

Project Pearl – Acquisition opportunity of a holiday resort in Austria (10-2024). 1/2

Key value points of acquisition

The project offers an acquisition opportunity of the shares of Pearl which is the operating company that fully runs and partially owns the real estate of a high quality resort with rental chalets and apartments with the following key value aspects:

- **Excellent Location** with highly competing snow conditions good for superb skiing possibilities beyond the next 30 years and growing summer holiday activities.
- **Unique market entry** in the region in view of entry barriers for new greenfields of similar holiday resorts due stringent local regulations.
- **Outstanding reviews** and high customer satisfaction scores (constantly above 9.5) whereby especially the price-quality level is well appreciated leading to a large share of -repeated- returning guests.
- **Long lasting favourable lease terms** with third party real estate owners, who own about 84% of the real estate.
- **Excellent Business outlook** stand alone, but even more as an add-on for an existing holiday resort player that will be able to boost the 'stand alone' business plan by further increasing occupation rate to more custom levels ie 200 instead of 150 days per year.

General description of the resort

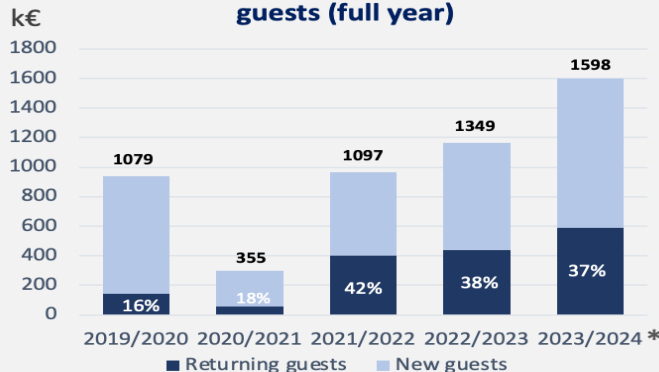
Pearl runs a village-like, small-scale holiday resort perched high in the mountains (approx. 1,700 m) close to a glacier, recently newly built (2018) under local architecture, fitting in with the immediate surroundings and nature. It has a total of 27 very spacious, comfortable and luxurious high-quality furnished apartments and chalets - ranging in size from 50 to 150 m² (1 to 3 bedroom versions, up to accommodation for maximum 9 persons) in a contemporary authentic mountain atmosphere with a total capacity just above 100 beds (potential max. capacity 160). Furthermore the resort offers a wellness (incl. saunas), indoor swimming pool, massage room and fitness as well as a restaurant with bar, lounge/lobby and terrace and both indoor- and outdoor parking. The apartments and chalets are the property of individual owners with whom PEARL has exclusive, long-term lease agreements (buy-to-let) to rent out, maintain and clean the specific real estate and common areas. PEARL itself is owner of the real estate which houses the reception, the lounge, restaurant & bar (incl. kitchen, storage area, staff room and toilets, guest toilet group), terrace, several parking spaces and one of the apartments with storage in the main building (all together approx. 16% of the real estate) plus a plot of land.

Excellent location of the resort

- Snow reliability: 90% of slopes above 2,000m altitude. Among the best 2% of skiing areas in respect to the outlook of climate change* with ski-in/ski-out possibility.
- Ski-in/ski-out possibility and state-of-the-art facilities at walking distance, up to more than 3,000m above sea level.
- Development plans that will ensure an ecologically and economically durable future.
- Large variety of winter sports offerings such as ski areas with competent ski schools, freeriding, ski touring and cross country skiing.
- Strong development of summer activities.
- No mass tourism and nice summer temperatures.



Revenues from new vs returning guests (full year)



*book years: 01-06 till 31-05

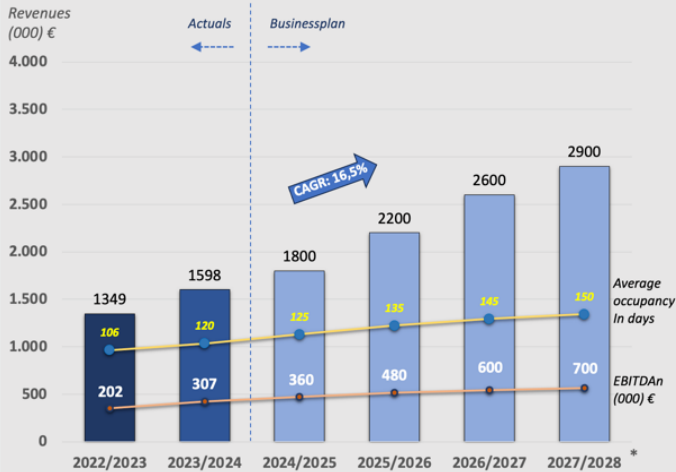
Well appreciated market offering

After the start-up at the end of 2018, despite the affected years (2020, 2021 & winter '21-'22) by COVID-19, PEARL has managed to build a well appreciated market offering with nearly 40% of revenues coming from returning guests. Such % is generally considered as very high for a single park and it clearly proves that the high guest reviews (through Google, TripAdvisor & Booking.com) with an average score above 9.5, are clearly reflecting the true guest satisfaction and a reason for many regulars who come several times a year. Lastly more than 80% of the current bookings are made directly and the rest through mainly Booking.com.



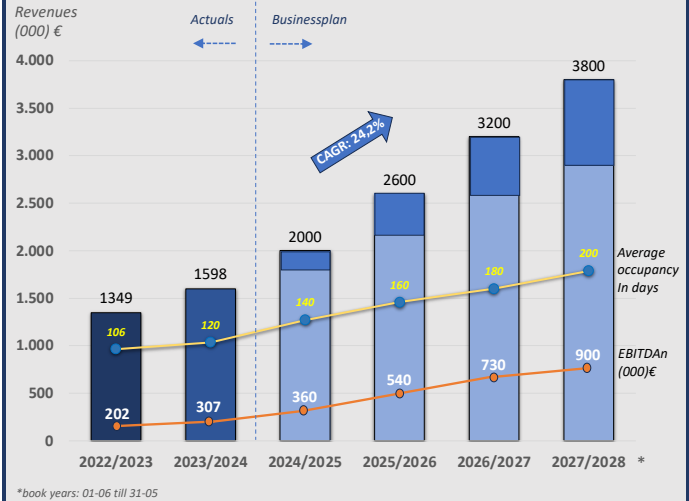
Business outlook 'stand alone scenario'

Revenues, EBTDA, Occupancy ('stand alone scenario')



Business outlook 'part of a larger group scenario'

Revenues, EBTDA, Occupancy ('take over scenario')



Pearl developed from start-up (2018) in a solid profitable business with an attractive business outlook

Pearl 'stand alone scenario'

Having well survived the COVID influences Pearl projects a steady growth scenario as a 'stand alone' business of more than 16% (CAGR) for the coming years mainly as a result of a realistic occupancy increase and some price adjustments.

Pearl 'take over scenario'

A true upside opportunity is envisioned by Pearl when becoming part of a larger group (with multiple parks and marketing power) allowing for possibilities to seriously improve the occupancy level to more custom levels (up to 200 days) which led to the projected 'part of large 3rd party scenario'.

Proces

In case of interest to further seriously explore a potential acquisition of target company PEARL please let us know in writing (see contact details below). As part of such indication of interest we would expect you to describe the party you represent, indicate what the strategic fit and plans would be with the target company and provide a first indication of a proof of funds. The selling team will selectively invite interested parties to sign an NDA and provide them afterwards with the Confidential Information Memorandum (CIM).

Process steps:

1. Indication of interest based on this teaser
2. Potential invitation from selling team to sign an NDA and receive a Confidential Information Memorandum (CIM)
3. Potential first meeting / Q&A with MT
4. Provide a Non-Binding Offer (NBO) including company valuation, deal structure, intended strategy with target company and employees, intended way of financing the deal including a 'Proof of Funds'
5. Selection of one or more buying candidates by selling team
6. Negotiation and eventually signing of a letter of intent (LOI) with one candidate buyer to proceed on an exclusive basis
7. Due diligence
8. Detailing a share purchase agreement (SPA) and potential other sales documents
9. Transaction (Q4 2024)

