED] of our Shares is expected to be determined on the [REDACTED]. However, our Shares will not commence trading on the Stock Exchange until they are delivered, which is expected to be several Business Days after the [REDACTED]. As a result, investors may not be able to sell or otherwise deal in our Shares during that period. Accordingly, holders of our Shares are subject to the risk that the price of our Shares could fall before trading begins as a result of adverse market conditions or other adverse developments that could occur between the time of sale and the time trading begins.

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The trading price of our Shares may be volatile, which could result in substantial losses to you.

The trading price of our Shares may be volatile and could fluctuate widely in response to factors beyond our control, including general market conditions of the securities markets in Hong Kong, and elsewhere in the world. In particular, the performance and fluctuation of the market prices of other companies in the same and in similar industries that have listed their securities in Hong Kong may affect the volatility in the price of and trading volumes for our Shares. Some of these companies have experienced significant volatility, including significant price declines after their initial public offerings. The trading performances of the securities of these companies at the time of or after their offerings may affect the overall investor sentiment towards companies listed in Hong Kong and consequently may impact the trading performance of our Shares. These broad market and industry factors may significantly affect the market price and volatility of our Shares, regardless of our actual operating performance.

You will incur immediate and substantial dilution and may experience further dilution in the future.

As the [REDACTED] of our Shares is higher than the net tangible book value per Share of our Shares immediately prior to the [REDACTED], purchasers of our Shares in the [REDACTED] will experience an immediate dilution. If we issue additional Shares in the future, subscribers of our Shares in the [REDACTED] may experience further dilution in their shareholding percentage.

The actual or perceived sale or availability for sale of substantial amounts of our Shares, especially by our Directors, executive officers and Controlling Shareholders, could adversely affect the market price of our Shares

Future sales of a substantial number of our Shares, especially by our Directors, executive officers and Controlling Shareholders, or the perception or anticipation of such sales, could negatively impact the market price of our Shares in Hong Kong and our ability to raise equity capital in the future at a time and price that we deem appropriate.

The Shares held by our Controlling Shareholders are subject to certain lock-up periods beginning on the date on which trading in our Shares commences on the Stock Exchange. While we currently are not aware of any intention of our Controlling Shareholders to dispose of significant amounts of their Shares after the expiry of the lock-up periods, we cannot assure you that they will not dispose of any Shares they may own now or in the future.

Our Controlling Shareholders have substantial control over our corporate actions and can exert significant influence over important corporate matters, which may reduce the price of our Shares and deprive you of an opportunity to receive a premium for your Shares.

After completion of the [REDACTED], our Controlling Shareholders will own approximately [REDACTED]% of our total issued Shares (assuming the [REDACTED] is not exercised and no additional Shares are issued pursuant to the Pre-[REDACTED] Share Schemes, and without taking into account any subscription for the [REDACTED] by our Controlling Shareholders under the [REDACTED]). As such, our Controlling Shareholders will have substantial influence over our business, including decisions regarding mergers, consolidations and the sale of all or substantially all of our assets, election of Directors and other significant corporate actions. This concentration of ownership may discourage, delay or prevent a change in control of our Company, which could deprive our Shareholders of an opportunity to receive a premium for their Shares in a sale of our Company or may reduce the market price of our Shares. These actions may be taken even if they are opposed by our other Shareholders. In addition, the

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interests of our Controlling Shareholders may differ from the interests of our other Shareholders. See “Relationship with Our Controlling Shareholders.”

There is no assurance if and when we will pay dividends in the future.

Our Board has complete discretion as to whether to distribute dividends, subject to certain restrictions under Cayman Islands law, namely that our Company may only pay dividends either out of profits or share premium account, and provided always that in no circumstances may a dividend be paid if this would result in our Company being unable to pay its debts as they fall due in the ordinary course of business. In addition, our ability to pay dividends or make other distributions to our Shareholders is subject to various factors, including our business and financial performance, capital and regulatory requirements and general business conditions. Moreover, our Shareholders may by ordinary resolution declare a dividend, but no dividend may exceed the amount recommended by our Board. Even if our Board decides to declare and pay dividends, the timing, amount and form of future dividends, if any, will depend on, among other things, our future results of operations and cash flow, our capital requirements and surplus, the amount of distributions, if any, received by us from our subsidiaries, our financial condition, contractual restrictions and other factors deemed relevant by our Board. Accordingly, the return on your investment in our Shares will likely depend entirely upon any future price appreciation of our Shares. There is no guarantee that our Shares will appreciate in value or even maintain the price at which you purchased the Shares. You may not realize a return on your investment in our Shares and you may even lose your entire investment in our Shares.

We are a Cayman Islands exempted company and, because judicial precedent regarding the rights of shareholders is more limited under the laws of the Cayman Islands than other jurisdictions, your ability to protect your shareholder rights may be limited.

Our corporate affairs are governed by our Memorandum and Articles and by the Cayman Companies Act and common law of the Cayman Islands. The rights of Shareholders to take legal action against our Directors and us, actions by minority Shareholders and the fiduciary responsibilities of our Directors to us under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as from English common law, which has persuasive, but not binding, authority on a court in the Cayman Islands. The laws of the Cayman Islands relating to the protection of the interests of minority Shareholders differ in some respects from those established under statutes and judicial precedent in existence in the jurisdictions where minority Shareholders may be located. See “Summary of the Constitution of the Company and the Company Laws of the Cayman Islands” in Appendix III for details. As a result of all of the above, minority Shareholders may have difficulties in protecting their interests under the laws of the Cayman Islands through actions against our management, Directors or our major Shareholders, which may provide different remedies to minority Shareholders when compared to the laws of the jurisdiction in which such Shareholders are located.

Certain facts and statistics in this document may come from various sources and may not be fully reliable.

Some of the facts and statistics in this document are derived from various publications of governmental agencies or publicly available sources and obtained during communications with various government agencies or independent third parties that our Directors believe are reliable. For example,

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some of the facts and statistics in this document are derived from the CIC Report. However, our Directors cannot guarantee the accuracy, quality or reliability of such materials. Our Directors believe that the sources of the information are appropriate and have taken reasonable care in extracting and reproducing such information. They do not believe that such information is false or misleading in any material aspect or that any material fact has been omitted that would render such information false or misleading. The information has not been independently verified by us, the Joint Sponsors or any other party involved in the [REDACTED] and no representation is given as to its accuracy or completeness. Due to the possibly flawed or ineffective sampling or discrepancies between published information and market practices or other reasons, such facts and statistics may be inaccurate or may not be comparable to official statistics. You should consider how much weight or importance such facts or statistics carry and should not place undue reliance on them.

This document contains forward-looking statements relating to our plans, objectives, expectations, and intentions, which may not present our overall performance for periods of time to which such statements relate.

This document contains certain statements and information that are “forward-looking” and uses forward-looking terminology such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “may,” “ought to,” “should” or “will” or similar terms. Those statements include, among other things, the discussion of our growth strategy and expectations concerning our future operations, liquidity and capital resources. Investors in the Shares are cautioned that reliance on any forward-looking statements involves risks and uncertainties and that any or all of those assumptions could prove to be inaccurate, and, as a result, the forward-looking statements based on those assumptions could also be incorrect. The uncertainties in this regard include, but are not limited to, those identified in this section, many of which are not within our control. In light of these and other uncertainties, the inclusion of forward-looking statements in this document should not be regarded as representations by us that our plans or objectives will be achieved, and investors should not place undue reliance on such forward-looking statements. We do not undertake any obligation to update publicly or release any revisions of any forward-looking statements, whether as a result of new information, future events or otherwise.

You should read the entire document carefully, and we strongly caution you not to place any reliance on any information contained in press articles and/or other media regarding us, our business or the [REDACTED].

You are strongly advised to read the entire document carefully and are cautioned against placing any reliance on the information in any press article or any other media coverage which contains information not disclosed or not consistent with the information included in this document.

Prior to the completion of the [REDACTED], there may be press and media coverage regarding our Group and the [REDACTED]. Our Directors would like to emphasize to prospective investors that we do not accept any responsibility for the accuracy or completeness of such information and such information is not sourced from or authorized by our Directors or our management team. Our Directors make no representation as to the appropriateness, accuracy, completeness and reliability of any information or the fairness or appropriateness of any forecast, view or opinion expressed by the press or other media regarding our Group or our Shares. In making decisions as to whether to invest in our Shares, prospective investors should rely only on the financial, operational and other information included in this document.