You should read the following discussion and analysis in conjunction with our combined financial statements as of and for each of the years ended December 31, 2023, 2024 and 2025, and for the six months ended June 30, 2026, included in the Accountants' Report in Appendix I to this document, together with the respective accompanying notes. Our combined financial information has been prepared in accordance with the International Financial Reporting Standards ("IFRS"). Any discrepancies in any table or elsewhere in this document between totals and sums of amounts are due to rounding.

The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance. These statements are based on our assumptions and analysis in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, our actual results may differ significantly from those projected in the forward-looking statements. Factors that might cause future results to differ significantly from those projected in the forward-looking statements include, but are not limited to, those discussed in "Risk Factors" and "Forward-Looking Statements" and elsewhere in this document.

OVERVIEW

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.

Founded in 1950, Club Med is a pioneer and leader in the premium all-inclusive vacations industry, and one of the few premium all-inclusive resort brands with a global footprint. Building on more than 75 years of brand heritage and global operating experience, and supported by a sales network spanning over 40 countries and regions across six continents, we develop and operate a diversified portfolio of premium mountain and ski, as well as sun and beach resorts. As of the Latest Practicable Date, we operated 69 premium resorts globally. With customer centricity at the core of our values, we continuously enhance customer experience and operating efficiency through product innovation, operational upgrades and digitalization, as well as optimizing resources globally for sustainable growth.

Leveraging our global resort network, premiumization strategy and continued operating efficiency, we enhanced our financial performance during the Track Record Period. Our revenue increased from EUR1,862.1 million in 2023 to EUR1,923.5 million in 2024 and further to EUR1,948.5 million in 2025, and amounted to EUR1,083.4 million in the six months ended June 30, 2026. Our gross profit margin was 28.9%, 29.2% and 30.3% in 2023, 2024 and 2025, respectively, and 34.7% in the six months ended June 30, 2026. Our adjusted EBITDA margin was 19.5%, 20.4% and 20.2% in 2023, 2024 and 2025, respectively, and 24.5% in the six months ended June 30, 2026. The positive trend primarily reflects our strengthened pricing power and improved operating efficiency. We also maintained robust cash flow generation, providing a strong foundation for sustainable long-term growth.

BASIS OF PRESENTATION AND PREPARATION

Pursuant to the Reorganization, as more fully explained in the section headed "History, Reorganization and Corporate Structure—Reorganization," the Company became the holding company of the companies now comprising our Group subsequent to the end of the Track Record Period. The companies now comprising our Group were under the common control of our Controlling Shareholders before and after the Reorganization. Accordingly, our historical financial information has been prepared on a combined basis by applying the principles of merger accounting as if the Reorganization had been completed at the beginning of the Track Record Period. All intra-group transactions and balances have been eliminated on combination.

Our historical financial information has been prepared in accordance with IFRS Accounting Standards, which comprise all standards and interpretations approved by the International Accounting Standards Board. All IFRS Accounting Standards effective for the accounting period commencing from January 1, 2026, together with the relevant transitional provisions, have been early adopted by us in the preparation of the historical financial information throughout the Track Record Period. Our historical financial information has been prepared under the historical cost basis, except for financial assets at fair value through profit or loss and derivative financial instruments.

The preparation of our historical financial information in conformity with IFRS requires the use of certain critical accounting estimates. It also requires our management to exercise its judgment in the process of applying our Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the historical financial information are disclosed in Note 2 to the Accountants' Report included in Appendix I to this document. Our historical financial information is presented in Euro and all values are rounded to the nearest thousand except when otherwise indicated.

MAJOR FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our results of operations and financial condition have been and will continue to be affected by a number of factors, including the following:

Global and regional trends driving the vacation & lifestyle industry

Our results of operations are influenced by macroeconomic conditions and broader trends affecting the global vacation & lifestyle industry, in particular the global resort industry. Demand for premium leisure travel is affected by economic growth, disposable income, exchange rates, transportation costs, geopolitical developments, public health events and travel policies in the markets in which we operate. As a global resort operator supported by a sales network spanning over 40 countries and regions across six continents, changes in regional travel demand, international travel patterns and consumer preferences may affect occupancy rates, average daily rates, guest spending and overall demand for our vacation products and services.

According to CIC, the global vacation & lifestyle market is expected to grow from USD2.5 trillion in 2025 to USD3.5 trillion by 2030 at a CAGR of 6.7%. The global resort market is expected to grow at an even faster CAGR of 7.0%, from US$232.5 billion in 2025 to US$325.9 billion by 2030, while the global all-inclusive resort market is expected to grow at a CAGR of 7.6%, from US$47.6 billion in 2025 to US$68.8 billion by 2030. Such growth is expected to be driven by increasing demand for premium leisure vacations, consumers' growing preference for carefree, joyful

and immersive vacation experiences, the expansion of the global middle-class population and rising leisure travel participation in emerging markets, particularly in APAC. These long-term industry trends are expected to continue supporting demand for premium resort products and services and provide growth opportunities for leading branded resort operators.

Ability to attract and retain our target customers

Our financial performance depends significantly on our ability to attract new customers while maintaining strong relationships with our existing customer base. We continuously invest in enhancing the guest experience through service quality, resort upgrades, diversified activities, digital engagement, membership programs and targeted marketing initiatives. Our ability to maintain high customer satisfaction, encourage repeat visitation and attract higher-spending guests supports occupancy, average daily rates and revenue growth. Our operating performance is also influenced by the composition of our customer base, including its geographic diversity and the mix of guest types.

Our ability to attract and retain customers is underpinned by the strength of the Club Med brand, our differentiated all-inclusive vacation proposition and our global resort network. We seek to foster long-term customer relationships through our membership system, direct sales channels and personalized customer engagement, while continuously enhancing our vacation offerings to meet evolving guest preferences. Our diversified product offerings and vacation scenarios also enable us to engage guests across different occasions and travel needs and provide differentiated experiences throughout their relationship with Club Med. In addition, our vacation scenario services extend our guest touchpoints beyond traditional resort stays into more frequent leisure and lifestyle scenarios, providing additional opportunities for guest engagement and introducing potential new guests to the broader Club Med ecosystem. As consumer demand continues to shift toward premium, experience-led and family-oriented travel, our ability to maintain our brand reputation, deliver consistent service quality and adapt to changing travel preferences will continue to influence customer acquisition, repeat visitation and overall financial performance.

Changes in our Resort Portfolio and Capacity

Our results of operations are affected by changes in our resort portfolio and operating capacity. We continuously optimize our resort portfolio by opening new resorts, renovating and expanding existing resorts, increasing available capacity at certain resorts and, where appropriate, closing or exiting resorts that no longer meet our strategic or financial objectives. Such initiatives, together with our continued commitment to premium offering, and adoption of capital-efficient operating models, are intended to enhance the long-term quality, competitiveness and earnings potential of our resort portfolio. However, the timing and scale of new resort openings, renovations and temporary closures may temporarily affect our capacity, occupancy rates, operating costs and profitability.

Revenue Management and Pricing Strategies

Our revenue and profitability are affected by our ability to effectively manage pricing across our global resort network. We adopt dynamic revenue management and pricing strategies based on factors such as prevailing market conditions, customer demand, occupancy and available capacity, resort and room categories, and booking pace. Leveraging our global sales network, direct sales channels and digital capabilities, we continuously monitor booking and demand trends and adjust pricing and inventory allocation to optimize average daily rates, occupancy rate and overall revenue

generation. Accordingly, the effectiveness of our revenue management and pricing strategies will continue to influence our revenue, profitability and results of operations.

Operational efficiency

Our profitability depends not only on revenue growth but also on our ability to operate our resorts and other businesses efficiently. We continuously seek to optimize resort operations, labor deployment, procurement, cost management, and digital systems. We also regularly evaluate operating model to improve capital efficiency and operating performance. Improvements in operational efficiency may enhance occupancy, average daily rates, margins and cash generation, while any failure to effectively manage operating costs could adversely affect our results of operations.

Relationship with key third party partners

Our business relies on long-term relationships with a wide range of third-party partners, including property owners and developers, lessors, travel agencies, transportation providers and other business partners. We also collaborate with certain third-party partners to apply our Club Med brand, operational expertise and destination management capabilities to innovative vacation and leisure scenarios through our vacation scenario services. Our ability to maintain and expand these relationships, negotiate favorable commercial terms and identify new strategic partners contributes to our ability to expand our business, improve operational performance and strengthen our market position.

Seasonality

Our business is subject to seasonality. 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. Consequently, our revenue, occupancy levels and operating results typically vary across different periods of the year. In addition, we achieve higher profitability from our mountain and ski resorts in winter. Our diversified source markets across different geographies, together with our global resort network, help mitigate the impact of seasonality by enabling us to capture travel demand with different holiday calendars and seasonal travel patterns. Adverse weather conditions, changes in holiday calendars and other seasonal factors may also affect demand for our products and services. Accordingly, results for any interim period are not necessarily indicative of the results that may be expected for a full financial year.

NON-IFRS MEASURES

We supplement the presentation of our historical financial information with certain non-IFRS accounting measures, including EBITDA, adjusted EBITDA and adjusted EBITDA (pre-IFRS 16). We calculate EBITDA by adding back finance costs and depreciation and amortization to profit before tax. We adjust EBITDA to eliminate the effect of certain non-cash and non-recurring items, including share-based payments, gain on disposal of property, plant and equipment and a subsidiary and **[REDACTED]** expenses. In addition, we present adjusted EBITDA (pre-IFRS 16), which is calculated as adjusted EBITDA after deducting lease expenses (pre-IFRS 16), to provide investors with a measure of our operating performance before the impact of IFRS 16 lease accounting. These non-IFRS financial measures are used by our management to evaluate our financial performance by eliminating the impact of certain non-cash items and one-time events and help investors understand and evaluate the performance results of our underlying business across accounting periods.

EBITDA is not a line item stated in our combined statements of profit or loss and should not be considered in isolation or construed as an alternative to cash flows, net income or any other measure of performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities. The use of adjusted EBITDA and adjusted EBITDA (pre-IFRS 16) has material limitations as an analytical tool, as these adjusted non-IFRS measures do not account for all items that impact our profit or loss for the relevant periods. The items eliminated from such non-IFRS measures may be significant to understanding and assessing our operating and financial performance. The specific definition and calculation of EBITDA and the other non-IFRS accounting measures can differ from other companies, so such measures presented herein may not be comparable to similarly named measures presented by other companies. The following tables set out a reconciliation from profit before tax to EBITDA, adjusted EBITDA and adjusted EBITDA (pre-IFRS 16) for the periods indicated:

	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000 (Unaudited)*	*EUR'000*
Profit before tax	69,010	45,118	59,304	103,699	94,862
Adjusted for:					
Finance costs	110,580	116,390	102,960	52,064	49,113
Depreciation and amortization	219,638	228,976	235,404	116,051	119,460
EBITDA	**399,228**	**390,484**	**397,668**	**271,814**	**263,435**
Adjusted for:					
Share-based payments	4,700	3,153	3,016	2,081	786
Gain on disposal of property, plant and equipment and a subsidiary	(40,218)	(1,905)	(6,802)	—	(9)
[REDACTED] expenses	—	—	—	—	**[REDACTED]**
Adjusted EBITDA	**363,710**	**391,732**	**393,882**	**273,895**	**265,869**
Adjusted for:					
Lease expenses (pre-IFRS 16)	(195,045)	(211,663)	(221,322)	(111,335)	(109,657)
Adjusted EBITDA (pre-IFRS 16)	**168,665**	**180,069**	**172,560**	**162,560**	**156,212**

CRITICAL ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

We have identified certain accounting policies that are material to the preparation of our financial statements. Accounting policies that are material for understanding our financial condition and results of operations are set forth in detail in Note 3 to the Accountants' Report in Appendix I of this document. Some of our accounting policies involve subjective assumptions and estimates, as well as complex judgments relating to accounting items. See Note 3 to the Accountants' Report in Appendix I of this document for details.

There has not been any material deviation between our management's estimates or assumptions and actual results, and we have not made any material changes to these estimates or assumptions during the Track Record Period.

RESULTS OF OPERATIONS

The following table sets forth a summary of our combined statements of profit or loss for the periods indicated:

	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000 (Unaudited)*	*EUR'000*
Revenue	1,862,113	1,923,486	1,948,546	1,081,179	1,083,443
Cost of revenue	(1,323,121)	(1,362,644)	(1,358,539)	(723,894)	(706,991)
Gross profit	**538,992**	**560,842**	**590,007**	**357,285**	**376,452**
Other income and gains/(expenses), net	49,416	29,821	13,056	26,648	(4,289)
Selling and marketing expenses	(280,856)	(296,831)	(302,277)	(161,775)	(164,016)
General and administrative expenses	(126,571)	(130,639)	(140,658)	(68,428)	(64,504)
Operating income	**180,981**	**163,193**	**160,128**	**153,730**	**143,643**
Finance costs	(110,580)	(116,390)	(102,960)	(52,064)	(49,113)
Share of (losses)/profits of associates	(1,391)	(1,685)	2,136	2,033	332
Profit before income tax	**69,010**	**45,118**	**59,304**	**103,699**	**94,862**
Income tax expense	(242)	(15,514)	(48,387)	(38,582)	(37,737)
Profit for the year/period	**68,768**	**29,604**	**10,917**	**65,117**	**57,125**

DESCRIPTION OF MAJOR COMPONENTS OF OUR RESULTS OF OPERATIONS

Revenue

By Business Lines

During the Track Record Period, our revenue was derived from two business lines, namely (i) Club Med resort operations; and (ii) vacation scenario services. In 2023, 2024 and 2025, and for the six months ended June 30, 2025 and 2026, our revenue amounted to EUR1,862.1 million, EUR1,923.5 million, EUR1,948.5 million, EUR1,081.2 million and EUR1,083.4 million, respectively.

The following table sets forth our revenue breakdown by business lines in absolute amounts and as a percentage of our total revenue for the periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	EUR'000	*%*	*EUR'000*	*%*	*EUR'000*	*%*	*EUR'000 (Unaudited)*	*%*	*EUR'000*	*%*
Club Med resort operations	1,848,991	99.3	1,908,922	99.2	1,938,826	99.5	1,077,047	99.6	1,076,676	99.4
Vacation scenario services	13,122	0.7	14,564	0.8	9,720	0.5	4,132	0.4	6,767	0.6
Total	**1,862,113**	**100.0**	**1,923,486**	**100.0**	**1,948,546**	**100.0**	**1,081,179**	**100.0**	**1,083,443**	**100.0**

By Geographic Markets

The following table sets forth a breakdown of our revenue by source markets, in absolute amounts and as a percentage of our total revenue for the periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	EUR'000	*%*	*EUR'000*	*%*	*EUR'000*	*%*	*EUR'000* (Unaudited)	*%*	*EUR'000*	*%*
Source market										
EMEA	1,185,792	63.7	1,218,324	63.3	1,250,354	64.2	656,833	60.8	627,262	57.9
The Americas	452,591	24.3	466,289	24.2	462,935	23.8	299,689	27.7	328,329	30.3
APAC	223,730	12.0	238,873	12.4	235,257	12.1	124,657	11.5	127,852	11.8
Total	**1,862,113**	**100.0**	**1,923,486**	**100.0**	**1,948,546**	**100.0**	**1,081,179**	**100.0**	**1,083,443**	**100.0**

Cost of Revenue

By Nature

Our cost of revenue primarily consists of (i) fixed operation cost of resorts, mainly related to wages, salaries and benefit costs, facility maintenance costs, utilities, taxes and insurance; (ii) property-related depreciation, lease and other expenses; (iii) cost of transportation services; (iv) variable operation cost of resorts, mainly related to cost of food and beverages, consumable supplies, subcontracted services and other costs incurred in connection with daily resort operations; (v) cost of vacation scenario services; and (vi) other expenses.

Our cost of revenue amounted to EUR1,323.1 million, EUR1,362.6 million, EUR1,358.5 million, EUR723.9 million and EUR707.0 million in 2023, 2024 and 2025 and for the six months ended June 30, 2025 and 2026, respectively. The following table sets forth a breakdown of our cost of revenue by nature, in absolute amounts and as percentages of total cost of revenue, for the periods indicated.

	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	EUR'000	*%*	*EUR'000*	*%*	*EUR'000*	*%*	*EUR'000* (Unaudited)	*%*	*EUR'000*	*%*
Fixed operation cost of resorts	596,211	45.1	627,976	46.1	628,425	46.3	335,911	46.4	333,579	47.2
Property-related depreciation, lease and other expenses	220,175	16.6	230,594	16.9	240,328	17.7	118,965	16.4	121,180	17.1
Cost of transportation services	245,864	18.6	241,834	17.7	235,968	17.4	131,034	18.1	119,616	16.9
Variable operation cost of resorts	220,711	16.7	233,708	17.1	224,116	16.5	124,478	17.2	119,017	16.8
Cost of vacation scenario services	7,637	0.6	8,048	0.6	6,379	0.5	2,776	0.4	2,717	0.4
Others	32,523	2.5	20,484	1.5	23,323	1.7	10,730	1.5	10,882	1.5
Total	**1,323,121**	**100.0**	**1,362,644**	**100.0**	**1,358,539**	**100.0**	**723,894**	**100.0**	**706,991**	**100.0**

By Business Lines

The following table sets out our cost of revenue by business lines, in absolute amounts and as percentages of total cost of revenue, for the periods indicated.

	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	EUR'000	*%*	*EUR'000*	*%*	*EUR'000*	*%*	*EUR'000* (Unaudited)	*%*	*EUR'000*	*%*
Club Med resort operations	1,315,484	99.4	1,354,596	99.4	1,352,160	99.5	721,118	99.6	704,274	99.6
Vacation scenario services	7,637	0.6	8,048	0.6	6,379	0.5	2,776	0.4	2,717	0.4
Total	**1,323,121**	**100.0**	**1,362,644**	**100.0**	**1,358,539**	**100.0**	**723,894**	**100.0**	**706,991**	**100.0**

Gross Profit and Gross Profit Margin

Our gross profit was EUR539.0 million, EUR560.8 million, EUR590.0 million, EUR357.3 million and EUR376.5 million, and our gross profit margin was 28.9%, 29.2%, 30.3%, 33.0% and 34.7% for each of the years ended December 31, 2023, 2024, and 2025 and the six months ended June 30, 2025 and 2026, respectively.

By Business Lines

The following table sets out our gross profit and gross profit margin by business lines for the periods indicated.

	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	EUR'000	*%*	*EUR'000*	*%*	*EUR'000*	*%*	*EUR'000* (Unaudited)	*%*	*EUR'000*	*%*
Club Med resort operations	533,507	28.9	554,326	29.0	586,666	30.3	355,929	33.0	372,402	34.6
Vacation scenario services	5,485	41.8	6,516	44.7	3,341	34.4	1,356	32.8	4,050	59.8
Total	**538,992**	**28.9**	**560,842**	**29.2**	**590,007**	**30.3**	**357,285**	**33.0**	**376,452**	**34.7**

Other Income and Gains/(Expenses), Net

In 2023, 2024 and 2025, and for the six months ended June 30, 2025, our other income and gains, net amounted to EUR49.4 million, EUR29.8 million, EUR13.1 million and EUR26.6 million, respectively. For the six months ended June 30, 2026, we recorded other expenses, net of EUR4.3 million.

The following table sets forth a breakdown of our other income and gains/(expenses), net for the periods indicated.

	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000 (Unaudited)*	*EUR'000*
Other income					
Interest income	12,286	10,292	6,298	4,045	2,853
Compensation and indemnity	—	9,200	28,652	28,652	—
Government grants	3,891	96	75	44	76
Others	15,228	7,836	6,909	4,720	4,169
Total other income	**31,405**	**27,424**	**41,934**	**37,461**	**7,098**
Gains					
Gain on reversal of provisions	2,293	18,311	561	171	1,479
Gain on the fair value change of investments measured at fair value through profit or loss	309	308	307	153	154
Gain on disposal of property, plant and equipment	31,649	1,905	6,802	—	9
Gain on disposal of a subsidiary	8,569	—	—	—	—
Exchange gain, net	7,765	—	—	—	—
Others	714	614	4	367	643
Total gains	**51,299**	**21,138**	**7,674**	**691**	**2,285**
Total other income and gains	**82,704**	**48,562**	**49,608**	**38,152**	**9,383**
Other expenses					
Compensation costs relating to employees	(6,659)	(6,832)	(15,083)	(4,391)	(6,747)
Exchange loss, net	—	(1,051)	(1,705)	(1,972)	(3,488)
Provision	(24,192)	(6,859)	(15,372)	(3,778)	(1,969)
Impairment losses on account receivables and other receivables	(628)	(175)	(1,165)	—	—
Others	(1,809)	(3,824)	(3,227)	(1,363)	(1,468)
Other expenses	**(33,288)**	**(18,741)**	**(36,552)**	**(11,504)**	**(13,672)**
Other income and gains/(expenses), net	**49,416**	**29,821**	**13,056**	**26,648**	**(4,289)**

Our other income primarily consists of (i) interest income, (ii) compensation and indemnity, (iii) government grants, and (iv) other miscellaneous income, mainly including overhead and operational support income, rewards from construction contracts and other indemnity income. Compensation and indemnity primarily represents indemnity proceeds received under insurance arrangements to compensate for business interruption or loss of revenue in relevant circumstances.

Our gains primarily consist of (i) gains on disposal of property, plant and equipment, (ii) gain on disposal of a subsidiary, (iii) gains on reversal of provisions, and (iv) net exchange gains. Gains on disposal of property, plant and equipment may arise from disposals of relevant resort assets or other operating assets in the ordinary course of portfolio management. Gains on reversal of provisions primarily arise where provisions previously recognized for relevant obligations or exposures, including litigation and resort closure matters, are reduced or reversed.

Our other expenses primarily consist of (i) compensation costs relating to employees, and (ii) provisions, mainly including provisions for litigation and resort closure costs.

Selling and Marketing Expenses

Our selling and marketing expenses primarily consist of (i) advertising, sales commission and service charges; (ii) wages, salaries and employee benefits; (iii) depreciation and lease expenses; and (iv) other expenses, mainly including IT-related expenses and consulting expenses.

In 2023, 2024 and 2025, and for the six months ended June 30, 2025 and 2026, our selling and marketing expenses amounted to EUR280.9 million, EUR296.8 million, EUR302.3 million, EUR161.8 million and EUR164.0 million, respectively. Our selling and marketing expenses accounted for 15.1%, 15.4%, 15.5%, 15.0% and 15.1% of our total revenue in 2023, 2024 and 2025 and for the six months ended June 30, 2025 and 2026, respectively. During the Track Record Period, our selling and marketing expenses remained relatively stable as a percentage of our total revenue, alongside the continued growth of our business. The following table sets forth the breakdown of our selling and marketing expenses for the periods indicated.

	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000 (Unaudited)*	*EUR'000*
Advertising, sales commission and service charges	158,862	170,876	177,327	97,766	100,336
Wages, salaries and employee benefits	84,529	90,519	88,897	45,653	45,781
Depreciation and lease expenses	14,959	12,067	11,897	6,106	5,780
Others	22,506	23,369	24,156	12,250	12,119
Total	**280,856**	**296,831**	**302,277**	**161,775**	**164,016**

General and Administrative Expenses

Our general and administrative expenses primarily consist of (i) wages, salaries and employee benefits; (ii) IT-related expenses; (iii) depreciation and lease expenses; (iv) resort planning expenses, mainly relating to planning, research and design work for resorts before the investment in such resorts development; (v) **[REDACTED]** expenses; (vi) equity-settled share-based payments; and (vii) other expenses, mainly including consulting services, insurance and tax expenses.

In 2023, 2024 and 2025 and for the six months ended June 30, 2025 and 2026, our general and administrative expenses amounted to EUR126.6 million, EUR130.6 million, EUR140.7 million, EUR68.4 million and EUR64.5 million, respectively. Our general and administrative expenses accounted for 6.8%, 6.8%, 7.2%, 6.3% and 6.0% of our total revenue in 2023, 2024 and 2025 and for the six months ended June 30, 2025 and 2026, respectively. During the Track Record Period, our general and administrative expenses increased generally in line with the continued expansion of our supporting functions, while remaining at a relatively stable level as a percentage of our total revenue. The following table sets forth the breakdown of our general and administrative expenses for the periods indicated.

	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000 (Unaudited)*	*EUR'000*
Wages, salaries and employee benefits	58,868	61,726	67,381	33,765	29,609
IT-related expenses	21,718	24,190	24,992	10,599	11,833
Depreciation and lease expenses	16,474	15,630	14,945	7,564	7,076
Resort planning	10,194	10,562	11,510	5,659	5,302
[REDACTED] expenses	—	—	—	—	**[REDACTED]**
Equity-settled share-based payments	4,700	3,153	3,016	2,081	786
Others	14,617	15,378	18,814	8,760	8,241
Total	**126,571**	**130,639**	**140,658**	**68,428**	**64,504**

Finance Costs

Our finance costs primarily consist of (i) interest on lease liabilities; and (ii) interest on bank and other borrowings. In 2023, 2024 and 2025 and for the six months ended June 30, 2025 and 2026, our finance costs amounted to EUR110.6 million, EUR116.4 million, EUR103.0 million, EUR52.1 million and EUR49.1 million, respectively. The following table sets forth a breakdown of our finance costs for the periods indicated.

	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000 (Unaudited)*	*EUR'000*
Interest on lease liabilities	72,981	73,856	74,646	37,007	38,115
Interest on bank and other borrowings	35,616	40,292	26,029	13,902	9,733
Bank charges and other financial costs	1,983	2,242	2,285	1,155	1,265
Total	**110,580**	**116,390**	**102,960**	**52,064**	**49,113**

A significant portion of our finance costs during the Track Record Period was attributable to interest on lease liabilities. Such interest expenses primarily arose from lease arrangements for certain resorts under our capital-efficient operating strategy, pursuant to which we operate certain resorts through leases rather than owning the underlying properties, while also expanding our resort network through management contracts where appropriate. The amount of interest on lease liabilities during the Track Record Period was mainly affected by the scale and maturity profile of our leased resort portfolio, new lease arrangements, lease payments and exchange realignment during the relevant periods.

Share of (Losses)/Profits of Associates

Our share of results of associates, primarily from associates of certain resorts, amounted to losses of EUR1.4 million and EUR1.7 million in 2023 and 2024, respectively, and gains of EUR2.1 million, EUR2.0 million and EUR0.3 million in 2025 and the six months ended June 30, 2025 and 2026, respectively.

Income Tax Expense

We are subject to income tax in the jurisdictions where our subsidiaries are domiciled or conduct business, based on taxable profits generated in or derived from those jurisdictions. In 2023,

2024 and 2025, and for the six months ended June 30, 2025 and 2026, our income tax expense amounted to EUR0.2 million, EUR15.5 million, EUR48.4 million, EUR38.6 million and EUR37.7 million, respectively. We are subject to different tax rates in different jurisdictions:

Cayman Islands

The Cayman Islands currently levies no taxes on individuals or corporations based upon profits, income, gains or appreciation and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to us levied by the government of the Cayman Islands save for certain stamp duties which may be applicable, from time to time, on certain instruments. No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies save for those which hold interests in land in the Cayman Islands.

France

During the Track Record Period, our subsidiaries incorporated in France were generally subject to French corporate income tax at the standard rate of 25%. Certain French subsidiaries may also be subject to a social contribution of 3.3% on corporate income tax, where applicable, resulting in an effective tax rate of 25.825%. In addition, other surtaxes may apply depending on, among other factors, the turnover generated by the relevant subsidiaries over two consecutive years.

PRC

Pursuant to the Corporate Income Tax Law of the PRC and the respective regulations, our subsidiaries operating in Chinese mainland were subject to corporate income tax at a rate of 25% on the taxable income during the Track Record Period.

Profit for the Year/Period

In 2023, 2024 and 2025, and for the six months ended June 30, 2025 and 2026, our profit for the year/period amounted to EUR68.8 million, EUR29.6 million, EUR10.9 million, EUR65.1 million and EUR57.1 million, respectively.

PERIOD-TO-PERIOD COMPARISON OF RESULTS OF OPERATIONS

Six Months Ended June 30, 2026 Compared to Six Months Ended June 30, 2025

Revenue

Our revenue remained relatively stable at EUR1,081.2 million in the six months ended June 30, 2025 and EUR1,083.4 million in the six months ended June 30, 2026.

Our revenue generated from Club Med resort operations remained relatively stable at EUR1,077.0 million in the six months ended June 30, 2025 and EUR1,076.7 million in the six months ended June 30, 2026. Our revenue generated from vacation scenario services increased by 63.8% from EUR4.1 million in the six months ended June 30, 2025 to EUR6.8 million in the six months ended June 30, 2026, primarily due to increased revenue contribution from cultural tourism-related initiatives and other asset-light vacation scenario services.

Cost of Revenue

Our cost of revenue slightly decreased by 2.3% from EUR723.9 million in the six months ended June 30, 2025 to EUR707.0 million in the six months ended June 30, 2026. As a percentage of revenue, cost of revenue decreased from 67.0% in the six months ended June 30, 2025 to 65.3% in the six months ended June 30, 2026.

Cost of revenue attributable to our Club Med resort operations decreased by 2.3% from EUR721.1 million in the six months ended June 30, 2025 to EUR704.3 million in the six months ended June 30, 2026. The decrease was primarily due to (i) a decrease of EUR11.4 million in cost of transportation services, which was generally in line with the decrease in the revenue generated from transportation services; (ii) a decrease in our operation cost of resorts. These decreases were partially offset by an increase in property-related depreciation, lease and other expenses, primarily attributable to new and renewed lease arrangements for certain resorts. Cost of revenue attributable to our vacation scenario services remained relatively stable at EUR2.8 million in the six months ended June 30, 2025 and EUR2.7 million in the six months ended June 30, 2026.

Gross Profit and Gross Profit Margin

Our gross profit increased by 5.4% from EUR357.3 million in the six months ended June 30, 2025 to EUR376.5 million in the six months ended June 30, 2026. Our gross profit margin increased from 33.0% in the six months ended June 30, 2025 to 34.7% in the six months ended June 30, 2026.

Our gross profit generated from Club Med resort operations increased by 4.6% from EUR355.9 million in the six months ended June 30, 2025 to EUR372.4 million in the six months ended June 30, 2026, and our gross profit margin for Club Med resort operations increased from 33.0% in the six months ended June 30, 2025 to 34.6% in the six months ended June 30, 2026. Such increase was primarily due to improved operating efficiency and cost control, as reflected by lower cost of revenue attributable to Club Med resort operations, while revenue generated from Club Med resort operations remained relatively stable. Our gross profit generated from vacation scenario services increased by 198.7% from EUR1.4 million in the six months ended June 30, 2025 to EUR4.1 million in the six months ended June 30, 2026, and our gross profit margin for vacation scenario services increased from 32.8% in the six months ended June 30, 2025 to 59.8% in the six months ended June 30, 2026. Such increase was primarily due to the increased revenue contribution from higher-margin, asset-light vacation scenario services.

Other Income and Gains/(Expenses), Net

We recorded net other expenses of EUR4.3 million in the six months ended June 30, 2026, compared to other income and gains, net of EUR26.6 million in the six months ended June 30, 2025, primarily due to a decrease of EUR30.4 million in total other income, mainly attributable to the non-recurrence of compensation and indemnity of EUR28.7 million recognized in the six months ended June 30, 2025 in connection with certain resort in North America.

Selling and Marketing Expenses

Our selling and marketing expenses increased by 1.4% from EUR161.8 million in the six months ended June 30, 2025 to EUR164.0 million in the six months ended June 30, 2026, primarily due to an increase in advertising, sales commission and service charges to support business expansion.

General and Administrative Expenses

Our general and administrative expenses decreased by 5.7% from EUR68.4 million in the six months ended June 30, 2025 to EUR64.5 million in the six months ended June 30, 2026, primarily due to a decrease in wages, salaries and employee benefits, mainly attributable to our efficiency management and cost control. Such decrease was partially offset by the **[REDACTED]** expenses incurred in the six months ended June 30, 2026 in connection with the **[REDACTED]**.

Finance Costs

Our finance costs slightly decreased from EUR52.1 million in the six months ended June 30, 2025 to EUR49.1 million in the six months ended June 30, 2026.

Share of Profits of Associates

Our share of profits of associates decreased from EUR2.0 million in the six months ended June 30, 2025 to EUR0.3 million in the six months ended June 30, 2026.

Income Tax Expense

Our income tax expense remained relatively stable at EUR38.6 million in the six months ended June 30, 2025 and EUR37.7 million in the six months ended June 30, 2026.

Profit for the Period

As a result of the foregoing, our profit for the period decreased by 12.3% from EUR65.1 million in the six months ended June 30, 2025 to EUR57.1 million in the six months ended June 30, 2026.

Year Ended December 31, 2025 Compared with Year Ended December 31, 2024

Revenue

Our revenue increased by 1.3% from EUR1,923.5 million in 2024 to EUR1,948.5 million in 2025.

Our revenue generated from Club Med resort operations increased by 1.6% from EUR1,908.9 million in 2024 to EUR1,938.8 million in 2025. The increase was primarily due to (i) an increase in the revenue generated from accommodation services, primarily attributable to an increase in our ADR by bed from EUR232 in 2024 to EUR235 in 2025 across the major markets in which we operated; and (ii) an increase in occupancy rate by bed from 61.4% in 2024 to 62.5% in 2025. The increase was partially offset by a decrease in transportation services, primarily due to a continued shift in our customer booking preferences toward independent transportation arrangements rather than purchasing transportation-inclusive packages. Our revenue generated from vacation scenario services decreased by 33.3% from EUR14.6 million in 2024 to EUR9.7 million in 2025. The decrease was primarily due to the scaling-back of certain legacy and non-core businesses.

Cost of Revenue

Our cost of revenue remained relatively stable at EUR1,362.6 million in 2024 and EUR1,358.5 million in 2025. During the same period, our cost of revenue as a percentage of revenue slightly decreased from 70.8% in 2024 to 69.7% in 2025.

Cost of revenue attributable to our Club Med resort operations remained relatively stable at EUR1,354.6 million in 2024 and EUR1,352.2 million in 2025. Such relative stability reflected the net effect of a decrease in variable operation cost of resorts, primarily due to our improved operating efficiency and cost control, and, to a lesser extent, a decrease in cost of transportation services, which was generally in line with the decrease in the revenue generated from transportation services. These decreases were substantially offset by an increase in property-related depreciation, lease and other expenses, primarily attributable to new and renewed lease arrangements for certain resorts. Cost of revenue attributable to our vacation scenario services decreased by 20.7% from EUR8.0 million in 2024 to EUR6.4 million in 2025, which was generally in line with the decrease in revenue generated from our vacation scenario services.

Gross Profit and Gross Profit Margin

Our gross profit increased by 5.2% from EUR560.8 million in 2024 to EUR590.0 million in 2025. Our gross profit margin increased from 29.2% in 2024 to 30.3% in 2025.

Our gross profit generated from Club Med resort operations increased by 5.8% from EUR554.3 million in 2024 to EUR586.7 million in 2025, and our gross profit margin for Club Med resort operations increased from 29.0% in 2024 to 30.3% in 2025. Such increase was primarily due to the increases in average daily rates and occupancy rates, together with improved operating efficiency and cost control, as reflected by lower operating variable costs. Our gross profit generated from vacation scenario services decreased by 48.7% from EUR6.5 million in 2024 to EUR3.3 million in 2025, and our gross profit margin for vacation scenario services decreased from 44.7% in 2024 to 34.4% in 2025. Such decrease was primarily due to the decrease in revenue generated from vacation scenario services following the strategic adjustment of this segment, while certain costs relating to new cultural tourism-related initiatives were incurred in advance of the corresponding revenue contribution.

Other Income and Gains, Net

Our other income and gains, net decreased by 56.2% from EUR29.8 million in 2024 to EUR13.1 million in 2025, primarily due to (i) a decrease of EUR17.8 million in gain on reversal of provisions; and (ii) an increase of EUR17.8 million in other expenses, mainly attributable to an increase in compensation costs relating to employees and an increase in provision for litigation and tax. Such decrease was partially offset by an increase of EUR19.5 million in compensation and indemnity, mainly in connection with certain resort in North America in 2025.

Selling and Marketing Expenses

Our selling and marketing expenses slightly increased by 1.8% from EUR296.8 million in 2024 to EUR302.3 million in 2025. Such increase primarily reflected our continued allocation of sales and marketing resources to support business expansion, including sales commissions, advertising and promotional activities and sales and marketing-related IT tools.

General and Administrative Expenses

Our general and administrative expenses increased by 7.7% from EUR130.6 million in 2024 to EUR140.7 million in 2025, primarily due to (i) an increase in wages, salaries and employee benefits, mainly as a result of increased compensation levels to support our business operations; and (ii) an increase in other expenses related to consulting services.

Finance Costs

Our finance costs decreased by 11.5% from EUR116.4 million in 2024 to EUR103.0 million in 2025, primarily due to a decrease of EUR14.3 million in interest on bank and other borrowings, mainly reflecting a lower average outstanding balance of interest-bearing bank and other borrowings in 2025 following the repayment of certain borrowings by the end of 2024.

Share of (Losses)/Profits of Associates

We recorded a share of profits of associates of EUR2.1 million in 2025, compared with a share of losses of associates of EUR1.7 million in 2024.

Income Tax Expense

Our income tax expense increased by 211.9% from EUR15.5 million in 2024 to EUR48.4 million in 2025. In 2024, we incurred lower income tax expense, primarily due to the higher utilization and recognition of tax losses and temporary differences in prior years, compared to 2025. In addition, we recorded an increase in income tax expense in 2025 as a result of higher taxable profits generated by certain entities.

Profit for the Year

As a result of the foregoing, our profit for the year decreased by 63.1% from EUR29.6 million in 2024 to EUR10.9 million in 2025.

Year Ended December 31, 2024 Compared with Year Ended December 31, 2023

Revenue

Our revenue increased by 3.3% from EUR1,862.1 million in 2023 to EUR1,923.5 million in 2024.

Our revenue generated from Club Med resort operations increased by 3.2% from EUR1,849.0 million in 2023 to EUR1,908.9 million in 2024. The increase was primarily due to (i) an increase in the revenue generated from accommodation services, primarily attributable to an increase in our ADR by bed from EUR220 in 2023 to EUR232 in 2024 across the major markets in which we operated; and (ii) an increase in capacity of our certain resorts. The increase was partially offset by a lower revenue recognized from branded residences in 2024. In addition, our revenue generated from vacation scenario services increased by 11.0% from EUR13.1 million in 2023 to EUR14.6 million in 2024, primarily due to the increase in the revenue recognized from cultural tourism-related initiatives.

Cost of Revenue

Our cost of revenue increased by 3.0% from EUR1,323.1 million in 2023 to EUR1,362.6 million in 2024. During the same period, our cost of revenue as a percentage of revenue decreased from 71.1% in 2023 to 70.8% in 2024.

Cost of revenue attributable to Club Med resort operations increased by 3.0% from EUR1,315.5 million in 2023 to EUR1,354.6 million in 2024. The increase was primarily due to our higher resort operating costs, mainly driven by the opening and upgrade of certain resorts, increased activities in our accommodation operations and general cost inflation, and, to a lesser extent, an increase in property-related depreciation, lease and other expenses, primarily attributable to new and renewed lease arrangements for certain resorts. The increase was partially offset by a lower recognition of costs associated with branded residences, in line with the lower revenue recognition from such projects. In addition, our cost of revenue attributable to vacation scenario services remained relatively stable at EUR7.6 million in 2023 and EUR8.0 million in 2024.

Gross Profit and Gross Profit Margin

Our gross profit increased by 4.1% from EUR539.0 million in 2023 to EUR560.8 million in 2024. Our gross profit margin increased from 28.9% in 2023 to 29.2% in 2024.

Our gross profit generated from Club Med resort operations increased by 3.9% from EUR533.5 million in 2023 to EUR554.3 million in 2024, and our gross profit margin for Club Med resort operations increased from 28.9% in 2023 to 29.0% in 2024. Such increase was primarily due to higher revenue generated from our accommodation services, mainly driven by the increases in our average daily rates and the capacity of certain resorts. Our gross profit generated from vacation scenario services increased by 18.8% from EUR5.5 million in 2023 to EUR6.5 million in 2024, while our gross profit margin for vacation scenario services increased from 41.8% in 2023 to 44.7% in 2024. Such increase was primarily due to increased revenue contribution from higher-margin, asset-light vacation scenario services.

Other Income and Gains, Net

Our other income and gains, net decreased by 39.7% from EUR49.4 million in 2023 to EUR29.8 million in 2024, primarily due to (i) a decrease of EUR30.2 million in total gains, mainly attributable to a decrease of EUR29.7 million in gain on disposal of property, plant and equipment and a decrease in gain on disposal of a subsidiary, partially offset by an increase of EUR16.0 million in gain on reversal of provisions.

Selling and Marketing Expenses

Our selling and marketing expenses increased by 5.7% from EUR280.9 million in 2023 to EUR296.8 million in 2024, primarily due to (i) an increase of EUR12.0 million in advertising, sales commission and service charges, mainly attributable to increased marketing and promotional activities to support our brand awareness and business growth; and (ii) an increase in wages, salaries and employee benefits, primarily attributable to increased sales and marketing personnel costs to support our business operations.

General and Administrative Expenses

Our general and administrative expenses slightly increased by 3.2% from EUR126.6 million in 2023 to EUR130.6 million in 2024, primarily due to (i) an increase in wages, salaries and employee benefits, primarily attributable to the increase in our headcount and the level of employee benefits in line with the expansion of our business operations, and (ii) an increase in IT-related expenses, primarily attributable to higher costs incurred for the maintenance, upgrade and operation of our IT systems to support our business operations.

Finance Costs

Our finance costs increased by 5.3% from EUR110.6 million in 2023 to EUR116.4 million in 2024, primarily due to an increase in interest on bank and other borrowings, mainly as a result of a higher interest rates in 2024.

Share of Losses of Associates

Our share of losses of associates slightly increased from EUR1.4 million in 2023 to EUR1.7 million in 2024.

Income Tax Expense

Our income tax expense increased significantly from EUR0.2 million in 2023 to EUR15.5 million in 2024. In 2023, we incurred lower income tax expenses, primarily due to the higher utilization and recognition of tax losses and temporary differences in prior years, compared to 2024.

Profit for the Year

As a result of the foregoing, our profit for the year decreased by 57.0% from EUR68.8 million in 2023 to EUR29.6 million in 2024.

DISCUSSION ON KEY ITEMS OF COMBINED STATEMENTS OF FINANCIAL POSITION

The table below sets forth selected information from our combined statements of financial position as of the dates indicated, which have been extracted from the Accountants' Report in Appendix I to this document.

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000*
Total non-current assets	2,593,076	2,611,677	2,513,217	2,469,226
Total current assets	663,596	622,707	677,682	604,581
Total assets	**3,256,672**	**3,234,384**	**3,190,899**	**3,073,807**
Total non-current liabilities	1,691,691	1,726,987	1,619,225	1,967,224
Total current liabilities	1,752,501	1,679,108	1,718,632	1,278,529
Total liabilities	**3,444,192**	**3,406,095**	**3,337,857**	**3,245,753**
Total equity	**(187,520)**	**(171,711)**	**(146,958)**	**(171,946)**

NET CURRENT LIABILITIES

The following table sets forth our current assets and current liabilities as of the dates indicated:

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000*
Current assets				
Inventories	35,118	32,854	30,182	27,764
Completed properties for sale	661	6,261	2,787	522
Properties under development	12,774	3,324	4,590	4,727
Trade receivables	58,072	51,067	38,095	31,392
Contract assets	500	—	—	—
Prepayments, other receivables and other assets	252,808	262,929	280,227	276,159
Due from related companies	147,016	124,213	172,443	110,327
Non-current assets held for sale	—	—	—	12,265
Derivative financial instruments	9,294	6,922	4,103	2,270
Financial assets at fair value through profit or loss	1	—	—	—
Cash and bank balances	147,352	135,137	145,255	139,155
Total current assets	**663,596**	**622,707**	**677,682**	**604,581**
Current liabilities				
Interest-bearing bank and other borrowings	214,063	100,564	101,215	93,659
Contract liabilities	117,156	111,467	102,791	107,564
Trade payables	177,196	180,295	169,540	149,021
Accrued liabilities and other payables	696,511	681,250	735,243	653,525
Lease liabilities	120,775	139,161	143,178	143,566
Tax payable	9,839	7,399	12,468	26,660
Due to related companies	411,768	455,897	449,359	102,510
Derivative financial instruments	5,193	3,075	4,838	2,024
Total current liabilities	**1,752,501**	**1,679,108**	**1,718,632**	**1,278,529**
Net current assets/(liabilities)	**(1,088,905)**	**(1,056,401)**	**(1,040,950)**	**(673,948)**

Our net current liabilities decreased from EUR1,041.0 million as of December 31, 2025 to EUR673.9 million as of June 30, 2026, primarily due to (i) a decrease of EUR346.8 million in amounts due to related companies, mainly reflecting the capitalization of certain payables in connection with the Reorganization and the settlement of certain non-trade related-party balances, and (ii) a decrease of EUR81.7 million in accrued liabilities and other payables, mainly reflecting the timing of services delivered to our customers. The decrease was partially offset by a decrease of EUR62.1 million in amounts due from related companies, mainly reflecting settlement and funding arrangements with related companies in the ordinary course of business.

Our net current liabilities remained relatively stable, decreasing slightly from EUR1,056.4 million as of December 31, 2024 to EUR1,041.0 million as of December 31, 2025. The slight decrease was primarily attributable to an increase of EUR48.2 million in amounts due from related companies, mainly reflecting business and funding arrangements with related companies, together with ordinary course movements in working capital balances. The decrease was partially offset by an increase of EUR54.0 million in accrued liabilities and other payables.

Our net current liabilities remained relatively stable, decreasing from EUR1,088.9 million as of December 31, 2023 to EUR1,056.4 million as of December 31, 2024. The decrease was primarily

attributable to a decrease of EUR113.5 million in interest-bearing bank and other borrowings, mainly due to the refinancing of certain bank and other borrowings in 2024, which extended the maturity profile of such borrowings and resulted in a portion of them being classified as non-current liabilities, together with repayments of certain short-term borrowings. The decrease was also attributable to ordinary course movements in working capital balances. The decrease was partially offset by movements in balances with related companies, including an increase of EUR44.1 million in amounts due to related companies and a decrease of EUR22.8 million in amounts due from related companies.

Although we recorded net current liabilities during the Track Record Period, our Directors are of the view that we have sufficient working capital to meet our present needs and for the next 12 months from the date of this Document, taking into account the financial resources available to us, including our cash and cash equivalents on hand, internally generated funds and available bank facilities.

We seek to improve our net current liabilities position by enhancing our operating cash flows through continued business expansion and sales growth, along with strengthened cost control and improved operational efficiency. During the Track Record Period, we generated net cash from operating activities of EUR389.4 million, EUR373.8 million, EUR411.9 million, EUR174.0 million and EUR179.2 million in 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, respectively. We will continue to closely monitor our cash flow and plan to make continuous efforts to improve our financial positions, including (i) adopting various strategies and measures to continuously maintain and improve our revenue growth; (ii) strengthening cost control and improving operational efficiency; (iii) maintaining our sound relationships with banks and other financial institutions to obtain financial facilities with favorable terms to support our business operations as required; and (iv) optimizing our financing structure through repayments of short-term bank loans. For details, see "Risk Factors—Risks Relating to Our Business and Industry—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."

Property, Plant and Equipment

Our property, plant and equipment consist of (i) buildings and leasehold improvements, (ii) freehold land, (iii) machinery, (iv) furniture, fixtures and other equipment, and (v) construction in progress. The following table sets forth a breakdown of the net carrying amount of our property, plant, and equipment as of the dates indicated:

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000*
Buildings and leasehold improvements	257,554	256,121	261,060	264,680
Freehold land	121,845	103,579	94,100	96,282
Machinery	69,031	71,370	71,576	70,315
Furniture, fixtures and other equipment	55,547	57,164	60,841	57,756
Construction in progress	9,085	19,418	13,017	22,886
Total	**513,062**	**507,652**	**500,594**	**511,919**

The net carrying amount of our property, plant and equipment amounted to EUR513.1 million, EUR507.7 million, EUR500.6 million and EUR511.9 million as of December 31, 2023, 2024 and 2025 and June 30, 2026, respectively. The decrease from December 31, 2023 to December 31, 2025 was

primarily attributable to the gradual implementation of our capital-efficient operating strategy, under which we continued to optimize our asset base through selected disposals, closures and portfolio adjustments, while expanding primarily through lease and management models where appropriate. The decrease also reflected the closure or transformation of resorts as part of our premiumization strategy, through which we have focused our resort portfolio on premium and higher-end resort products. Such decrease was partially offset by capital expenditure incurred for renovation, upgrading and development projects at certain resorts, including investments in buildings and leasehold improvements, machinery, furniture, fixtures and other equipment and construction in progress.

The net carrying amount of our property, plant and equipment increased from EUR500.6 million as of December 31, 2025 to EUR511.9 million as of June 30, 2026, primarily due to capital expenditure incurred for renovation, upgrading and expansion projects at certain existing resorts.

Right-of-use Assets

Our right-of-use assets principally arise from lease arrangements for buildings used in our resort operations, together with leases of machinery, furniture, fixtures and other equipment. The following table sets forth a breakdown of our right-of-use assets as of the dates indicated:

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000*
Buildings	1,360,874	1,406,187	1,329,502	1,282,252
Machinery	5,320	4,967	4,411	4,513
Furniture, fixtures and other equipment	427	576	356	267
Total	**1,366,621**	**1,411,730**	**1,334,269**	**1,287,032**

The movement in right-of-use assets during the Track Record Period was mainly driven by the renewal of lease agreements upon expiration of existing leases and new leases entered into in relation to our resorts and offices, partially offset by depreciation charges. Our right-of-use assets increased from EUR1,366.6 million as of December 31, 2023 to EUR1,411.7 million as of December 31, 2024, primarily reflecting additions arising from new or renewed lease arrangements, lease modifications and the remeasurement from contractual rent indexation, minus depreciation charges for the year. Our right-of-use assets then decreased to EUR1,334.3 million as of December 31, 2025 and further to EUR1,287.0 million as of June 30, 2026, primarily reflecting depreciation charges for the period, partially offset by new or renewal lease arrangements and rent indexation.

Intangible Assets

Our intangible assets primarily consist of the trademark and patents relating to the Club Med brand, capitalized software, and other intangible assets. The following table sets forth a breakdown of our intangible assets as of the dates indicated:

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000*
Trademark and patents	261,686	261,677	261,528	261,498
Software	50,294	52,263	53,218	52,651
Others	693	517	397	384
Total	**312,673**	**314,457**	**315,143**	**314,533**

The net carrying amount of our intangible assets remained relatively stable during the Track Record Period, amounting to EUR312.7 million, EUR314.5 million, EUR315.1 million and EUR314.5 million as of December 31, 2023, 2024 and 2025 and June 30, 2026, respectively. Such slight fluctuations primarily reflected our continued investment in IT system development, digital platforms and operational support systems, partially offset by amortization of software and other intangible assets in the ordinary course of business.

Trade Receivables

Trade receivables primarily represent receivables arising from our contracts with customers in the ordinary course of business. Our trade receivables decreased from EUR58.1 million as of December 31, 2023 to EUR51.1 million as of December 31, 2024 and further to EUR38.1 million as of December 31, 2025, and amounted to EUR31.4 million as of June 30, 2026. Such overall decrease was primarily attributable to improved settlement and collection of trade receivables, as well as a reduction in aged balances.

The following table sets forth an aging analysis of our trade receivables as of the dates indicated:

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000*
Within 90 days	54,861	49,875	37,251	30,004
91 to 180 days	2,310	750	460	935
181 to 365 days	342	87	78	174
1 to 2 years	290	95	97	129
2 to 3 years	269	239	51	32
Over 3 years	—	21	158	118
Total	**58,072**	**51,067**	**38,095**	**31,392**

The following table sets forth the average turnover days of our trade receivables for the periods indicated:

	Year ended December 31,			Six months ended June 30,
	2023	2024	2025	2026
Trade receivables turnover days[(1)]	15.3	10.4	8.4	5.8

Note:

(1) Our trade receivables turnover days for each period equals the average of the beginning and ending balances of trade receivables for that period divided by our total revenue for that period and multiplied by the number of days in that period.

Our trade receivables turnover days decreased from 15.3 days in 2023 to 10.4 days in 2024, and further decreased to 8.4 days in 2025 and 5.8 days for the six months ended June 30, 2026. This improvement was primarily due to our continued efforts to improve settlement and collection processes.

As of July 31, 2026, EUR19.6 million, or 57.0%, of our trade receivables as of June 30, 2026 had been subsequently settled.

Prepayments, Other Receivables and Other Assets, Current Portion

Our prepayments, other receivables and other assets consist of (i) prepayments for various goods and services, (ii) value-added tax to be deducted and certified, (iii) deposits, primarily including

deposits for lease contracts and travel licenses, (iv) deferred **[REDACTED]** expenses, (v) loans to third parties, and (vi) others. The following table sets forth a breakdown of the current portion of our prepayments, other receivables and other assets as of the dates indicated:

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000*
Prepayments for various goods and services	130,553	127,098	123,926	115,033
Value-added tax to be deducted and certified	61,441	63,223	65,971	69,194
Deposits	2	5	10	37
Deferred **[REDACTED]** expenses	—	—	—	**[REDACTED]**
Loans to third parties	—	—	2,884	2,884
Others	61,050	72,733	87,880	88,778
	253,046	263,059	280,671	276,454
Impairment allowance	(238)	(130)	(444)	(295)
Total	**252,808**	**262,929**	**280,227**	**276,159**

The current portion of our prepayments, other receivables and other assets increased by 4.0% from EUR252.8 million as of December 31, 2023 to EUR262.9 million as of December 31, 2024, primarily due to an increase of EUR11.7 million in other receivables, mainly attributable to insurance receivables relating to the reconstruction and business interruption. Our current portion of prepayments, other receivables and other assets further increased by 6.6% from EUR262.9 million as of December 31, 2024 to EUR280.2 million as of December 31, 2025, primarily due to an increase in other receivables, including an increase of EUR15.1 million in others and an increase in loans to third parties. As of June 30, 2026, our current portion of prepayments, other receivables and other assets amounted to EUR276.2 million. The slight decrease from EUR280.2 million as of December 31, 2025 was primarily attributable to a decrease in prepayments for various goods and services, partially offset by increases in prepaid value-added tax and surcharges.

Trade Payables

Our trade payables primarily consist of amounts payable to suppliers for the procurement of goods and services in the ordinary course of our business. Our trade payables were non-interest bearing during the Track Record Period. Our contractual credit terms with suppliers generally range from 0 to 90 days, depending on the nature of the goods or services provided, the relevant supplier relationship and applicable contractual arrangements.

Our trade payables amounted to EUR177.2 million, EUR180.3 million, EUR169.5 million and EUR149.0 million as of December 31, 2023, 2024 and 2025, and June 30, 2026, respectively. Our trade payables remained relatively stable from December 31, 2023 to December 31, 2024, and decreased from EUR180.3 million as of December 31, 2024 to EUR169.5 million as of December 31, 2025 and further to EUR149.0 million as of June 30, 2026. The movements in trade payables over the Track Record Period mainly reflected the timing of purchases and settlements with suppliers in the ordinary course of our resort operations, taking into account the seasonality of our business and changes in the scale of operating activities during the relevant periods. In particular, the decrease in trade payables from December 31, 2024 to June 30, 2026 was primarily attributable to our continued efforts to settle outstanding trade payables in accordance with the agreed payment terms with our suppliers.

The following table sets forth an aging analysis of our trade payables as of the dates indicated:

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000*
Within 90 days	160,699	174,682	165,212	143,305
91 to 180 days	2,229	2,827	1,845	2,169
181 to 365 days	1,393	242	615	1,419
1 to 2 years	9,123	27	150	460
2 to 3 years	1,341	396	21	103
Over 3 years	2,411	2,121	1,697	1,565
Total	**177,196**	**180,295**	**169,540**	**149,021**

The following table sets forth the average turnover days of our trade payables for the periods indicated:

	Year ended December 31,			Six months ended June 30,
	2023	2024	2025	2026
Trade payables turnover days(1)	51.7	47.9	47.0	40.8

Note:

(1) Our trade payables turnover days for each period equals the average of the beginning and ending balances of trade payables for that period divided by the cost of revenue for that period and multiplied by the number of days in that period.

Our trade payables turnover days decreased from 51.7 days in 2023 to 47.9 days in 2024, and further decreased to 47.0 days in 2025 and 40.8 days for the six months ended June 30, 2026. The decrease was primarily due to improved payment scheduling and a shorter settlement cycle for trade payables in line with the payment terms agreed with our suppliers.

As of July 31, 2026, EUR135.9 million, or 91.2%, of our trade payables as of June 30, 2026 had been subsequently settled.

Accrued Liabilities and Other Payables

Our accrued liabilities and other payables primarily consist of (i) advanced booking deposits received from resort customers for reservation purposes; (ii) payables related to the purchase of property, plant and equipment; (iii) payables related to payroll; (iv) tax liabilities (other than income tax); (v) put options granted to non-controlling shareholders of a subsidiary; (vi) provisions for litigation; and (vii) other payables, such as accrued expenses.

Our accrued liabilities and other payables decreased from EUR696.5 million as of December 31, 2023 to EUR681.3 million as of December 31, 2024, primarily due to (i) a decrease of EUR40.0 million in put options granted to certain non-controlling shareholders of Club Med Holding, as a result of the exercise of put rights in February 2024 under the relevant put option arrangements, pursuant to which Fosun Luxembourg acquired all outstanding minority interests in Club Med Holding; and (ii) a decrease of EUR21.6 million in provisions for litigation and others, mainly attributable to settlement, utilization or reversal of provisions relating to litigation, restructuring and resort closure matters. Such decrease was partially offset by an increase of EUR43.6 million in advanced booking deposits, mainly reflecting higher advance payments received for future resort stays as a result of booking growth and booking pace. Our accrued liabilities and other payables then increased to EUR735.2 million as of December 31, 2025, mainly due to (i) an increase of

EUR34.7 million in advanced booking deposits, which was in line with our business growth; and (ii) an increase of EUR9.4 million in provisions for litigation and others, mainly attributable to provisions recognized in connection with certain tax audit matters. Our accrued liabilities and other payables decreased from EUR735.2 million as of December 31, 2025 to EUR653.5 million as of June 30, 2026, primarily due to a decrease of EUR61.3 million in advances from customers, mainly reflecting the recognition of advance payments as revenue upon completion of the relevant resort stays during the six months ended June 30, 2026 and the seasonal pattern of customer bookings and advance payments.

Inventories

Our inventories primarily consist of (i) goods for resale, such as merchandise for sale at our resorts; and (ii) consumables and supplies used in our daily resort operations, such as food and beverages, hotel supplies and leisure activity inventories. The following table sets forth a breakdown of our inventories as of the dates indicated:

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000*
Goods for resale	19,847	18,263	17,989	15,586
Consumables and supplies	15,499	14,924	12,939	12,672
	35,346	33,187	30,928	28,258
Impairment	(228)	(333)	(746)	(494)
Total	**35,118**	**32,854**	**30,182**	**27,764**

Our inventories decreased overall from EUR35.1 million as of December 31, 2023 to EUR32.9 million as of December 31, 2024 and further to EUR30.2 million as of December 31, 2025, and amounted to EUR27.8 million as of June 30, 2026. Such overall decrease was primarily attributable to decreases in goods for resale and consumables and supplies, mainly reflecting our continued optimization of inventory planning and procurement management for branded merchandise, apparel, souvenirs, retail products, food and beverages, hotel supplies and leisure activity inventories in line with our resort operations.

The following table sets out our inventory turnover days for the periods indicated:

	Year ended December 31,			Six months ended June 30,
	2023	2024	2025	2026
Inventory turnover days[(1)]	9.3	9.1	8.5	7.4

Note:

(1) Our inventory turnover days for each period equals the average of the beginning and ending balances of inventories for that period divided by the cost of revenue for that period and multiplied by the number of days in that period.

Our average inventory turnover days for non-property inventory gradually decreased from 9.3 days in 2023 to 9.1 days in 2024, 8.5 days in 2025 and 7.4 days in the six months ended June 30, 2026, which mainly reflected our continued inventory planning and procurement management in line with our resort operations.

LIQUIDITY AND CAPITAL RESOURCES

During the Track Record Period, we funded our investments and operations principally with cash generated from our operations, bank and other borrowings, related party borrowings and capital

investments by our Controlling Shareholders. In the future, we believe that our liquidity requirements will be satisfied through a combination of cash flows generated from our operating activities, bank loans and other borrowings, and other funds raised from the capital markets from time to time. Any significant decrease in the demand for, or pricing of, our products and services, or a significant decrease in the availability of bank loans may adversely impact our liquidity.

Cash Flow

The following table sets forth a summary of our cash flow for the periods indicated.

	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000 (Unaudited)*	*EUR'000*
Net cash generated from operating activities	389,446	373,812	411,865	174,017	179,217
Net cash (used in)/generated from investing activities	(70,118)	(30,979)	(142,717)	(104,356)	9,718
Net cash used in financing activities	(299,655)	(351,744)	(249,730)	(47,282)	(188,397)
Net increase/(decrease) in cash and cash equivalents	**19,673**	**(8,911)**	**19,418**	**22,379**	**538**
Cash and cash equivalents at the beginning of year/period	98,428	117,811	108,525	108,525	124,431
Net foreign exchange differences	(290)	(375)	(3,512)	(2,439)	834
Cash and cash equivalents at the end of year/period	**117,811**	**108,525**	**124,431**	**128,465**	**125,803**

Net Cash Generated from Operating Activities

For the six months ended June 30, 2026, we generated net cash from operating activities of EUR179.2 million, as compared to profit before income tax of EUR94.9 million. The difference was primarily attributable to adjustments for non-cash and non-operating items, mainly including (i) depreciation of right-of-use assets of EUR78.1 million; (ii) interest expenses of EUR49.1 million; and (iii) depreciation of property, plant and equipment of EUR35.0 million. The amount was further adjusted by changes in working capital, which primarily consist of (i) a decrease in other payables and accruals of EUR74.6 million; and (ii) a decrease in trade payables of EUR20.5 million.

In 2025, we generated net cash from operating activities of EUR411.9 million, as compared to profit before income tax of EUR59.3 million. The difference was primarily attributable to adjustments for non-cash and non-operating items, mainly including (i) depreciation of right-of-use assets of EUR158.0 million; (ii) interest expenses of EUR103.0 million; and (iii) depreciation of property, plant and equipment of EUR64.2 million. The amount was further adjusted by changes in working capital, which primarily consist of (i) an increase in other payables and accruals of EUR73.6 million; and (ii) a decrease in trade receivables of EUR12.3 million.

In 2024, we generated net cash from operating activities of EUR373.8 million, as compared to profit before income tax of EUR45.1 million. The difference was primarily attributable to adjustments for non-cash and non-operating items, mainly including (i) depreciation of right-of-use assets of EUR154.7 million; (ii) interest expenses of EUR116.4 million; and (iii) depreciation of property, plant and equipment of EUR60.7 million. The amount was further adjusted by changes in working capital, which primarily consist of (i) an increase in other payables and accruals of EUR24.9 million, and (ii) a decrease in properties under development of EUR9.5 million.

In 2023, we generated net cash from operating activities of EUR389.4 million, as compared to profit before income tax of EUR69.0 million. The difference was primarily attributable to adjustments for non-cash and non-operating items, mainly including (i) depreciation of right-of-use assets of EUR146.9 million; (ii) interest expenses of EUR110.6 million; and (iii) depreciation of property, plant and equipment of EUR58.6 million. The amount was further adjusted by changes in working capital, which primarily consist of (i) a decrease in trade receivables of EUR37.4 million; and (ii) an increase in contract liabilities of EUR24.4 million.

Net Cash (Used in)/Generated from Investing Activities

For the six months ended June 30, 2026, we recorded net cash generated from investing activities of EUR9.7 million. This was primarily attributable to (i) proceeds received from related companies of EUR54.5 million, mainly related to the settlement of certain non-trade related-party balances and the capitalization of certain payables in connection with the Reorganization; and (ii) proceeds from the disposal of property, plant and equipment of EUR5.3 million, partially offset by purchases of property, plant and equipment of EUR44.5 million.

In 2025, we recorded net cash used in investing activities of EUR142.7 million. This was primarily attributable to (i) purchases of property, plant and equipment of EUR96.8 million; (ii) proceeds provided to related companies of EUR67.1 million; and (iii) purchases of intangible assets of EUR14.3 million, partially offset by proceeds from the disposal of property, plant and equipment of EUR34.3 million.

In 2024, we recorded net cash used in investing activities of EUR31.0 million. This was mainly attributable to (i) purchases of property, plant and equipment of EUR80.4 million; and (ii) purchases of intangible assets of EUR15.1 million, partially offset by the proceeds received from related companies of EUR51.2 million.

In 2023, we recorded net cash used in investing activities of EUR70.1 million. This was primarily attributable to (i) purchases of property, plant and equipment of EUR70.6 million; and (ii) proceeds provided to related companies of EUR39.8 million, partially offset by (i) proceeds from the disposal of property, plant and equipment of EUR34.9 million; and (ii) disposal of a subsidiary of EUR22.1 million.

Net Cash Used in Financing Activities

For the six months ended June 30, 2026, we recorded net cash used in financing activities of EUR188.4 million. This was primarily attributable to (i) repayments of interest-bearing bank and other borrowings of EUR197.1 million; (ii) payments of lease liabilities of EUR107.7 million; and (iii) funding provided to related companies of EUR60.1 million, partially offset by new bank and other borrowings of EUR188.3 million.

In 2025, we recorded net cash used in financing activities of EUR249.7 million. This was primarily attributable to (i) repayments of interest-bearing bank and other borrowings of EUR231.8 million; (ii) payments of lease liabilities of EUR222.7 million; and (iii) interest paid of EUR20.8 million, partially offset by (i) new bank and other borrowings of EUR186.5 million; and (ii) funding received from related companies of EUR43.4 million.

In 2024, we recorded net cash used in financing activities of EUR351.7 million. This was primarily attributable to (i) repayments of interest-bearing bank and other borrowings of

EUR686.3 million; (ii) payments of lease liabilities of EUR216.8 million; (iii) acquisition of additional interests in subsidiaries of EUR40.2 million; and (iv) interest paid of EUR35.2 million, partially offset by (i) new bank and other borrowings of EUR596.5 million; and (ii) funding received from related companies of EUR33.0 million.

In 2023, we recorded net cash used in financing activities of EUR299.7 million. This was primarily attributable to (i) payments of lease liabilities of EUR201.0 million; (ii) repayments of interest-bearing bank and other borrowings of EUR128.2 million; (iii) acquisition of additional interests in subsidiaries of EUR27.0 million; and (iv) interest paid of EUR23.7 million, partially offset by (i) funding received from related companies of EUR14.5 million; and (ii) new bank and other borrowings of EUR70.6 million.

Working Capital Sufficiency

During the Track Record Period, we met our working capital needs mainly from our cash and cash equivalents, cash flows generated from operations, bank borrowings, and related party payables. We manage our cash flow and working capital by closely monitoring and managing, among other things, (i) the level of our trade payables, other payables and contract liabilities, and (ii) our ability to obtain external financing. We constantly review and estimate future cash flow requirements, assess our ability to meet debt repayment schedules and adjust our investment and financing plans, if necessary, to ensure that we maintain sufficient working capital to support our business operations and expansion plans.

We have maintained strong and long-term relationships with major commercial banks and financial institutions. During the Track Record Period, we made interest and principal payments on our bank loans in a timely manner and we have been able to renew or roll over our bank loans at maturity as required. We do not foresee any immediate repayment requirement for our bank loans or withdrawal or reduction in banking facilities on short notice that could have a material adverse effect on our liquidity position. Our Directors also confirm that we had no material defaults in payment of trade and other payables and bank borrowings or breaches of material covenants during the Track Record Period.

Based on the foregoing and taking into account the financial resources available to us, including our cash and cash equivalents, cash flow generated from operations, available banking facilities and the net proceeds from this **[REDACTED]**, our Directors are of the opinion that we have sufficient working capital required for our operations at present and for at least the next 12 months from the date of this document.

INDEBTEDNESS

As of December 31, 2023, 2024, 2025 and June 30, 2026, being the most recent practicable date for determining our indebtedness, our indebtedness included interest-bearing bank borrowings and lease liabilities. The following table sets forth the breakdown of our indebtedness as of the dates indicated:

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000*
Current				
Interest-bearing bank and other borrowings	214,063	100,564	101,215	93,659
Lease Liabilities	120,775	139,161	143,178	143,566
Non-current				
Interest-bearing bank and other borrowings	209,568	231,111	184,613	568,919
Lease Liabilities	1,364,676	1,401,020	1,346,454	1,304,347
Total	**1,909,082**	**1,871,856**	**1,775,460**	**2,110,491**

Interest-bearing Bank and Other Borrowings

As of December 31, 2023, 2024, 2025 and June 30, 2026, we had interest-bearing bank and other borrowings of EUR423.6 million, EUR331.7 million, EUR285.8 million and EUR662.6 million, respectively. Our interest-bearing bank and other borrowings during the Track Record Period were primarily used to fund restructuring and business operations. Our interest-bearing bank borrowings consist of secured and unsecured bank loans. During the Track Record Period, our borrowings bore interest at fixed rates ranging from 0.75% to 7.0% per annum and floating rates with margin ranging from 0.7% to 2.8% per annum, excluding a borrowing bearing interest at a floating rate with a margin of 8.5% per annum, which was fully repaid in November 2024. For details, see Note 31 of the Accountants' Report in Appendix I to this document. As of June 30, 2026, we had unutilized banking facilities of EUR88.6 million.

Lease Liabilities

During the Track Record Period, our lease liabilities were primarily related to the lease of buildings and machinery used in our operations. As of December 31, 2023, 2024, 2025 and June 30, 2026, our total lease liabilities remained relatively stable at EUR1,485.5 million, EUR1,540.2 million, EUR1,489.6 million and EUR1,447.9 million, respectively.

No Other Outstanding Indebtedness

Except as disclosed in "—Indebtedness" and "—Contingent Liabilities", as of June 30, 2026, being the most recent practicable date for determining our indebtedness, we did not have any outstanding mortgages, charges, debentures, other issued debt capital, bank overdrafts, borrowings, liabilities under acceptance or other similar indebtedness, hire purchase commitments, guarantees or other material contingent liabilities. Our Directors have confirmed that there has been no material change in our indebtedness from June 30, 2026 to the date of this document.

CAPITAL EXPENDITURES

During the Track Record Period, our capital expenditures primarily consist of expenditures relating to the renovation and maintenance of existing resorts, the opening of new resorts, and

investments in digitalization initiatives and IT systems. Our capital expenditures amounted to EUR87.3 million, EUR95.4 million, EUR111.1 million and EUR50.1 million in 2023, 2024 and 2025 and the six months ended June 30, 2026, respectively. We funded these expenditures mainly with a combination of cash generated from our operating activities and borrowings.

We plan to continue to make capital expenditures to support our business growth and expansion strategy. See "Future Plans and **[REDACTED]**." We intend to fund these expenditures with available financial resources, including cash generated from operations, bank borrowings, net proceeds from the **[REDACTED]**, and potential future equity or debt financing. We may adjust our capital expenditure for any given year according to our development plans or in light of market conditions and other factors we believe to be appropriate.

CONTRACTUAL COMMITMENTS

As of December 31, 2023, 2024 and 2025 and June 30, 2026, we did not have any significant commitments.

CONTINGENT LIABILITIES

As of December 31, 2023, 2024 and 2025 and June 30, 2026, our contingent liabilities amounted to EUR1.8 million, EUR0.5 million, nil and nil, respectively. Our contingent liabilities primarily arose from guarantees provided in respect of interest-bearing loans of a related company.

KEY FINANCIAL RATIOS

The following table sets forth our key financial ratios as of the dates or for the periods indicated.

	As of/For the year ended December 31,			As of/For the six months ended June 30,	
	2023	2024	2025	2025	2026
Gearing ratio[(1)]	54.0%	53.7%	51.1%	NA	64.1%
Gross profit margin[(2)]	28.9%	29.2%	30.3%	33.0%	34.7%
Adjusted EBITDA margin[(3)]	19.5%	20.4%	20.2%	25.3%	24.5%

Notes:

(1) Calculated by dividing net indebtedness by total assets as of the end of the respective year/period and multiplying by 100%. Net indebtedness is calculated as the sum of interest-bearing bank and other borrowings and lease liabilities, less cash and bank balances.

(2) Calculated by dividing gross profit by revenue for the respective year/period and multiplying by 100%.

(3) Calculated by dividing adjusted EBITDA by revenue for the respective year/period and multiplying by 100%.

RELATED PARTY TRANSACTIONS

We enter into transactions with our related parties from time to time, which have given rise to certain amounts due from and due to related companies. For details of our material related party transactions, see Note 43 to the Accountants' Report included in Appendix I to this document.

Our Directors are of the view that each of the related party transactions set out in Note 43 to the Accountants' Report included in Appendix I to this document was conducted in the ordinary course of business on an arm's length basis and with normal commercial terms between the relevant parties. Our Directors are also of the view that our related party transactions during the Track Record Period would not distort our track record results or cause our historical results to become non-reflective of our future performance.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of the Latest Practicable Date, we did not have any outstanding material off-balance sheet commitments or arrangements.

FINANCIAL RISKS DISCLOSURE

We are exposed to various types of financial risks, including interest rate risk, foreign currency risk, credit risk and liquidity risk. Our overall risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on our financial performance. Below is a summary of our approach to managing various types of financial risks. See Note 46 to the Accountants' Report in Appendix I to this document for details.

Interest Rate Risk

Our exposure to the risk of changes in market interest rates relates primarily to our long-term debt obligations with floating interest rates. Our policy is to manage interest costs using a mix of fixed-rate and variable-rate debt. As of December 31, 2023, 2024 and 2025 and June 30, 2026, approximately 12%, 20%, 24% and 10%, respectively, of our interest-bearing borrowings bore interest at fixed rates. We also conduct hedging activities by entering into interest rate swaps on certain variable-rate debt, under which we agree to exchange, at specified intervals, the difference between fixed-rate and variable-rate interest amounts calculated by reference to an agreed-upon notional principal amount.

Foreign Currency Risk

We operate resorts around the world and are exposed to the risk of fluctuations in foreign exchange rates. We have transactional currency exposures arising from sales or purchases by operating entities, as well as investing and financing activities by investment holding entities, in currencies other than such entities' functional currencies. The major subsidiaries exposed to such currency risks use EUR, CAD or BRL as their functional currencies. We also use foreign currency forward contracts and foreign currency swaps to hedge against transactional currency risk arising from future sales cash flows denominated in currencies other than the functional currencies of the relevant selling entities within our Group.

Credit Risk

We have no significant concentration of credit risk due to the large number of our customers. We trade only with recognized and creditworthy third parties. It is our policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis, and our exposure to bad debts is not significant.

Liquidity Risk

The liquidity of our Group is primarily dependent on our ability to maintain adequate cash inflows from operations to meet debt obligations as they fall due and our ability to obtain external financing to meet committed future capital expenditures. Our objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing bank and other borrowings, amounts due to related companies and lease liabilities. As of December 31, 2023, 2024 and 2025 and June 30, 2026, 35%, 32%, 33% and 32%, respectively, of our debts would mature within one year based on the carrying value of borrowings.

DIVIDENDS

No dividend has been declared or paid by our Company during the Track Record Period. Subject to our Articles of Association and applicable laws and regulations, any future declaration and payment of dividends will be at the discretion of our Board and will depend on, among other things, our future operations and earnings, capital requirements and expenditure plans, general financial condition, cash flows, business conditions and strategies, contractual restrictions and other factors that our Board may consider relevant. We do not have a fixed pay-out ratio. As advised by our Cayman Islands legal advisor, a company incorporated in the Cayman Islands may declare and pay a dividend out of either profits or share premium account. The financial position of accumulated losses does not prohibit us from declaring and paying dividends to our Shareholders, as dividends may still be declared and paid out of our share premium account notwithstanding our profitability, provided that this would not result in our Company being unable to pay debts as they fall due in the ordinary course of business.

DISTRIBUTABLE RESERVES

As of June 30, 2026, we had distributable reserves of EUR399.0 million, which are available for distribution to our Shareholders, subject to the Cayman Companies Act.

[REDACTED] EXPENSES

Based on the indicative **[REDACTED]** per **[REDACTED]** of HK$**[REDACTED]** (being the mid-point of the indicative **[REDACTED]** range stated in the document), the aggregate commissions and fees, together with the Stock Exchange **[REDACTED]** fee, AFRC transaction levy, SFC transaction levy and Stock Exchange trading fee, legal and other professional fees, printing and other expenses relating to the **[REDACTED]**, which are payable by us, are estimated to amount in aggregate to approximately EUR**[REDACTED]** (HK$**[REDACTED]**), accounting for **[REDACTED]%** of the gross proceeds from the **[REDACTED]** (assuming **[REDACTED]** is not exercised). By nature, our **[REDACTED]** expenses are composed of (i) **[REDACTED]** commission of approximately EUR**[REDACTED]** million (HK$**[REDACTED]**), and (ii) non-**[REDACTED]** related expenses of approximately EUR**[REDACTED]** (HK$**[REDACTED]**), which consist of fees and expenses of legal advisors and Reporting Accountants of approximately **[REDACTED]** (HK$**[REDACTED]**) and other fees and expenses. As of June 30, 2026, we incurred **[REDACTED]** expenses of EUR**[REDACTED]** (HK$**[REDACTED]**), of which EUR**[REDACTED]** (HK$**[REDACTED]**) was charged to the combined statements of profit or loss and EUR**[REDACTED]** (HK$**[REDACTED]**) was recognized as a deduction in equity upon successful **[REDACTED]**. We expect to incur additional **[REDACTED]** expenses of approximately EUR**[REDACTED]** (HK$**[REDACTED]**), of which approximately EUR**[REDACTED]** (HK$**[REDACTED]**) is expected to be charged to the combined statements of profit or loss and approximately EUR**[REDACTED]** (HK$**[REDACTED]**) is expected to be recognized as a deduction in equity directly upon the **[REDACTED]**.

UNAUDITED PRO FORMA ADJUSTED COMBINED NET TANGIBLE ASSETS

See "Unaudited Pro Forma Financial Information" in Appendix II to this document for details of our unaudited Pro Forma adjusted combined net tangible assets.

NO MATERIAL ADVERSE CHANGE

Our Directors have confirmed that up to the date of this document there has been no material adverse change in our financial or trading position or prospects since June 30, 2026, being the end date of the periods reported in Appendix I to this document, and there is no event since June 30, 2026 that would materially affect the information as set out in the Accountants' Report included in Appendix I to this document.

DISCLOSURE REQUIRED UNDER THE LISTING RULES

Our Directors confirm that, except as otherwise disclosed in this document, as of the Latest Practicable Date, there was no circumstance that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.