CRUISE YACHT UPPER HOLDCO LTD

Unaudited Interim Finance Report for the quarter end

March 31, 2025

Issued on May 30, 2025

COMPANY REGISTRATION NUMBER: C 79710

Cruise Yacht Upper HoldCo Ltd

Interim unaudited Finance Report as of and for the period ended March 31, 2025

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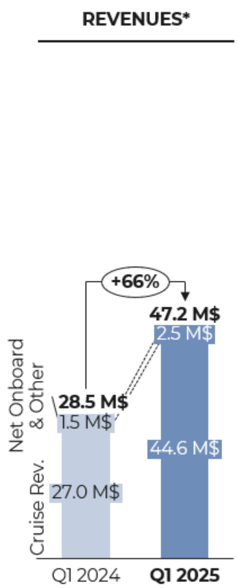
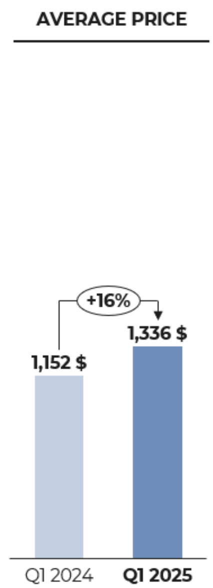
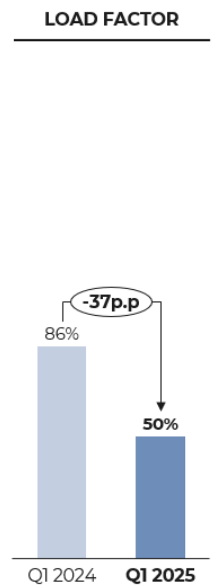
THE RITZ-CARLTON
YACHT COLLECTION

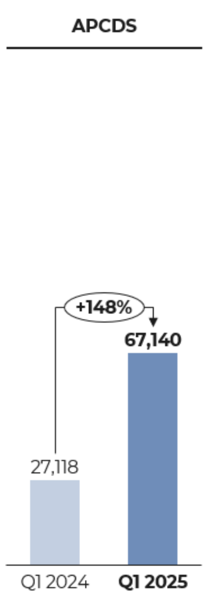
1. Highlights – Key Figures

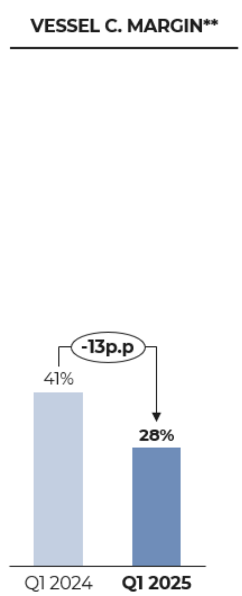
Q1 KPIs

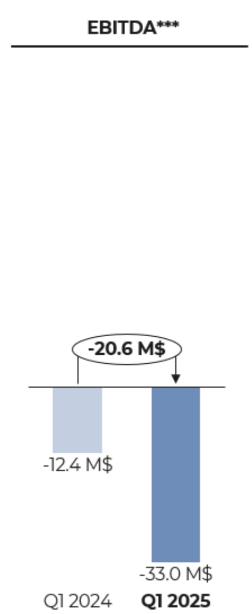


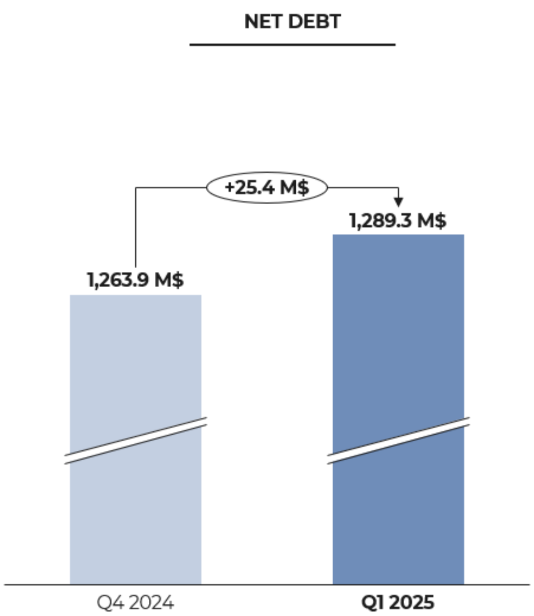












**Cruise revenues excluding ancillary revenues (Air, Hotel, Transfers, Cancellations, Travel insurance).*

*** The Vessel Contribution Margin includes all revenues, costs of sales and vessel running expenses and the % is calculated over total net operating revenues*

****Regarding EBITDA please refer to the note “Definition of Non-IFRS Financial Measures”*

2. Management Comments

Q1 2025 represents our second consecutive full quarter with both vessels in operation across the Caribbean. Guest satisfaction continues to rise voyage after voyage, with ITR[1] scores now consistently exceeding 80%, a clear reflection of our ongoing efforts to elevate the guest experience. Our value proposition and commitment to service excellence and the delivery of a personalized, seamless luxury journey resonates with our guests. With distinct itineraries and guest-centric experiences, each sailing is thoughtfully designed to be a unique voyage—one truly worthy of our guests.

Beyond our strong guest satisfaction scores, we've seen a steady increase in demand, with quarterly revenues up 66% year-over-year. This growth reflects the progress of our demand-generation efforts, evidenced by our growing ability to attract and source guests, along with the rising interest in our brand.

Our focus remains on building demand for our expanded fleet capacity, which has grown by ~2.5x year over year, all while maintaining premium pricing as a key long-term strategy aligned with our luxury market positioning. In Q1 2025, we delivered an average price of $1,336 USD per guest per day, a 16% increase over the prior year's Q1, driven by robust demand and disciplined pricing. This performance reflects the market's strong reception of our differentiated offering and reinforces our ability to capture premium rates through consistent delivery of high-touch service and luxury differentiation.

The construction of Luminara, our third vessel, is progressing as planned and we look forward to her successful completion and delivery by early June 2025, her maiden voyage from Monaco is set on July 3rd. Luminara features the same attention to detail and functional design found on *Ilma* and *Evrima*, with new nuances that give her a distinct personality. New culinary concepts will offer fresh tasting experiences, building on the success of the Michelin-starred chefs already onboard. A new art collection and a dedicated, art-focused (the Art Bar) will surround our guests with a refreshed cultural and visual journey. We are proud to deliver a consistent experience across our yachts, while always striving to offer something new to discover with each voyage.

With *Ilma* delivered in July 2024 and *Luminara* arriving in June 2025, we are rapidly expanding capacity, increasing available passenger cruise days by 60% in 2024, 110% in 2025, and 30% in 2026. To match this increase in capacity, in 2024 we started to implement a focused strategy to drive demand through enhanced investment in sales and marketing. This approach has laid a strong foundation, and in 2025, we are building on that momentum by deploying the largest marketing budget in the company's history. This strategic investment will support the ramp-up period and position us to fully capitalize on our expanded fleet.

Notably, in Q1 our sales and marketing expenditure reached $30 million – a significant increase compared to ~$10 million in Q1 2024, representing a 3x year-over-year increase. While early 2024

1 Intent To Recommend (ITR) is Marriott's network wide metric to measure guest experience; calculated as a % of 9s and 10s as answer to the question about the overall satisfaction and willingness to recommend.

marked the beginning of our investment efforts in marketing, Q1 2025 demonstrates an enhanced implementation of our demand-generation strategy. This step-change in spending underscores our commitment to supporting the expanded capacity and driving long-term growth, reflecting a deliberate shift in strategy—from supporting current sailed revenues to generating future booked revenue across the booking curve.

This increased marketing investment strategy will continue throughout all of 2025, despite macroeconomic headwinds, because building brand awareness and generating demand is critical to support our expanded capacity with *Ilma* and *Luminara*. A key part of our spend is now focused on upper-funnel awareness with expanded investments into CTV and partnerships with premium publishers. We are also proud to have launched our first ever 360 brand campaign, reinforcing our distinct market position and customer experience, highlighting how we are 'Unlike the Rest.' While these investments take longer to convert, they build long-term brand equity and lower acquisition costs over time.

As a growing cruise company, it's important to emphasize that sales and marketing spend should not be evaluated solely in relation to same-year sailed revenue. In cruise, where bookings occur 3–18 months in advance, traditional marketing-to-revenue ratios can be misleading. Marketing investments made today are designed to drive future demand and convert into recognized revenue well beyond the current quarter. A more accurate and meaningful metric, especially for a company in a growth stage – is marketing spend as a percentage of booked revenue, which better reflects the forward-looking nature of the industry and our growth stage. For Q1 2025 vs STLY, with marketing representing ~30% of the booked revenues. In the longer term, we measure the investment against the inventory that we deliver to the market, which more accurately reflects demand creation and return on spend.

We are scaling our marketing investment in alignment with our growth trajectory, but we are doing so with rigor and a clear focus on long-term return on capital.
Early indicators reinforce the strategy: more than 20% of our 2025 bookings are from guests who have previously sailed on our yachts, a strong validation of our high LTV model.
This supports continued investment, even as customer acquisition cost (CAC) temporarily rises in a more competitive environment. As brand awareness grows, we expect CAC to normalize and conversion rates to improve.

Looking ahead, as we move beyond these ramp-up years, we anticipate unlocking greater efficiencies. With stronger brand and product awareness, a growing customer database, and rising loyalty, we expect to drive higher conversion and repeat business. This will allow us to optimize marketing spend – reducing relative investments while sustaining strong demand growth and improving margin leverage.

Total revenues for the first quarter reached $47m, reflecting a +66% increase vs last year. The booking generation also set new records, with volumes up by ~1.4x in 2025 Q1 compared to same time last year and particularly by ~x2 for the same year sailings. Q1 Vessel contribution margin** grew from $11.5 million in Q1 2024 to $13 million in 2025, a 13% YoY growth, driven by higher revenue generation and continued focus on cost discipline. Operational performance continues to meet expectations while rising guest satisfaction supports sustained profitability. The successful integration of *Ilma* demonstrates the company's ability to scale efficiently while delivering a product that meets guest expectations and upholds the brand's value proposition. We expect to achieve the same with *Luminara*, scheduled for delivery early next month.

Revenues

Both *Evrima* and *Ilma* sailed in the Caribbean region throughout the first quarter of 2025, generating $44.6 million in cruise revenues*. Average pricing reached $1,336 per day compared to $1,152 in Q1 2024, which is a +16% year-over-year increase, driven by demand and successful yield management. The Q1 average load factor was 50%, with 33,407 PCDs sailing with RCYC an increase of 43% year- over-year, which continues to prove the increasing demand and momentum behind our brand. While demand is growing significantly, reflected in the increase in PCDs, it lagged behind the 148% year-over-year increase in available berths (capacity). As a result, the Q1 2025 load factor was lower than the 86% recorded in Q1 2024.

**Cruise revenues excluding ancillary revenues (Air, Hotel, Transfers, Cancellations, Travel insurance).*

Vessel Contribution Margin

In Q1 2025, the Vessel Contribution Margin** increased in value by 13% compared to Q1 2024, although decreasing as a % of our total net operating revenues from 41% to 28% due to the lower occupancy compared to fixed vessel running expenses.
While the vessel running expenses have risen with the addition of *Ilma*, they continue to benefit from the efficiency gains achieved in 2024, helping to sustain a solid contribution year-over-year. On a like-for-like basis, vessel running costs have actually decreased by 6%, highlighting the operational stability of the vessels in the context of evolving costs. We anticipate continued growth in both the vessel contribution margin and EBITDA, supported by the higher profitability of our new yachts, *Ilma* and *Luminara*, and the economies of scale realized in SG&A as the fleet expands.

EBITDA

As we expand our platform to operate three vessels, our total sales & marketing spend in the quarter reached $30m, an increase by $17m compared to Q1 2024 supporting our strategy to drive lead growth, foster brand and product awareness and accelerate demand generation.
We can see the results of the increased marketing investment in a growing customer database, website visits, brand awareness, and Instagram users, on top of the increasing bookings. All forward-looking demand indicators continue to support the current strategy, which remains a key focus for further optimization and reinforcement throughout 2025 and beyond.

Similarly, G&A costs have risen by $4.0m QTD compared to prior year, largely related to payroll costs as increased headcount reflects the successful deployment and operations of two vessels and the upcoming of a third vessel.

Q1 2025 EBITDA was -$33.0m, compared to -$12.4m in Q1 2024. This is driven by the significant increase in our sales, marketing, general and administrative expenses, which are critical to support our ramp up phase and the group's long-term growth strategy.

Net Debt

Loans and borrowings increased by $12m, primarily due to an additional drawdown on the credit facility related to the *Luminara* construction instalment.

Cash decreased by $13m during the quarter, from $99m at the end of December 2024 to $86m at the end of March 2025. In Q1 2025, the Group received $53m of funding from shareholders to support the cash position.

As a result, net debt increased to $1,289m as of March 2025, marking an increase of $25m compared to December 2024, in compliance with our financial covenants.

Business Outlook

We are beyond excitement to welcome *Luminara*, our third vessel, to our fleet in a few days' time, to continue to enhance our guest experience and increase satisfaction levels. Her delivery will mark a significant ramp-up in our total capacity deployed as it will be the first full year of operations for *Ilma*, and half a year of operations for *Luminara,* representing an increase in Available Passenger Cruise Days (capacity) of 2.1x. *Evrima* and *Ilma* have now crossed to the Mediterranean region, where stunning destinations await. *Ilma* will sail Northern Europe itineraries during the summer, while *Luminara* will head to the Asia-Pacific for her first winter season.

We remain deeply committed to our guests and the ultra-luxury market, which is still in the stage of discovering cruising but demonstrates an important growth potential. RCYC is uniquely positioned to capitalize on this opportunity, leveraging its exclusive market presence and the success of its innovative strategies.

The high-net-worth individual (HNWI) market remains an exceptionally attractive segment, with potential demand far exceeding supply. As the first mover in this space, RCYC is solidifying its leadership position. By continuously incorporating lessons learned and driving innovation in operations, yacht designs and experience, we are enhancing our offering and maintaining a competitive edge. With a robust operating platform delivering exceptional guest satisfaction, we deliver unparalleled experiences both onboard and ashore. Our expanding itinerary portfolio – including Alaska and Asia for 2025 and 2026, both highly anticipated and generating strong booking interest – further strengthens our market position and ability to generate demand for our product.

Our strong presence in the digital marketing space has driven record-breaking sales, boosted by enthusiastic guest reviews and growing brand awareness. By attracting both new and returning guests, we are consolidating our commercial success and strengthening RCYC's reputation as a leading luxury hospitality brand.

James Joseph Murren
<u>Chief Executive Officer</u>

Ernesto Fara
<u>President</u>

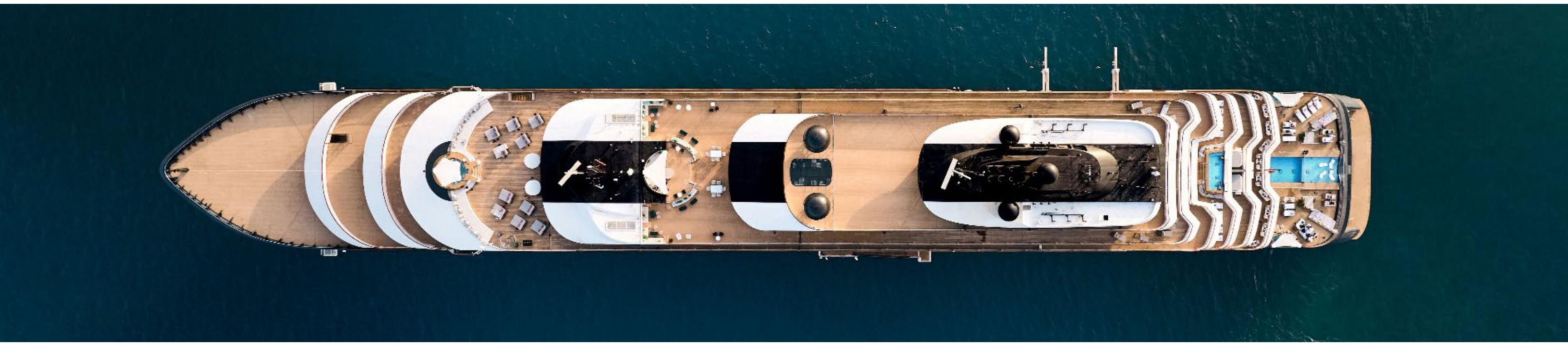
3. Consolidated interim Financial Statements

a. Consolidated Unaudited Statement of Financial Position as at 31 March 2025

	CRUISE YACHT HOLDCO LTD	
	GROUP	
	Unaudited	*Audited*
	Mar-25	Dec-24
	$m USD	$m USD
ASSETS		
Property, plant and equipment	**1,486**	1,470
Right-of-use assets	**8**	8
Intangible assets and Goodwill	**14**	13
Derivative financial asset	**11**	11
Other assets	**57**	50
Non-current assets	**1,576**	1,552
Inventory	**14**	10
Other current assets	**24**	19
Trade receivables	**62**	43
Cash and cash equivalents	**86**	99
Current assets	**185**	171
Total assets	**1,762**	1,723
EQUITY		
Share capital	**1**	1
Share premium	**682**	629
Retained earnings	**(482)**	(428)
Translation reserve	**(71)**	(81)
Total equity	**129**	121
LIABILITIES		
Loans and borrowings	**1,286**	1,277
Lease liabilities	**9**	8
Other non-current liabilities	**29**	30
Derivative financial liability	**14**	14
Non-current liabilities	**1,338**	1,329
Trade and other payables	**48**	79
Contract liabilities	**157**	107
Tax liabilities	**0**	1
Loans and borrowings	**89**	86
Current liabilities	**294**	273
Total liabilities	**1,632**	1,602
Total equity and liabilities	**1,762**	1,723

3.2. Consolidated Unaudited Statement of Profit or Loss as at 31 March 2025

	CRUISE YACHT UPPER HOLDCO LTD	
	Unaudited	*Unaudited*
	YTD March 2025	*YTD March 2024*
	$m USD	*$m USD*
Cruise ticket revenues	**46**	*28*
Onboard and other revenues	**4**	*3*
Total revenues	**50**	*31*
Cost of sales	**(52)**	*(27)*
Gross (loss)/ profit	**(2)**	*4*
Selling and Administrative expenses	**(44)**	*(23)*
Other operating income	**(0)**	*0*
Other operating expenses	**0**	*(1)*
Operating (loss)/profit	**(46)**	*(20)*
Finance income	**1**	*0*
Finance expense	**(19)**	*(12)*
Exchange differences	**11**	*(6)*
Net finance (expense) / income	**(8)**	*(18)*
Profit (loss) before tax	**(54)**	*(37)*
Income tax		
Profit/(loss) for the year	**(54)**	*(37)*
Other comprehensive income		
Items that might be reclassified		
Subsequently to profit or loss		
Exchange differences on translating Foreign operations	**10**	*(7)*
Total other comprehensive income (loss)	**10**	*(7)*
Net comprehensive income (loss) for the year	**(44)**	*(44)*



3.3. Consolidated Unaudited Statement of Cash Flow as at 31 March 2025

	CRUISE YACHT UPPER HOLDCO GROUP	
	Unaudited	*Audited*
	Mar-25	**Dec-24**
	$m USD	**$m USD**
CASH FLOWS FROM OPERATING ACTIVITIES		
Total comprehensive profit (Loss) for the year	(54)	(161)
Adjustments for:		
Derivative financial (assets) / liabilities	-	(11)
Net foreign exchange differences	(11)	14
Interest expenses	19	80
Interest paid	(18)	(56)
Net loss on derivative instruments at fair value through profit or loss	-	1
Depreciation and amortisation	14	40
Taxation	-	1
Fair value adjustment on warrants	-	(6)
Changes in:		
Accounts receivable	(19)	(17)
Prepaid expenses and other receivables	(5)	(6)
Advance ticket sales	50	38
Key money	(1)	12
Payables and accrued expenses	(31)	12
Inventory	(4)	(4)
NET CASH FLOWS USED IN OPERATING ACTIVITIES	**(60)**	**(64)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(15)	(347)
Additions to intangible assets	(1)	(9)
Additions to other long term assets	(7)	(46)
NET CASH USED IN INVESTING ACTIVITIES	**(23)**	**(402)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from the issue of share capital & share premium	53	82
Repayment of borrowings	(19)	(130)
Proceeds from loans, net of transaction costs	36	581
NET CASH FLOWS FROM FINANCING ACTIVITES	**70**	**533**
Cash and cash equivalents at beginning of the year	99	32
Net increase in cash and cash equivalents	(13)	67
CASH AND CASH EQUIVALENTS	**86**	**99**

3.4. Statement of changes in Equity as at 31 March 2025

		Share capital $m USD	Share premium $m USD	Accumulated losses $m USD	Translation reserve $m USD	Total equity $m USD
Audited	Balances at 1 January 2024	**1**	**548**	**(268)**	**(64)**	**216**
	Loss for the period	-	-	(160)	-	**(160)**
	Other comprehensive income	-	-	1	(17)	**(16)**
	Total comprehensive income	-	-	(159)	- (17)	**(176)**
	Transactions with owners of the Company:					
	Issue of Class A1 ordinary shares	0	81	-	-	**81**
	Balances at 31 December 2024	**1**	**629**	**(427)**	**(81)**	**121**
Unaudited	Balances at 1 January 2025	**1**	**629**	**(427)**	**(81)**	**121**
	Loss for the period	-	-	(54)	-	**(54)**
	Other comprehensive income	-	-	-	10	**10**
	Total comprehensive income	-	-	(54)	10	**(44)**
	Transactions with owners of the Company:					
	Issue of Class A1 ordinary shares	0	53	-	-	**53**
	Balances at 31 March 2025	**1**	**682**	**(481)**	**(71)**	**130**

4. Notes to interim Financial Report

General Information

Cruise Yacht Upper Holdco Ltd (“the Company”) is a private limited liability company incorporated and domiciled in Malta with registration number C79710. The Company’s registered office is Vault 14, Level 2, Valletta Waterfront Floriana FRN 1914 Malta.

The Company and its subsidiaries (“The Group”) main business is to build, own and operate luxury cruise yachts.

Basis for preparation

The accompanying condensed consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB), including IAS 34 Interim Financial Reporting. The financial statements are prepared on a going-concern basis.

Accounting Policies

The accounting policies adopted in preparing the interim unaudited financial statements are consistent with those followed in preparing the Company’s Audited Consolidated Financial Statements and accompanying notes for the financial year ending December 31, 2024.

The consolidated interim unaudited financial statements do not include all the information required for complete annual consolidated financial statements and should be read in conjunction with the annual consolidated financial statements for 2024.

New and updated accounting standards: no IFRS or IFRIC interpretations that are not yet effective are expected to have a material impact on the Group.

Definition of Non-IFRS Financial Measures

EBITDA is a non-IFRS financial measure, calculated by excluding from operating result, depreciation, amortization and impairment.