CRUISE YACHT UPPER HOLDCO LTD

Financial Statements
as of and for the year ended

31 December 2025

COMPANY REGISTRATION NUMBER: C 79710

Cruise Yacht Upper HoldCo Ltd

Financial Statements as of and for the year ended 31 December 2025

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The Directors present their report on the audited separate financial statements of Cruise Yacht Upper HoldCo Ltd ("the Company") and the audited consolidated financial statements of the Group, of which the Company is the ultimate parent (together referred to as the "Group") as of and for the year ended 31 December 2025.

Principal activities

The Group's main business is to build, own and operate luxury cruise yachts.

Performance review

The year 2025 marked a significant step in the Group's development as operations continued to scale following the expansion of the fleet to three vessels with the introduction of Luminara. The additional capacity enabled broader deployment across key markets and supported continued strong pricing across the fleet. Total revenue for the year reached $332.1 million, an increase of 68% compared with 2024, reflecting both the enlarged fleet and sustained demand for the Group's luxury experiential offering.

The Group reported an operating loss of $205.7 million (2024: $71.9 million) and a loss before tax of $264.1 million (2024: $160.0 million). The increase in losses primarily reflects the Group's continued investment in commercial capabilities and organizational infrastructure to support future growth, together with non-recurring impairment charges of $55.7 million. These impairments relate mainly to the vessel Evrima and to advance payments made to Chantiers de l'Atlantique related to future vessels construction, following the postponement of projects.

Total comprehensive loss for the year amounted to $234.8 million (2024: $176.2 million), including exchange rate gains of $30.0 million (2024: negative $15.6 million). Excluding the non-recurring impairment charges, total comprehensive loss would have been $179.0 million (2024: $176.2 million), broadly in line with the prior year.

As of 31 December 2025, the Company reported net equity of $756.0 million (2024: $504.6 million), reflecting continued shareholder support. The Group reported net equity of $128.3 million (2024: $121.2 million). The shareholder has continued to provide financial support through equity contributions during and after the reporting period ($192m in 2026 and $1,060 million up to the date of this report), enabling the completion and delivery of Luminara in July 2025. This will provide $360.0 million of liquidity to the Group (out of which an amount of $53.4 million is restricted due to the CACIB amended agreements disclosed in note 28), representing the cash and cash equivalent balances at end of December 2025 and the 2026 equity injections from the shareholders, thereby ensuring sufficient cash to execute our business plan.

Underlying Operating Performance (Non-IFRS Measures)

Directors monitor underlying operating performance using Adjusted EBITDA, a non-IFRS measure that excludes depreciation, amortisation, net finance costs, tax, and certain non-recurring items relating to impairment of assets. Adjusted EBITDA for 2025 was negative $74.7 million (2024: negative $31.1 million).

The year-over-year movement reflects the planned scaling of the Group's commercial and operational platform. Vessel Contribution Margin, including all revenues, costs of sales and vessel running expenses improved by $34.8 million, driven by the introduction of Luminara and continued strong pricing. However, this improvement was more than offset by higher Sales & Marketing expenses, which increased by $50.1 million, and General & Administrative costs, which rose by $24.1 million as the Group expanded its organizational capabilities and geographic footprint.

Marketing investments totaled $104.4 million, up 92% compared with 2024, reflecting increased investment in demand generation and brand development. Early indicators from these initiatives include higher brand awareness, increased brand search activity, and growth in the emailable customer database, supporting improved forward booking visibility.

General & Administrative expenses reached $77.8 million, an increase of 41% year-over-year, consistent with the scaling of the organization to support a larger operating platform and expanded commercial activity.

As the fleet matures and capacity utilization increases, management expects progressive improvement in Adjusted EBITDA, supported by revenue scale, pricing strength, and improved cost absorption.

Dividends
Due to accumulated losses, as at the reporting date, no dividends are available for distribution.
The Group and Company's accumulated losses amounted to $690.5m and $118.1m respectively as at 31 December 2025 (2024: $428.1m and $129.1m respectively).

Financial risk management
The Group reduces its exposure to financial risks by monitoring its level of debt. The Group's financial risk management is disclosed in Note 26 to the financial statements.

Principle risks and uncertainties
The Group has established policies and procedures to address environmental, social, employee, human rights, and anti-corruption matters. These include internal codes of conduct, health and safety policies, and compliance frameworks designed to ensure adherence to applicable laws and industry standards.
The Group promotes a culture of integrity and ethical behavior. Employees and stakeholders have access to a whistleblowing mechanism, allowing concerns to be reported confidentially and without fear of retaliation. Reported matters are investigated in accordance with established procedures.
Training and awareness initiatives are conducted periodically to ensure that employees understand their responsibilities in relation to compliance, safety, environmental protection, and ethical conduct.
The Group continuously reviews and updates its policies and procedures to ensure their effectiveness and alignment with evolving legal and regulatory requirements.

Subsequent events
Significant subsequent events warranting adjustment or disclosure to the financial statements are related to the binding amendment and restatement of its senior secured financing arrangements with Credit Agricole CIB.
This refinancing represents an important development for the Group and strengthens its financial position.

Further details on subsequent events are disclosed in Note 28 to the financial statements.

Financial reporting framework
The Directors prepared the Company's separate and the Group's consolidated financial statements as of and for the year ended 31 December 2025 in accordance with International Financial Reporting Standards as adopted by the EU ("IFRS") and the Maltese Companies Act (Cap. 386).

Directors
During the year ended 31 December 2025 and up to date of this report, Mr. Thomas Andrew Jaggers, Mr James Joseph Murren, Mr Ernesto Fara, Mr James Peter Van Steenkiste and Mr Lukasz Adam Walkowski were members of the Board of Directors. Mr. Daniel Gregory Macfarlan, and Ms. Elizabeth Jamisen Sandler were appointed on 29th April 2025, and 23rd October 2025 respectively. Mr. Joel Allen Smith stepped down on 23rd October 2025.

On 17 November 2025, Mr Ernesto Fara was appointed President and Chief Executive Officer, while Mr James Joseph Murren will continue as Executive Chairman.

In accordance with the Company's Memorandum and Articles of Association, the present Directors remain in office until they resign or are removed from office.

Branches
The Group has established branches across various jurisdictions, of which the most significant are in the United States, relating to Cruise Yacht HoldCo Ltd, Cruise Yacht OpCo Ltd, Next-Gen Cruises Ltd, and Next-Gen Cruise HoldCo Ltd.

Going concern

Cruise Yacht Upper HoldCo Ltd is the parent company of a group dedicated to the construction and operation of cruise vessels, including technical, commercial and hospitality activities. The Group's operating subsidiaries manage three superyachts (MV Evrima, MV Ilma and MV Luminara) under The Ritz-Carlton Yacht Collection brand pursuant to royalty and license agreements with Marriott Group and its affiliates.

The assessment of the going concern principle is based on the Group's future financial performance which is dependent on the implementation of the approved Business Plan including expectations for operational performance, cash forecasts and related assumptions.

The Group's Business Plan, which was approved on 23 April 2026 for the period 2026 - 2031, projects positive EBITDA and cash flow from 2027 onwards. Additionally, the Plan expects a positive net result beginning in 2028.

On 21 May 2026, the Group entered into an amendment and restatement of its senior secured financing arrangements with Credit Agricole CIB relating to the financing of the Ilma and Luminara (refer to note 28 "Subsequent events" to the financial statements). This amendment results in:

– the deferral of principal payments amounting to a total of USD 171.4 million, with repayment commencing from 2028; and

– additional equity injections by the Company's shareholders of USD 167 million made on 22 May 2026. This contribution is in addition to USD 25 million injected on 5 January and 29 January 2026, bringing the total equity contributions made in 2026 to USD 192 million.

As a result of the above revised financing arrangement and the equity injections subsequent to the year end of USD 192 million, the funding requirements of the Group's Business Plan have been fully executed.

The Caixabank term loan facility (contractual principal repayments of $299m due at the end of 2025) used to finance MV Evrima includes financial covenants, which have been waived by the bank as at 31 December 2025. According to the Business Plan, the Group is not expected to comply with these covenants as of 30 June 2026 and 31 December 2026, which could lead to the lender requesting repayment of this loan. Management deems this scenario to be unlikely and intends to secure a similar waiver in 2026.

Subsequent to the year end, geopolitical tensions arose in the Middle East. Although the position remains unpredictable, management's assessment as at the date of approval of these financial statements is that there will be no significant impact on the execution of the Business Plan since the Group has no direct itinerary exposure to the affected conflict areas. Note 26.6.4 references the potential impact on fuel costs. Further information is also included in Note 28.

According to the Group's Business Plan and taking into account the financing measures described above together with existing financing arrangements, and management's assessment of the likelihood of obtaining a waiver of Caixabank covenant 2026 requirement, the Group expects to meet its obligations and commitments for at least the next 12 months from the date of approval of the financial statements. The directors have considered the robustness of the underlying assumptions which are detailed in note 2.1.1, actual trading performance and booking trends to date, as well as the cash position at the end of March 2026. While the directors acknowledge that a Business Plan is, by definition, based on assumptions and judgements, and that there is always a risk that actual results may differ from forecasted figures, they have concluded that these factors do not give rise to a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

Auditors

The auditors, PricewaterhouseCoopers have expressed their willingness to remain in office and a resolution proposing their reappointment will be put before the members at the annual general meeting.

Statement of Directors' responsibilities

The Directors are required by the Maltese Companies Act (Cap. 386) to prepare financial statements in accordance with generally accepted accounting principles and practice which give a true and fair view of the state of the affairs of the Company and the Group as at the end of each reporting period and of the profit and loss for that period.

In preparing these financial statements, the Directors are responsible for:

- ensuring that the financial statements have been drawn up in accordance with International Financial Reporting Standards as adopted by the EU;
- selecting and applying consistently suitable accounting policies;
- making accounting judgements and estimates that are reasonable and prudent;
- accounting for income and charges relating to the accounting period on the accruals basis;
- ensuring that the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the Company will continue in business as a going concern.
- report comparative figures corresponding to those of the preceding accounting period.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and the Group. The Directors are also responsible for designing, implementing and maintaining such internal control, as they deem necessary for the preparation of financial statements that are free from financial misstatements, whether due to fraud or error, and that comply with the Maltese Companies Act (Cap. 386). They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved and signed by the Board of Directors on 25 May 2026:

Thomas Andrew Jaggers	Lukasz Adam Walkowski
Director	Director

Registered Office
Vault 14, Level 2,
Valletta Waterfront
Floriana FRN 1914
Malta

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Thomas Andrew Jaggers
Director

Lukasz Adam Walkowski
Director

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Cruise Yacht Upper HoldCo Ltd

Statements of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2025

		GROUP		COMPANY	
		Twelve months ended December 31,		Twelve months ended December 31,	
		2025	2024	**2025**	2024
	Notes	**$,000 USD**	$,000 USD	**$,000 USD**	$,000 USD
Cruise ticket revenues		**307,382**	182,488	**-**	-
Onboard and other revenues		**24,705**	14,695	**-**	-
Total revenues	5	**332,087**	197,183	**-**	-
Cost of sales	6.1	**(289,456)**	(156,325)	**-**	(3)
Gross profit/(loss)		**42,631**	40,858	**-**	(3)
Selling and administrative expenses	6.2	**(192,744)**	(112,723)	**(178)**	(237)
Impairment losses	6.4	**(55,728)**	-	**(666)**	-
Other operating income	7	**168**	589	**-**	170
Other operating expenses	7	**(2)**	(605)	**-**	-
Operating loss		**(205,675)**	(71,880)	**(843)**	(70)
Finance income		**35,003**	-	**60,138**	8,259
Finance expense		**(93,468)**	(88,161)	**(48,026)**	(77,376)
Net finance (expense) / income	8	**(58,465)**	(88,161)	**12,112**	(69,117)
(Loss) / profit before tax		**(264,140)**	(160,041)	**11,269**	(69,186)
Income tax	9	**(644)**	(536)	**(255)**	(360)
(Loss) / profit for the year		**(264,784)**	(160,577)	**11,014**	(69,546)
Other comprehensive income					
Items that might be reclassified subsequently to profit or loss					
Exchange differences on translating foreign operations	19.3	**30,029**	(15,616)	**-**	-
Total other comprehensive income /(loss)		**30,029**	(15,616)	**-**	-
Net comprehensive (loss) / profit for the year		**(234,755)**	(176,193)	**11,014**	(69,546)

The accompanying notes on pages 12 to 53 form an integral part of these financial statements.

Cruise Yacht Upper HoldCo Ltd

Statements of Financial Position

For the year ended 31 December 2025

		GROUP		COMPANY	
		As of December 31,		As of December 31,	
		2025	2024	2025	2024
	Notes	$,000 USD	$,000 USD	$,000 USD	$,000 USD
ASSETS					
Property, plant and equipment	10	1,560,279	1,470,202	-	-
Right-of-use assets	10	9,194	7,848	-	-
Intangible assets	11	5,377	12,861	-	-
Investment in subsidiaries	12	-	-	29,185	29,185
Derivative financial asset	13	3,164	11,151	3,164	11,151
Other-non current assets	14	42,611	50,073	-	19
Non-current assets		1,620,625	1,552,135	32,349	40,355
Inventory	15	16,538	9,870	-	-
Amounts due from related parties	27	-	-	1,035,354	765,657
Trade receivables	16	66,970	43,218	-	-
Other current assets	17	29,232	18,714	82	1,152
Cash and cash equivalents	18	170,796	99,034	36,285	36,339
Current assets		283,536	170,835	1,071,721	803,148
Total assets		1,904,161	1,722,970	1,104,069	843,503
EQUITY					
Share capital		883	643	883	643
Share premium		869,685	629,486	873,246	633,047
Accumulated losses		(690,537)	(428,125)	(118,093)	(129,107)
Translation reserve		(51,709)	(80,846)	-	-
Total equity	19	128,322	121,158	756,036	504,583
LIABILITIES					
Loans and borrowings	20	1,308,626	1,277,257	302,408	304,879
Lease liabilities	21	9,134	8,326	-	-
Contract liabiities	22	8,318	6,746	-	-
Derivative financial liability	23	20,679	14,261	20,679	14,261
Other non-current liabilities	24	39,297	29,654	-	-
Non-current liabilities		1,386,054	1,336,244	323,087	319,140
Trade and other payables	25	74,355	78,675	6,145	1,493
Contract liabilities	22	175,107	100,169	-	-
Amounts due to related parties	27	-	-	409	115
Tax liabilities		902	628	581	360
Loans and borrowings	20	137,926	85,665	17,812	17,812
Lease liabilities	21	1,495	431	-	-
Current liabilities		389,785	265,568	24,947	19,780
Total liabilities		1,775,838	1,601,812	348,033	338,920
Total equity and liabilities		1,904,161	1,722,970	1,104,069	843,503

The accompanying notes on pages 12 to 53 form an integral part of these financial statements.

Thomas Andrew Jaggers
Director

Lukasz Adam Walkowski
Director

Cruise Yacht Upper HoldCo Ltd

Statements of Financial Position

For the year ended 31 December 2025

		GROUP		COMPANY	
		As of December 31,		As of December 31,	
		2025	2024	2025	2024
	Notes	$,000 USD	$,000 USD	$,000 USD	$,000 USD
ASSETS					
Property, plant and equipment	10	1,560,279	1,470,202	-	-
Right-of-use assets	10	9,194	7,848	-	-
Intangible assets	11	5,377	12,861	-	-
Investment in subsidiaries	12	-	-	29,185	29,185
Derivative financial asset	13	3,164	11,151	3,164	11,151
Other-non current assets	14	42,611	50,073	-	19
Non-current assets		1,620,625	1,552,135	32,349	40,355
Inventory	15	16,538	9,870	-	-
Amounts due from related parties	27	-	-	1,035,354	765,657
Trade receivables	16	66,970	43,218	-	-
Other current assets	17	29,232	18,714	82	1,152
Cash and cash equivalents	18	170,796	99,034	36,285	36,339
Current assets		283,536	170,835	1,071,721	803,148
Total assets		1,904,161	1,722,970	1,104,069	843,503
EQUITY					
Share capital		883	643	883	643
Share premium		869,685	629,486	873,246	633,047
Accumulated losses		(690,537)	(428,125)	(118,093)	(129,107)
Translation reserve		(51,709)	(80,846)	-	-
Total equity	19	128,322	121,158	756,036	504,583
LIABILITIES					
Loans and borrowings	20	1,308,626	1,277,257	302,408	304,879
Lease liabilities	21	9,134	8,326	-	-
Contract liabilities	22	8,318	6,746	-	-
Derivative financial liability	23	20,679	14,261	20,679	14,261
Other non-current liabilities	24	39,297	29,654	-	-
Non-current liabilities		1,386,054	1,336,244	323,087	319,140
Trade and other payables	25	74,355	78,675	6,145	1,493
Contract liabilities	22	175,107	100,169	-	-
Amounts due to related parties	27	-	-	409	115
Tax liabilities		902	628	581	360
Loans and borrowings	20	137,926	85,665	17,812	17,812
Lease liabilities	21	1,495	431	-	-
Current liabilities		389,785	265,568	24,947	19,780
Total liabilities		1,775,838	1,601,812	348,033	338,920
Total equity and liabilities		1,904,161	1,722,970	1,104,069	843,503

The accompanying notes on pages 12 to 53 form an integral part of these financial statements.

Thomas Andrew Jaggers
Director

Lukasz Adam Walkowski
Director

Cruise Yacht Upper HoldCo Ltd

Statements of Changes in Equity

For the year ended 31 December 2025

The Group	Notes	Share capital $,000 USD	Share premium $,000 USD	Accumulated losses $,000 USD	Translation reserve $,000 USD	Total equity $,000 USD
Balances at 1 January 2024		**557**	**548,027**	**(268,838)**	**(63,940)**	**215,806**
Loss for the period		-	-	(160,577)	-	**(160,577)**
Other comprehensive loss		-	-	1,290	(16,906)	**(15,616)**
Total comprehensive loss		-	-	(159,287)	(16,906)	**(176,193)**
Issue of ordinary shares	19	86	81,459	-	-	**81,545**
Balances at 31 December 2024		**643**	**629,486**	**(428,125)**	**(80,846)**	**121,158**
Balances at 1 January 2025		**643**	**629,486**	**(428,125)**	**(80,846)**	**121,158**
Other adjustment to opening retained earnings				1,480		**1,480**
Loss for the period		-	-	(264,784)	-	**(264,784)**
Other comprehensive loss		-	-	892	29,137	**30,029**
Total comprehensive loss		-	-	(263,892)	29,137	**(234,755)**
Issue of ordinary shares	19	240	240,199	-	-	**240,439**
Balances at 31 December 2025		**883**	**869,685**	**(690,537)**	**(51,709)**	**128,322**

During the period, the Group increased its share capital and share premium by $240 million through cash contributions from its shareholders. These equity injections were undertaken to strengthen the Group's financial position and support its ongoing operations and investment plans.

The accompanying notes on pages 12 to 53 form an integral part of these financial statements.

Cruise Yacht Upper HoldCo Ltd

Statements of Changes in Equity

For the year ended 31 December 2025

The Company	Notes	Share capital $,000 USD	Share premium $,000 USD	Accumulated losses $,000 USD	Translation reserve $,000 USD	Total equity $,000 USD
Balances at 1 January 2024		**557**	**551,588**	**(59,561)**	**-**	**492,584**
Loss for the period		-	-	(69,546)	-	**(69,546)**
Total comprehensive income		-	-	(69,546)	-	**(69,546)**
Issue of ordinary shares	19	86	81,459	-	-	**81,545**
Balances at 31 December 2024		**643**	**633,047**	**(129,107)**	**-**	**504,583**
Balances at 1 January 2025		**643**	**633,047**	**(129,107)**	**-**	**504,583**
Profit for the period		-	-	11,014	-	**11,014**
Total comprehensive income		-	-	11,014	-	**11,014**
Issue of ordinary shares	19	240	240,199	-	-	**240,439**
Balances at 31 December 2025		**883**	**873,246**	**(118,093)**	**-**	**756,036**

During the period, the Company increased its share capital and share premium by $240 million through cash contributions from its shareholders. These equity injections were undertaken to strengthen the Company's financial position and support its ongoing operations and investment plans.

The accompanying notes on pages 12 to 53 form an integral part of these financial statements.

Cruise Yacht Upper HoldCo Ltd

Statements of Cash Flows

For the year ended 31 December 2025

		GROUP Twelve months ended December 31,		COMPANY Twelve months ended December 31,	
		2025	2024	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES	Notes	$,000 USD	$,000 USD	$,000 USD	$,000 USD
(Loss) / Profit for the year		(264,784)	(160,577)	11,014	(69,546)
Adjustments for:					
Derivative financial (assets) / liabilities	23	-	(11,001)	-	(11,001)
Net foreign exchange differences		(32,325)	14,104	(58,895)	5,879
Finance interest	8	73,097	80,129	33,622	48,887
Interests paid	8	(81,511)	(56,379)	(35,624)	(33,548)
Net loss on derivative instruments at fair value through profit or loss	8 & 13	7,987	530	7,987	-
Depreciation and amortisation	10 & 11 & 24	67,839	40,036	-	-
Taxation	9	644	536	-	-
Fair value adjustment on warrants	23	6,417	(6,339)	6,417	(6,339)
Right of use assets	10	(2,704)	-	-	-
Impairment losses	6.4	55,728	-	666	-
		(169,611)	(98,961)	(34,813)	(65,668)
Changes in:					
Accounts receivable	16	(23,752)	(16,952)	-	-
Prepaid expenses and other receivables	17	(11,184)	(6,164)	404	(401)
Amounts due from related parties	27	-	-	(211,259)	(172,564)
Amounts due to related parties	27	-	-	237	115
Advance ticket sales	22	76,510	37,923	-	-
Key money	24	12,000	11,513	-	-
Payables and accrued expenses	25	(4,320)	12,366	4,706	613
Inventory	15	(6,669)	(4,220)	-	-
NET CASH FLOWS USED IN OPERATING ACTIVITIES		(127,028)	(64,494)	(240,725)	(237,906)
CASH FLOWS FROM INVESTING ACTIVITIES					
Additions to property, plant and equipment	10	(124,484)	(347,263)	-	-
Additions to intangible assets	11	(4,021)	(9,143)	-	19
Additions to other long term assets	14	(7,774)	(45,630)	19	1
NET CASH (USED IN) / GENERATED FROM INVESTING ACTIVITIES		(136,279)	(402,036)	19	20
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from the issue of share capital and share premium	19	240,438	81,546	240,438	81,546
Repayment of borrowings	20	(47,352)	(129,522)	-	(122,402)
Proceeds from loans, net of transaction costs	20	142,913	581,498	-	300,000
Lease payment		(1,395)	-	-	-
NET CASH FLOWS GENERATED FROM FINANCING ACTIVITES		334,604	533,522	240,438	259,144
Cash and cash equivalents at beginning of the year		99,034	32,261	36,339	15,084
Net increase / (decrease) in cash and cash equivalents		71,297	66,991	(268)	21,258
Effect of exchange fluctuations on cash held		463	(218)	214	(3)
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	18	170,796	99,034	36,285	36,339

The exchange rates between the US Dollar and the Euro used in preparing these financial statements as of 31 December 2025 and 2024 were 1.17394 and 1.0386, respectively. The financial statements on pages 6 to 53 were approved and authorised for issue by the Board of Directors on 25 May 2026.

Walkowski

Thomas Andrew Jaggers	Lukasz Adam Walkowski
Director	Director

Cruise Yacht Upper HoldCo Ltd

Statements of Cash Flows

For the year ended 31 December 2025

		GROUP		COMPANY	
		Twelve months ended December 31,		Twelve months ended December 31,	
		2025	2024	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES	Notes	$,000 USD	$,000 USD	$,000 USD	$,000 USD
(Loss) / Profit for the year		(264,784)	(160,577)	11,014	(69,546)
Adjustments for:					
Derivative financial (assets) / liabilities	23	-	(11,001)	-	(11,001)
Net foreign exchange differences		(32,325)	14,104	(58,895)	5,879
Finance interest	8	73,097	80,129	33,622	48,887
Interests paid	8	(81,511)	(56,379)	(35,624)	(33,548)
Net loss on derivative instruments at fair value through profit or loss	8 & 13	7,987	530	7,987	-
Depreciation and amortisation	10 & 11 & 24	67,839	40,036	-	-
Taxation	9	644	536	-	-
Fair value adjustment on warrants	23	6,417	(6,339)	6,417	(6,339)
Right of use assets	10	(2,704)	-	-	-
Impairment losses	6.4	55,728	-	666	-
		(169,611)	(98,961)	(34,813)	(65,668)
Changes in:					
Accounts receivable	16	(23,752)	(16,952)	-	-
Prepaid expenses and other receivables	17	(11,184)	(6,164)	404	(401)
Amounts due from related parties	27	-	-	(211,259)	(172,564)
Amounts due to related parties	27	-	-	237	115
Advance ticket sales	22	76,510	37,923	-	-
Key money	24	12,000	11,513	-	-
Payables and accrued expenses	25	(4,320)	12,366	4,706	613
Inventory	15	(6,669)	(4,220)	-	-
NET CASH FLOWS USED IN OPERATING ACTIVITIES		(127,028)	(64,494)	(240,725)	(237,906)
CASH FLOWS FROM INVESTING ACTIVITIES					
Additions to property, plant and equipment	10	(124,484)	(347,263)	-	-
Additions to intangible assets	11	(4,021)	(9,143)	-	19
Additions to other long term assets	14	(7,774)	(45,630)	19	1
NET CASH (USED IN) / GENERATED FROM INVESTING ACTIVITIES		(136,279)	(402,036)	19	20
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from the issue of share capital and share premium	19	240,438	81,546	240,438	81,546
Repayment of borrowings	20	(47,352)	(129,522)	-	(122,402)
Proceeds from loans, net of transaction costs	20	142,913	581,498	-	300,000
Lease payment		(1,395)	-	-	-
NET CASH FLOWS GENERATED FROM FINANCING ACTIVITES		334,604	533,522	240,438	259,144
Cash and cash equivalents at beginning of the year		99,034	32,261	36,339	15,084
Net increase / (decrease) in cash and cash equivalents		71,297	66,991	(268)	21,258
Effect of exchange fluctuations on cash held		463	(218)	214	(3)
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	18	170,796	99,034	36,285	36,339

The exchange rates between the US Dollar and the Euro used in preparing these financial statements as of 31 December 2025 and 2024 were 1.17394 and 1.0386, respectively. The financial statements on pages 6 to 53 were approved and authorised for issue by the Board of Directors on 25 May 2026.

Thomas Andrew Jaggers
Director

Lukasz Adam Walkowski
Director

1. Corporate information

The consolidated financial statements of Cruise Yacht Upper HoldCo Ltd and its subsidiaries ("the Group") for the year ended 31 December 2025 were authorised for issue in accordance with a resolution of the directors on 25 May 2026.

Cruise Yacht Upper HoldCo Ltd ("the Company" or the parent) is a private limited liability company incorporated and domiciled in Malta with registration number C79710. The Company's registered office is as reported at the end of the Directors' Report.

The Group's main business is to build, own and operate luxury cruise yachts. The Company's main business is to invest in subsidiaries that pursue the Group's objectives.

2. Basis of preparation

2.1. Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the IASB and as endorsed by the EU and in accordance with the Maltese Companies Act (Cap.386).

Financial Results and State of Financial Affairs

During the year under review, the Company reported an operating loss of $0.8m (2024: $0.1m) and a profit before tax of $11.3m (2024: loss of $69.2m) whilst the Group reported an operating loss of $205.7m (2024: loss of $71.9m) and a loss before tax of $264.1m (2024: $160.0m). The Group's current liabilities exceed current assets by $106.3m (2024: $94.8m) and the Company's current assets exceed current liabilities by $1,046.8m, including inter-company balances receivable of $1,035.4m (2024: $783.4m including inter-company balances receivable of $765.7m)

During the year ended December 31, 2025, the Group, of which Cruise Yacht Upper HoldCo Ltd is the Parent, registered a total comprehensive loss of $234.8m that includes exchange rate differences of $30.0m and impairment losses of $55.7m. The Group would have reported a total comprehensive loss of $179.1m after adjusting for these items, which are considered to be non-recurring in nature. (2024: total comprehensive loss of $176.2m).

At the end of the year, the Group's consolidated net equity was positive at $128.3m (2024: $121.2m).

2.1.1. Going concern

These consolidated financial statements have been prepared on a going concern basis, which assumes that the Group and the Company will continue to operate in the foreseeable future.

The assessment of the going concern principle is based on the Group's future financial performance which is dependent on the implementation of the approved business plan, including expectations for operational performance, cash forecasts and related assumptions.

2.1.1. Going concern - continued

Business plan

On 23 April 2026, the Directors prepared and approved the Group business plan for the years 2026-2031. The Plan is based on the following main assumptions:

- Ramp up of occupancy rates throughout the period 2026-2031 to reach standard average occupancy levels for luxury cruises (85%) as of 2030.
- Prices are adjusted for inflation and expected market developments
- Expansion of itineraries (Asia, Alaska and French Polynesia).
- Estimated drydock capital expenditure to meet regulatory compliance as well as investment planned to enhance the guest experience.
- Bunker prices are assumed to increase in line with inflation.
- Interest rates are assumed in line with contractual arrangements, plus a variable component estimated on the basis current forward curves.

The Group's business plan estimates positive EBITDA and operating cash flows as from 2027 onwards, and overall profitability as from 2028. Reference to the assessment of the potential impact of the Middle East conflict on the business plan is included in Notes 26.6.4. and 28 to the financial statements.

Financing

As of 31 December 2025, the Company and the Group required additional financing to support their operations and to meet their obligations as they fall due.

Crédit Agricole CIB

On 21 May 2026, the Group entered into an amendment and restatement of its senior secured financing arrangements with Crédit Agricole CIB in relation to the financing of Ilma and Luminara (refer to Note 28 "Subsequent events"). This amendment resulted primarily in:

(i) the deferral of principal payments amounting to USD 171.4 million, with repayments commencing from 2028, and

(ii) equity injections by the Company's shareholders totaling USD 167 million, which were fully executed prior to the approval of these financial statements.

Following these measures, including the deferral of scheduled debt repayments and the equity contributions received to date, the Group's business plan is considered to be fully funded.

Caixabank

As disclosed in Note 20, this term loan facility (contractual principal repayments of $299m due at the end of 2025) used to finance MV Evrima includes financial covenants, which have been waived by the bank as of 31 December 2025. According to the business plan, the Group is not expected to comply with these covenants as of 30 June 2026 and 31 December 2026, which could lead to the lender requesting repayment of this loan. Management deems this scenario to be unlikely and intends to secure a similar waiver in 2026.

2.1.1. Going concern - continued

Conclusion

Based on the business plan, the financing measures described above together with existing financing arrangements, and management's assessment of the likelihood of obtaining a waiver of Caixabank covenant 2026 requirement, the Group is expected to have sufficient liquidity to meet its obligations as they fall due for at least twelve months from the date of approval of these financial statements. In making this assessment, the directors have considered the robustness of the underlying assumptions, actual trading performance and booking trends to date, as well as the cash position at the end of March 2026.

Subsequent to the year end, geopolitical tensions arose in the Middle East. Although the position remains unpredictable, management's assessment as at the date of approval of these financial statements is that there will be no significant impact on the execution of the business plan since the Group has no direct itinerary exposure to the affected conflict areas. Note 26.6.4 references the potential impact on fuel costs. Further information is also included in Note 28.

While the directors acknowledge that a business plan is, by definition, based on assumptions and judgements and that there is always a risk that actual results may differ from forecasted figures, they have concluded that these factors do not give rise to a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. Accordingly, the financial statements have been prepared on a going concern basis.

2.2. Basis of measurement

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (including derivative instruments) and certain classes of property, plant and equipment – measured at fair value or impaired amount.

2.3. Functional and presentation currency

These consolidated financial statements are presented in United States Dollar ("$"), which is the currency of the primary economic environment in which the Group operates ("the Group's functional currency"). All amounts have been disclosed in thousands and rounded to the nearest thousand, unless otherwise indicated.

2.4. Basis of consolidation

2.4.1. Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. Consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on bargain purchase is recognised in the statement of profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issuance of debt or equity securities.

Consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the statement of profit or loss.

2.4.2. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.
The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

2.4.3. Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in the statement of profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

2.4.4. Transactions eliminated on consolidation

Intra-group balances and transactions are eliminated in preparing the consolidated financial statements.

2.4.5. Translation of foreign subsidiaries

Functional currencies of subsidiaries comprise the Euro (EUR) and United States Dollars (USD). The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale. Fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities and translated at the closing rate.

2.5. Foreign currency transactions

Transactions denominated in foreign currencies are converted into the functional currency at exchange rates prevailing when they first qualify for recognition (generally, on the transactions' dates).

As to assets and liabilities existing at the reporting date:

- monetary assets and liabilities denominated in foreign currencies existing at the reporting date are translated at year-end exchange rates;
- non-monetary assets and liabilities that are measured at fair value in foreign currencies are translated at the exchange rate prevailing when the fair value was determined;
- non-monetary assets and liabilities that are measured at historical cost in foreign currencies are translated at the exchange rate prevailing at the transaction's date.

Any exchange differences arising on the settlement of monetary assets and liabilities, or on translating foreign currency denominated monetary assets and liabilities at the reporting date are recognised in profit or loss.

2.6. Basis of financial statements

New and amended standards applicable as of January 1, 2025

The Group has applied several amendments that became effective for annual reporting periods beginning on or after 1 January 2025, but do not have a material impact on the consolidated financial statements:

- Amendments to IAS 21 – "Lack of Exchangeability": the amendments clarify how an entity assesses whether a currency is exchangeable into another currency and how it determines the exchange rate to apply when exchangeability is lacking. The amendments also introduce additional disclosure requirements.

The following standards and amendments published by the IASB and endorsed by the European Union are not mandatorily applicable as of January 1, 2025:

Standard and interpretation not mandatory applicable as of January 1, 2025

The following standards and amendments published by the IASB and endorsed by the European Union are not mandatorily applicable as of January 1, 2025:

- Amendments to IFRS 9 and IFRS 7 – 'Classification and Measurement of Financial Instruments';
- IFRS 18 - 'Presentation and Disclosure in Financial Statements'.
  In April 2024, the IASB issued a new Standard, IFRS 18, Presentation and Disclosure in Financial statements, which replaces IAS 1, Presentation of Financial Statements. The new Standard carries forward many requirements from IAS 1 unchanged. IFRS 18 is the culmination of the IASB's Primary Financial Statements project and introduces three sets of new requirements to improve companies' reporting of financial performance and give investors a better basis for analysing and comparing companies:
  - improved comparability in the statement of profit or loss (income statement);
  - enhanced transparency of management-defined performance measures;
  - more useful grouping of information in the financial statements.

  IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted.

2.6. Basis of financial statements - *continued*

The following standards and amendments published by the IASB but have not been endorsed yet by the European Commission and are not mandatorily applicable as of January 1, 2025:

- Amendments to IAS 21 - 'Translation to a Hyperinflationary Presentation Currency'.

The Group is currently assessing the impact on the new standards, and amendments on the consolidated financial statements.

2.7. Use of estimates and judgements

The preparation of the Group's financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about assumptions and estimation uncertainties at 31 December 2025 that have a significant risk of resulting in a material adjustment to the carrying amounts of recognised assets and liabilities is included in the following notes:

- Note 2 – *Basis of preparation*: estimates and assumptions supporting the going concern assessment underlying the preparation of the consolidated financial statements;

- Note 3.1.6 - *Derivative financial assets and liabilities:* Derivative financial instruments such as warrants and the embedded derivative included in the Nordic bonds are estimated through external independent valuation specialists.
- Note 3.3 – *Property, Plant and equipment*: useful life, residual value estimates, and judgement when estimating the period between drydocks;
- Note 3.3 – *Property, Plant and equipment*: fair value estimation in order to evaluate the existence of impairment losses on fixed assets or to evaluate going concern. The Group estimates fair value by making use of market-based valuations through independent valuation specialists and makes an assessment of impairment based on value in use workings which entail the preparation of discounted cashflow models.
- Note 3.4 – *Intangible assets*: useful life when estimating the period the assets will be in use.

3. Material accounting policies

The material accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1. Financial instruments

The Group classifies non-derivative financial assets and financial liabilities as measured at amortised cost. A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest on the principal amount outstanding.

3.1.1. Recognition and initial measurement

The Group initially recognises trade and other receivables at the origination date. All other financial assets and financial liabilities are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at Fair Value through Profit or Loss, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

3.1.2. Financial assets – classification and subsequent measurement

The Group classifies its financial assets, comprising cash and cash equivalents and trade and other receivables, as measured at amortised cost. A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, these assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost, trade receivables and contract assets, as well as on financial guaranteed contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

3.1.3. Financial liabilities – Classification, subsequent measurement and gains and losses

Non-derivative financial liabilities include accrued expenses, trade and other payables and loans and borrowings. Any such financial liability is initially measured at fair value plus, in case of an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.

3.1.3. Financial liabilities – Classification, subsequent measurement and gains and losses - *continued*

Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

3.1.4. Derecognition

The Group derecognises a financial asset when (i) the contractual rights to the cash flows from the asset expire, (ii) it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or (iii) it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid is recognised in profit or loss.

3.1.5. Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.1.6. Derivative financial assets & liabilities

Derivative financial instruments (assets and liabilities) at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss. These include derivative assets which are currency swaps that the Group uses to hedge its exposure to foreign exchange rate arising from investment activities, and that are not accounted for under hedge accounting, the embedded derivative included in the Nordic bonds and derivative liabilities (warrants).

3.2. Net equity

Net Equity represents the residual interest in the Group's assets, after deducting its liabilities.

3.2.1. Share capital

Share capital represents the par value of amounts paid in when the Company's ordinary shares are issued. Incremental costs directly attributable to the issuance of ordinary shares are recognised as a deduction from equity. Dividends to ordinary shareholders are debited directly to equity and are recognised as liabilities in the period in which they are declared.

3.2.2. Shareholders' contribution

Contributions effected by the Company's and the Group's shareholders for which settlement is neither planned nor likely to occur in the foreseeable future, for which no interest is levied by the shareholders and that are not subject to any restrictions or the fulfilment of any conditions on the part of the Group are treated as equity rather than liabilities. Costs directly attributable to additional contributions by the Company's and the Group's shareholders are recognised as a deduction from the shareholders' contributions reserve.

3.2.3. Accumulated losses

Accumulated losses represent the cumulative residual amount of all undistributed earnings and uncovered losses since inception.

3.3. Property, Plant and equipment

3.3.1. Recognition and measurement

Items of plant and equipment that meet the Group's capital expenditure policy are measured at cost, less accumulated depreciation and any accumulated impairment losses. Cost includes expenditures directly attributable to the acquisition of the assets and to bringing them to a working condition intended for their use, including borrowing costs directly attributable to the acquisition, construction or production (in case of a qualifying asset).

Ships under construction include milestone payments for the construction of new ships, capitalised interests and borrowing costs, construction oversight costs and various owner supplied items. These amounts are not depreciated.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the statement of profit or loss. Maintenance and repairs are expensed as incurred.

3.3.2. Subsequent expenditure

Expenditures on an asset incurred after its first capitalisation are themselves capitalised only if it is probable that the future economic benefits associated with the expenditures will flow to the Group (typically, in terms of higher revenue-earning capacity or better cost saving qualities). All other subsequent costs for repairs and maintenance are expensed in the statement of profit or loss as incurred.

3.3.3. Depreciation

We have estimated our ship's useful life at 30 years and residual value at 15% of all major components' cost, according to the market benchmark. Our ship's useful life and residual value estimates take into consideration the estimated weighted-average useful lives of the ships' major component systems, such as hull, superstructure, main electric, engines and cabins. We also take into consideration the impact of technological changes, historical useful lives of similarly built ships, long-term cruise and vacation market conditions and regulatory changes, including those related to the environment and climate change. We determine the residual value of our ships based on our long-term estimates of their resale value at the end of their useful life to us but before the end of their physical and economic lives to others, historical resale values of other cruise ships as well as our expectations of the long-term viability of the secondary cruise ship market.
Depreciation is computed using the straight-line method over the estimated useful life of the asset net of the 15% projected residual value and is presented as an offset to the original fixed assets' book value, resulting in a decreased net book value at year-end.

Significant components of individual fixed assets are assessed and if a component has a useful life that is different from the remainder of that fixed asset, that component is depreciated separately. Depreciation commences when the fixed asset is available for its intended use.

The estimated useful lives for the Group's capital assets which are currently available for use are:

▪ Vessel construction	30 years
▪ Vessel improvements	3 -30 years
▪ Dry-dock costs*	2-5 years
▪ Leasehold improvements	10 years
▪ Right-of-use asset	7 – 10 years
▪ Computer equipment	3 – 4 years
▪ Technical installations and machinery	5 – 10 years
▪ Other installations, equipment and furniture	5 – 10 years
▪ Other property, plant and equipment	5 – 8 years

* Dry-dock costs primarily represent planned major ship repairs and maintenance activities which are incurred during the time the ship is taken out of service. We use the deferral method to account for drydocking costs. Under the deferral method, drydocking costs incurred are deferred and charged to expense on a straight-line basis over the period to the next scheduled drydock, which we estimate to be a period of thirty to sixty months.

As the Group continues to grow its capital asset portfolio and expand capital asset categories, useful lives and residual values of assets are reviewed on a yearly basis (at financial year-end), if expectations differ from previous estimates, the changes are accounted for as a change in accounting estimate in accordance with IAS 8.

3.4. Intangible assets

3.4.1. Recognition and measurement

Intangible assets include the website, computer software and other operating systems that are acquired by the Group and have finite useful lives. Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Intangible assets also include project development costs in relation to future projects when the Group can demonstrate:
• The technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
• Its intention to complete and its ability and intention to use or sell the asset;
• How the asset will generate future economic benefits;
• The availability of resources to complete the asset;
• The ability to measure reliably the expenditure during development.
Project development costs are measured at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

A summary of the policies applied to the Group's intangible assets is, as follows:

	Useful lives	**Amortisation method used**	**Internally generated or Acquired**
Websites	Finite 5 years	Amortised on a straight-line basis over the period of expected future sales from the related project	Acquired
Computer software	Finite 3 years	Amortised on a straight-line basis over the licence period	Acquired
Other operating systems	Finite 5 years	Amortised on a straight-line basis over the licence period	Acquired
Development costs	Finite 5 years	Amortised on a straight-line basis over the period of expected future sales from the related project	Internally generated

3.5. Impairment

3.5.1. Non-derivative financial assets

At each reporting date, the Group reviews the carrying amounts of its non-derivative financial assets to determine whether there is any indication of impairment. Particularly, it assesses whether financial assets presented at amortised cost are credit impaired. A financial asset is "credit impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Particularly, the Group considers a financial asset to be credit-impaired when the borrower is unlikely to settle its obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

3.5.1. Non-derivative financial assets - continued

The Group recognises loss allowances for Expected Credit Losses ("ECLs") on financial assets. ECLs are a probability weighted estimate of credit losses, measured as the present value of all cash shortfalls (i.e. the difference between the cash flows owed to the Company in application of the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset. As far as the time-horizon, the Group measures loss allowances at an amount equal to lifetime ECLs (ECLs that result from all possible default events over the expected life of a financial instrument), except for bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition, which are measured at 12-month ECLs.

Loss allowances for ECLs are recognised in the statement of profit and loss and presented as a deduction from the gross carrying amount of the credit-impaired financial asset, which is thus presented on a net basis. The gross carrying amount of a financial asset is instead written off when the Group has no reasonable expectations of receiving owed benefits from the financial asset, in their entirety or a portion thereof.

Interest on the impaired asset continues to be recognised. When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the previously recognised impairment loss is reversed through the statement of profit or loss.

3.5.2. Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit ("CGU") is the higher of its fair value less costs to sell or its value in use.

Fair value less costs to sell ("FVLCS") refers to an amount obtainable from the sale of the asset or CGU in an arm's length transaction between knowledgeable, willing parties, less the costs associated with its disposal. Value in use is based on the estimated future cash flows from the asset or CGU, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. We treat each ship as a CGU.

When the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised in the statement of profit or loss and the carrying amount of the asset is reduced to its recoverable amount.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if (and to the extent that) there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the reinstated asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment losses been recognised.

3.6. Investments in subsidiaries

Investments in subsidiaries are shown in the Company's separate statement of financial position at cost less any accumulated impairment losses. They are eliminated in the consolidated statement of financial position.

3.7. Revenues

Most of the Group's revenues are derived from cruise contracts which are reported within Cruise ticket revenues in the consolidated statement of comprehensive income.
The Group's performance obligation under these contracts is to provide a cruise vacation in exchange for the ticket price.

The Group satisfies this performance obligation over the duration of each cruise and recognises revenue relating to the sale of cruise voyages in profit or loss in proportion to the state of completion of the cruise voyage, which is assessed by reference to the number of days completed as a proportion of total voyage days, the majority of sailings ranging from 3 to 12 nights.

The Group offers to its guests, different cruise fare options. Cruise ticket prices generally include cruise fare and a broad array of onboard activities and amenities, as well as meals and entertainment.

Cruise revenues also include certain port fees, air and land transportation to and from the ship that guests choose to purchase from the Group, cancellation fees and sales of travel insurance.

Revenue from onboard sales of goods and/or services is recognised when control is transferred to the customers, that is when the customer benefits from the service. This includes the following:

- Food, Beverage & Tobacco sales
- Full service spas
- Shore excursions
- Specialty restaurants
- Retail sales
- Art sales
- Laundry and dry-cleaning services

These goods and services are provided either directly by us or by independent concessionaires, from which we receive a percentage of their revenues.

In 2025, we earned 7% of our cruise revenues from onboard and other revenue goods and services (2024: 7%).

There is no loyalty points program; however, through royalty and license agreements with the Marriott Group and its affiliates, the guests can collect Marriott Bonvoy points from our cruises and may redeem their Marriott Bonvoy points with the Group. Redeemed points are deemed immaterial to the Group.

Upfront deposits represent unearned revenues from advance ticket sales for future voyages and are initially recorded as contract liabilities (please see below).

3.7.1. Customer deposits and contract liabilities

The Group's payment terms require an upfront deposit of 25% to confirm a reservation, with the balance due prior to the cruise. Upfront deposits are initially recorded within contract liabilities when the right to the collection of the deposit arises. contract liabilities are to be subsequently recognized as revenues together with all associated direct costs and expenses over the voyage period.

Deposits are generally cancellable and refundable prior to sailing, but may be subject to penalties, depending on the timing of cancellation. Cancellation fees are to be recognised in Cruise tickets revenue.

3.7.2. Contract receivables

The Group requires full payment from customers 180 days prior to their cruise. The Group has receivables from credit card merchants for cruise ticket purchases and goods and services sold to guests during cruises that are collected before, during or after the cruise voyage that are yet to be credited to the Group's bank account. These receivables are included within accounts receivable.

3.7.3. Contract assets

Prepaid travel agent commissions are an incremental cost of obtaining contracts with customers that the Group recognises as an asset and includes within prepaid expenses and other current assets in the consolidated statement of financial position.
Prepaid travel agent commissions, as well as costs of air tickets, port taxes and fees that fulfil future performance obligations, are considered recoverable and are initially recorded as assets and then recognised in profit or loss evenly over the voyage sailing dates, concurrent with associated revenue.

3.7.4. Key Money

The Group entered into a series of agreements with The Ritz-Carlton Hotel Company, L.L.C. (the "Hotel Partner") whereby the Group obtained the right to use the Hotel Partner's licensed trademarks in consideration for royalty payments. If the Group terminates this series of agreements prior to their fixed term, the Group has the obligation to return a portion of the Key Money pro-rata to the time still remaining in the fixed term.

Key Money is amortised in the statement of profit of loss as a reduction in Ritz-Carlton royalties and fees over the duration of the contract.

3.8. Employee benefits

3.8.1. Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be reliably estimated.

3.8.2. Defined contribution plans

As of 31 December 2025 and 31 December 2024, the Group considered its obligations to be immaterial and therefore did not recognize any costs in the statement of profit or loss.

3.9. Finance income and expenses

The Group's finance income and expenses comprise realised and unrealised foreign exchange gains and losses on financial assets and financial liabilities (specific detail on foreign currency transactions is provided hereinafter). Finance expenses also include the interest unwinding of the lease liability using the effective interest method, expensed with the passing of time, as well as interest on bank loans.

Interest income or expense is recognised using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to (i) the gross carrying amount of the financial asset, or (ii) the amortised cost of the financial liability (bank loans and borrowings, leases,…).

3.10. Taxes

Current and deferred taxes are charged or credited to profit or loss, except when they relate to items charged or credited directly to equity, in which case the deferred tax is also dealt with in other comprehensive income or in equity, as appropriate.

Current taxes, which represent the amount of income taxes the Group expects to pay out, are based on taxable income for the year, which may differ from pre-tax income / (loss) as reported in the income statement. They are calculated using tax rates that have been enacted or substantively enacted by the end of the financial period in the countries where the Group operates.

Current tax assets and liabilities are offset when the Company has a legally enforceable right to offset the recognised amounts and intends to settle either on a net basis or simultaneously.

Companies subject to the Spain and Malta tonnage tax regime pay a corporate tax on a notional profit determined with reference to the net tonnage of qualifying ships. The requirements for a company to qualify for the Spain and Malta tonnage tax regime include, among other matters, being subject to Spain or Malta corporate income tax, operating qualifying ships that are strategically and commercially managed in Spain and Malta and fulfilling a seafarer training requirement to which Spain tonnage tax and Malta companies are subject.

Deferred taxes are calculated on temporary differences between the carrying value of recognised assets and liabilities and their corresponding tax base. Deferred tax liabilities are generally recognised as calculated whereas deferred tax assets are recognised to the extent that it is probable that taxable income will be available to offset them in the future years when the underlying temporary differences are expected to reverse. They are calculated at the tax rates that are expected to apply in said future years, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset its current tax assets and liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend to settle current tax assets and liabilities either on a net basis or simultaneously, in each future period when significant amounts temporary differences are expected to reverse.

3.11. Determination of fair values

The Group measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

• In the principal market for the asset or liability; or
• In the absence of a principal market, in the most advantageous market for the asset or liability
• The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

• Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
• Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
• Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's Management determines the policies and procedures for both recurring fair value measurement and for non-recurring measurement.

External valuers are involved for valuation of significant assets such as ships, bonds and significant liabilities, such as warrants. Involvement of external valuers is determined annually by Management and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

3.11. Determination of fair values - continued

At each reporting date, Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. They also compare the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

When applicable, further information about the assumptions made in determining fair value is disclosed in the notes specific to that asset or liability.

3.12. Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

3.13. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.14. Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

3.14. Current versus non-current classification - continued

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

4. Group Operations

The Group does business in a single operational sector: the operation of luxury yacht cruises under the Ritz-Carlton Yacht Collection brand. Our President & Chief Executive Officer has been identified as the chief operating decision-maker and all significant operating decisions including the allocation of resources are based upon the analyses of the Group as one segment.

5. Revenues

5.1. Disaggregated revenue information

	GROUP	
	Twelve months ended December 31,	
	2025	2024
	$,000 USD	$,000 USD
Cruise ticket revenues	307,382	182,488
Onboard revenue	23,690	13,980
Other revenue	1,015	715
Total revenue	**332,087**	**197,183**

	GROUP	
	Twelve months ended December 31,	
	2025	2024
	$,000 USD	$,000 USD
Miami Reservations	267,423	158,765
Malta and Australia Reservations	39,959	23,723
Cruise ticket revenues by geographical market	**307,382**	**182,488**

In 2025, cruise revenues amounted to $332.1 million, up 68% versus 2024, which is the result of additional capacity and continued pricing strategy.

6. Cost of sales and selling and administrative expenses

6.1. Cost of sales

	GROUP		COMPANY	
	Twelve months ended December 31,		Twelve months ended December 31,	
	2025	**2024**	**2025**	**2024**
	$,000 USD	$,000 USD	**$,000 USD**	$,000 USD
Personnel and related expenses	56,960	29,821	-	-
Commission, transportation & other related costs	103,063	56,447	-	-
Fuel	19,655	9,489	-	-
Ship maintenance	10,054	5,623	-	-
IT Services	7,938	4,752	-	-
Ship depreciation (note 10.1)	67,889	37,624	-	-
Insurances	4,868	2,805	-	-
Other operating costs	19,027	9,762	-	3
	289,456	**156,325**	**-**	**3**

Ship depreciation expense totaled $67.9 million (2024: $36.6 million), increasing in 2025 due to the full-year impact of Ilma and the launch of Luminara.

Commission, transportation & other related costs mainly include commissions for cruise bookings, ports costs and food and beverages costs.

Other operating costs include Ritz-Carlton royalties and fees and other vessel running expenses. Ritz-Carlton royalties and fees are considered directly attributable to sales considering how the Group benefits from the Ritz-Carlton brand and the BonVoy program to generate revenue.

6.2. Selling and administrative expenses

	GROUP		COMPANY	
	Twelve months ended December 31,		Twelve months ended December 31,	
	2025	2024	**2025**	2024
	$,000 USD	$,000 USD	**$,000 USD**	$,000 USD
Personnel and related expenses	57,979	42,994	-	-
Professional consultants	11,336	3,653	3,600	1,090
Marketing expenses	104,392	54,305	23	-
Information technology expenses	14,519	6,054	-	-
Depreciation (notes 10.1 & 11)	2,307	2,412	-	-
Other general	2,211	3,305	754	873
Intercompany revenue	-	-	(5,538)	(1,983)
Intercompany expenses	-	-	1,339	257
	192,744	**112,723**	**178**	**237**

At Company level, Intercompany revenue is made of costs recharged to other group companies

Marketing expenses totaled $104.3m for the year, up 92% year-over-year, reflecting increased investment in demand generation and brand development.

The Group's auditors charged USD 544k (exclusive of VAT) to the Group (2024: USD 458k) for auditing services rendered and USD 2k for non-audit services rendered. These are presented above among "Professional consultants."

6.3. Personnel expenses and headcount

Total personnel expenses, included in both cost of sales and selling and administrative expenses, amounted to $115.0 million (2024: $72.8 million).

These expenses include wages and salaries, social security costs, travel expenses, and other employee-related costs for both crew and shore side personnel.

The average number of employees of the Group was 1,648 (2024: 1,080).

6.4. Impairment losses

	GROUP		COMPANY	
	Twelve months ended December 31,		Twelve months ended December 31,	
	2025	2024	**2025**	2024
	$,000 USD	$,000 USD	**$,000 USD**	$,000 USD
Property plant and equipment (10.1)	33,572	-	-	-
Other non currents assets (note 14)	15,344	-	-	-
Project development costs (note 11)	5,109	-	-	-
Inventory (note 15)	1,026	-	-	-
Other currents assets (note 17)	677	-	666	-
	55,728	**-**	**666**	**-**

7. Other operating income and other operating expenses

	GROUP		COMPANY	
	Twelve months ended December 31,		Twelve months ended December 31,	
	2025	2024	**2025**	2024
	$,000 USD	$,000 USD	**$,000 USD**	$,000 USD
Other	168	589	-	170
Total other operating income	**168**	**589**	**-**	**170**
Fair value loss on derivative financial asset	-	(605)	-	-
Other	(2)	-	-	-
Total other operating expenses	**(2)**	**(605)**	**-**	**-**

8. Finance income and finance expenses

	GROUP		COMPANY	
	Twelve months ended December 31,		Twelve months ended December 31,	
	2025	**2024**	**2025**	**2024**
	$,000 USD	$,000 USD	**$,000 USD**	$,000 USD
Interest expense	(79,063)	(80,129)	(33,622)	(48,887)
Interest income	3,093	-	1,245	-
Fair value (loss) / gain on financial instruments	(14,405)	6,650	(14,405)	6,650
Foreign exchange (losses) / gains	31,910	(14,682)	58,894	(26,880)
Net finance (expenses) / income	**(58,465)**	**(88,161)**	**12,112**	**(69,117)**

For detail on the fair value (loss) / gain on financial instruments, see notes 13 Derivative financial assets and 23 Derivative financial liability.

Refer to the "Exposure to Currency Risk" paragraph in note 26.6 for detail on balances denominated in foreign currencies, including a sensitivity analysis.

9. Taxation

9.1. Tax situation

The Group derives its income/(loss) from the international operation of ships and is subject to corporate income taxes in countries where the Group has operations and subsidiaries.

Certain Group entities involved in ship management and ship-owning activities have elected to enter into the Spain and Malta tonnage tax regimes.

Group entities which are involved in the sale of cruises, marketing activities or in the provision of ship-related activities are subject to the taxation applicable in the specific country in which they operate.

Since the Group has operations in various countries that have different tax laws and rates, the effective tax rate on the consolidated statement of income may vary from year to year.

Reconciliation of statutory and effective tax rates is as follows:

	GROUP		COMPANY	
	Twelve months	ended December 31,	Twelve months	ended December 31
	2025	**2024**	**2025**	**2024**
	$,000 USD	**$,000 USD**	**$,000 USD**	**$,000 USD**
(Loss) / Profit after tax	(264,784)	(160,577)	11,014	(69,546)
Income tax	644	536	255	360
(Loss) / Profit for the year	(264,140)	(160,041)	11,269	(69,186)
Parent company's statutory tax rate	35.00%	35.00%	35.00%	35.00%
Income tax calculated at Corporate tax rate (Malta tax rate of 35%)	**92,449**	**56,014**	**(3,945)**	**24,215**
Effect of different tax rates in foreign countries	(2,458)	2,484	-	-
Theorectical income tax provision	**89,991**	**58,498**	**(3,945)**	**24,215**
Effect of the difference between current income tax and tonnage tax	(90,498)	(58,729)	3,945	(24,215)
Other adjustment	(137)	(305)	(255)	(360)
Calculated Income Tax (current and deferred)	**(644)**	**(536)**	**(255)**	**(360)**
Income tax expense for the year	(644)	(536)	(255)	(360)
Calculated Income Tax (current and deferred)	**(644)**	**(536)**	**(255)**	**(360)**

Income tax is mainly generated from intercompany transactions with mark-up applied in accordance with transfer pricing agreements.

The Group has tax losses of $66.1m (2024: $66.1m) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose.

Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the Group, they have arisen in subsidiaries that have been loss-making for some time, and there are no other tax planning opportunities or other evidence of recoverability in the near future.

If the Group was able to recognise all unrecognised deferred tax assets, the total assets would increase by $23.1m (2024: $23.1m) applying the domestic rate applicable to the Group (35%).

9.2. Current and deferred tax charges

	GROUP		COMPANY	
	Twelve months ended December		Twelve months ended December 31,	
	2025	2024	**2025**	2024
	$,000 USD	$,000 USD	**$,000 USD**	$,000 USD
Current tax charge	**(644)**	(536)	**(255)**	(360)
Income tax expense	**(644)**	(536)	**(255)**	(360)

10. Property, plant and equipment

10.1. Property, plant and equipment, net

	GROUP						
	Yachts	Yachts under construction	Furniture and fittings	Computer equipment	Leasehold improvements	Right-of-use asset	Total
	$,000 USD	$,000 USD	$,000 USD	$,000 USD	$,000 USD	$,000 USD	$,000 USD
Cost							
At 1 January 2024	**583,459**	**619,039**	**623**	**852**	**10**	**4,782**	**1,208,765**
Additions	6,963	390,711	494	208	13	4,260	402,649
Transfer	563,315	(563,315)	-	-	-	-	-
Currency translation effects	(34,371)	-	-	-	-	-	(34,371)
At 31 December 2024	**1,119,366**	**446,435**	**1,117**	**1,060**	**23**	**9,042**	**1,577,043**
Accumulated depreciation and impairment							
At 1 January 2024	**(63,691)**	**-**	**(239)**	**(671)**	**(2)**	**(486)**	**(65,089)**
Depreciation	(36,741)	-	(81)	(132)	-	(708)	(37,662)
Currency translation effects	3,758	-	-	-	-	-	3,758
At 31 December 2024	**(96,674)**	**-**	**(320)**	**(803)**	**(2)**	**(1,194)**	**(98,993)**
Net book value							
At 31 December 2024	**1,022,692**	**446,435**	**797**	**257**	**21**	**7,848**	**1,478,050**
Cost							
At 1 January 2025	**1,119,366**	**446,435**	**1,117**	**1,060**	**23**	**9,042**	**1,577,043**
Additions	3,838	127,055	428	196	-	2,705	134,222
Transfer	573,490	(573,490)	-	-	-	-	-
Currency translation effects	72,500	-	-	-	-	-	72,500
At 31 December 2025	**1,769,194**	**-**	**1,545**	**1,256**	**23**	**11,747**	**1,783,765**
Accumulated depreciation and impairment							
At 1 January 2025	**(96,674)**	**-**	**(320)**	**(803)**	**(2)**	**(1,194)**	**(98,993)**
Depreciation	(67,889)	-	(147)	(171)	(2)	(1,339)	(69,548)
Impairment	(33,572)	-	-	-	-		(33,572)
Currency translation effects	(12,155)	-	(3)	(2)	-	(20)	(12,180)
At 31 December 2025	**(210,290)**	**-**	**(469)**	**(976)**	**(4)**	**(2,553)**	**(214,293)**
Net book value							
At 31 December 2025	**1,558,904**	**-**	**1,076**	**280**	**19**	**9,194**	**1,569,473**

The Evrima and Ilma vessels started being depreciated in October 2022 and July 2024, respectively, corresponding to the dates on which they were delivered and available for use. Additions in 2025 and 2024 mainly relate to a series of enhancements made to the ships.
The Luminara vessel value at the delivery was $573m, including $127m of additions during the year. Luminara started to be depreciated in June 2025 upon delivery and when it became available for use.

Capitalised costs include progress payments for the construction of the new vessel, as well as design and engineering fees, capitalised interest, construction oversight costs and various owner supplies items. Since the Group expects to derive future economic benefits from the yachts, costs incurred are being capitalised as yachts under construction. In addition, staff costs directly attributable to vessel construction capitalised during the year amounted to USD 3.1 million for the year ended 31 December 2025 (2024: USD 4.0 million). Borrowing costs capitalised during the year ended 31 December 2025 totalled USD 5.9 million (2024: USD 21.9 million), corresponding to a weighted average capitalisation rate of 7.0% (2024: 4.3%).

10.2. Property, plant and equipment under construction, impairment consideration

The carrying amounts of the vessels, at each reporting date, are reviewed in order to assess whether there is any indication that these assets may be impaired. When such indicators exist, the recoverable amount of the relevant ship is estimated in accordance with IAS 36 *Impairment of Assets* to determine whether an impairment loss should be recognized. The recoverable amount is defined as the higher of fair value less cost to sell and value in use.

In performing this assessment, both internal and external indicators of potential impairment are considered. Indicators of possible impairment may include, but are not limited to, changes in the technological, market, economic, or legal environments in which the vessels operate. An assessment of whether any evidence suggests the obsolescence or physical damage of the vessels is performed, whether plans to dispose of a ship before the end of its estimated useful life are considered, and whether any evidence suggests that the economic performance of an asset was, or may become, lower than expected.

As of December 31, 2025 and 2024, the assessment whether any indicators of impairment existed for each of the vessels was performed, taking into account both internal and external factors. As part of this assessment, the fair value less costs of disposal of our vessels was considered, based on valuations obtained from independent ship brokers.

As of December 31, 2025 and 2024, the vessels Ilma and Luminara had fair values less costs of disposal exceeding their respective carrying amounts. Accordingly, no indicators of impairment were identified for these vessels at those dates.

For the vessel Evrima, indicators of impairment were identified as of December 31, 2024. At that date, the main internal indicator of impairment related to operating performance that was below the assumptions underlying the 2023 business plan. As a result, an impairment test was performed. Based on this test, the recoverable amount, determined with reference to the vessel's fair value less costs of disposal, exceeded its carrying amount, and therefore no impairment loss was recognized as of December 31, 2024.

As of December 31, 2025, an indicator of impairment was identified, notably independent broker valuations of Evrima were below the vessel's carrying amount. Accordingly, an impairment test was performed to assess the vessel's recoverable amount. The value in use was determined to remain lower than both the broker valuations and the vessel's carrying amount. As a result, an impairment loss of USD 34 million, partially driven by foreign exchange impacts, including the strengthening of the EUR against the USD, was recognized in the statement of profit or loss for the year ended December 31, 2025.

10.2. Property, plant and equipment under construction, impairment consideration - continued

The fair value measurement of the vessel is categorized in level 3 of the fair value hierarchy, which indicates that the fair value was assessed using unobservable inputs. The primary basis is the Market Approach, relying on comparable transactions and market intelligence when available, complemented by a Replacement Approach reflecting newbuilding prices and value-adjusted technical or commercial upgrades. For the Evrima vessel, the broker placed emphasis on replacement-cost benchmarks due to the absence of comparable second-hand transactions in the ultra-luxury segment. The resulting valuation incorporates vessel-specific characteristics, market conditions, and the structural scarcity of comparable assets.

When considering a number of factors, it is important to note that the newbuilding market at the time when Evrima was constructed looked very different since due to Covid-19, the order activity was low and shipyards had considerable availabilities, hence resulting in pricing being more competitive at the time.

In order to assess based on Market Approach, the independent valuation specialists made reference to the newbuild market, focusing on similar vessels on order, values, and yard availability. Following this assessment, it was concluded that the value of the vessel should be amounting to the new carrying amount of the vessel, following impairment on the previous carrying amount.

11. Intangible assets

	GROUP			
	Website	Other computer software	Project development costs	Total
	$,000 USD	$,000 USD	$,000 USD	$,000 USD
Cost				
At 1 January 2024	**2,232**	**6,656**	**2,412**	**11,300**
Additions	511	5,520	3,112	9,143
At 31 December 2024	**2,743**	**12,176**	**5,524**	**20,443**
Accumulated amortisation and impairment				
At 1 January 2024	**(1,669)**	**(3,756)**	**(670)**	**(6,095)**
Amortisation	(280)	(1,206)	-	(1,486)
At 31 December 2024	**(1,950)**	**(4,962)**	**(670)**	**(7,582)**
Net Book Value				
At 31 December 2024	**793**	**7,214**	**4,854**	**12,861**
Cost				
At 1 January 2025	**2,743**	**12,176**	**5,524**	**20,443**
Adjustment to opening balance*	-	(8,437)	-	(8,437)
Additions	2,834	932	255	4,021
At 31 December 2025	**5,576**	**4,671**	**5,779**	**16,026**
Accumulated amortisation and impairment				
At 1 January 2025	**(1,950)**	**(4,962)**	**(670)**	**(7,582)**
Adjustment to opening balance*	-	2,690	-	2,690
Amortisation	(362)	(286)	-	(648)
Impairment	-	-	(5,109)	(5,109)
At 31 December 2025	**(2,312)**	**(2,558)**	**(5,779)**	**(10,649)**
Net Book Value				
At 31 December 2025	**3,265**	**2,113**	**-**	**5,377**

11. Intangible assets - continued

*At 1 January 2025, the Group recorded an opening balance adjustment to correct the prior-year accounting treatment of certain IT-related expenditures that had previously been capitalised. Following a reassessment under IAS 38 – Intangible Assets, these costs were determined not to meet the recognition criteria for intangible assets and were therefore reclassified to retained earnings. As a result, the gross carrying amount of intangible assets decreased by USD 8.4 million, with a corresponding reduction in accumulated amortisation of USD 2.7 million, reflecting the reversal of amortisation previously recognised on these items.

The Group's website, computer software and other operating systems are amortized over 3–5 years. The additions primarily involve the design of websites, IT systems and software, including the implementation of new integrations between these systems.

Prior to 2025, the Group engaged designers and architects to develop a new generation of ships. The costs incurred in connection with these activities were capitalized as development costs, based on management's assessment that the recognition criteria under IAS 38 were met, including the technical feasibility and expected future economic benefits of the project.

As of 31 December 2025, management reassessed the status of this project and concluded that these criteria were no longer satisfied. As a result, the capitalized development costs were tested for impairment in accordance with IAS 36.
This reassessment led to the recognition of an impairment loss of $5.1 million in 2025.

12. Investment in subsidiaries

12.1. Detail of carrying amounts and net equity of direct subsidiaries

	COMPANY As of December 31,					
	2025			2024		
	$,000 USD			$,000 USD		
	Carrying Value	Subsidiary's Net equity	Subsidiary's Net income/(loss)	Carrying Value	Subsidiary's Net equity	Subsidiary's Net income/(loss)
Cruise Yacht HoldCo Ltd	**29,181**	**21,095**	**(115)**	29,181	20,960	(798)
Next-Gen Cruise HoldCo Ltd	**0.4**	**(33,188)**	**(46,261)**	0.4	13,073	13,467
Dolce Cruise Management Ltd	**3**	**(356)**	**(44)**	3	(312)	11
Yacht Portfolio Ltd	**0.4**	**(3,805)**	**(2,599)**	0.4	(1,058)	(354)
The Air Portfolio, LLC	**0.4**	**55**	**121**	0.4	(65)	(70)
The Ritz-Carlton Yacht Collection Australia Pty Ltd	**0.4**	**(98)**	**(80)**	0.4	(18)	(17)
Total Investment	**29,185**			29,185		

12.2. List of direct subsidiaries

Subsidiary	Registered office	Ownership interest in 2025 and 2024	Nature of business	Paid-up in 2025 and 2024
Cruise Yacht HoldCo Ltd	Vault 14, level 2, Valletta Waterfront, Floriana, FRN 1914, Malta	100%	Holding Company	100%
Next-Gen Cruise HoldCo Ltd	Vault 14, level 2, Valletta Waterfront, Floriana, FRN 1914, Malta	100%	Holding Company	20%
Dolce Cruise Management Ltd	Vault 14, level 2, Valletta Waterfront, Floriana, FRN 1914, Malta	100%	*Dormant*	100%
Yacht Portfolio Ltd	Vault 14, level 2, Valletta Waterfront, Floriana, FRN 1914, Malta	100%	*Dormant*	20%
The Air Portfolio, LLC	100 NE 3rd Ave, Suite 1100, Fort Lauderdale, FL 333	100%	Travel agency	n.a.
The Ritz-Carlton Yacht Collection Australia PTY Ltd	PO BOX 7016, Richmond Vic 3121, Australia	100%	Support services Company	100%

12.3. List of indirect subsidiaries

Subsidiary	Registered office	Ownership interest in 2025 and 2024	Nature of business	Paid-up in 2025 and 2024
Cruise Yacht OpCo Ltd	Vault 14, level 2, Valletta Waterfront, Floriana, FRN 1914, Malta	100%	Cruise Operating Company	20%
Cruise Yacht 1 Ltd	Vault 14, level 2, Valletta Waterfront, Floriana, FRN 1914, Malta	100%	Yacht Owning Company	100%
Cruise Yacht 2 Ltd	Vault 14, level 2, Valletta Waterfront, Floriana, FRN 1914, Malta	100%	Yacht Owning Company – *Dormant*	20%
Cruise Yacht 3 Ltd	Vault 14, level 2, Valletta Waterfront, Floriana, FRN 1914, Malta	100%	Yacht Owning Company – *Dormant*	20%
Naviera Yacht I, SL	Villalba Hervas 9, 38002, Santa Cruz de Tenerife Isla Canaries, Spain	100%	Yacht Owning Company	100%
Next Gen Cruises Ltd	Vault 14, level 2, Valletta Waterfront, Floriana, FRN 1914, Malta	100%	Cruise Operating Company	20%
Next-Gen Yacht 1 Ltd	Vault 14, level 2, Valletta Waterfront, Floriana, FRN 1914, Malta	100%	Yacht Owning Company	20%
Next-Gen Yacht 2 Ltd	Vault 14, level 2, Valletta Waterfront, Floriana, FRN 1914, Malta	100%	Yacht Owning Company	20%
Next-Gen Yacht 3 Ltd	Vault 14, level 2, Valletta Waterfront, Floriana, FRN 1914, Malta	100%	Yacht Owning Company – *Dormant*	20%
Next-Gen Yacht 4 Ltd	Vault 14, level 2, Valletta Waterfront, Floriana, FRN 1914, Malta	100%	Yacht Owning Company – *Dormant*	20%
The Yacht Collection Monaco SAM	2 rue du Gabian, 98000 Monaco	100%	Support services Company	100%

The Yacht Collection Monaco SARL changed legal form and was converted in SAM on the 15 July 2024. The Ritz-Carlton Yacht Collection Australia PTY Ltd was incorporated on the 19 April 2024 and Next-Gen Yacht 4 Ltd was incorporated on the 16 October 2024.

13. Derivative financial asset

On 8 April 2022, the Group entered into currency swap agreements for the construction of the Next-Gen vessels for a total amount of $12.5m. As the Group does not apply hedge accounting, the financial asset was presented under the line item "Derivative financial asset" in the statement of financial position. As at 31 December 2024, the fair value of the swap was nil, and the Group recorded a fair value loss of $0.7m in 2024. In 2025, the swap agreement was terminated.

On 5 July 2024, the Group and Company issued $300m worth of bonds. The bonds are classified as a hybrid instrument and include an embedded derivative presented under the line "Derivative financial asset" in the statement of financial position. The embedded derivative includes early redemption options to allow the Group to redeem the instrument prior to maturity at predefined call prices (101% to 106%) to be added. In addition, mandatory redemption features may be triggered by specific events. At the issuance date, the value of the financial instrument was valued was $11.0m. As of 31 December 2025, the Group and Company recorded a fair value of loss of $8.0m, leaving a balance of $3.2m in the statement of financial position.

	At 31 December 2025	At 31 December 2024	At issuance date
Risk-free rate	3.54%	4.4%	4.3%
Asset volatility	30.48%	31.4%	24.1%
Equity volatility	109.74%	98.6%	147.5%
Maturity date in years	2.5	3.5	4.0
Implied Credit spread	597 bps	527 bps	507 bps
Fair value of Embedded Derivative in $m	**3.2**	**11.2**	**11.0**

14. Other non-current assets

As of 31 December 2025, other assets amounted to $42.6 million (2024: $50.1 million). The decrease during the year was mainly due to the recognition of an impairment loss of $15.3 million related to advance payments made to Chantiers de l'Atlantique under a shipbuilding contract, following the postponement of projects for future vessels. Based on management's assessment, these advance payments were considered to no longer be recoverable.

This decrease was partially offset by additional deposits of $7.0 million provided as collateral to American Express, bringing total deposits to $37.5 million as of 31 December 2025 (2024: $30.5 million). Other additions amounted to $0.7 million during the year.

15. Inventory

	GROUP	
	As of December 31,	
	2025	2024
	$,000 USD	$,000 USD
Hotel consumables, food & beverages, shops & merchandise	**12,143**	6,551
Fuel inventory	**1,645**	743
Spare parts	**-**	1,170
Other inventory	**2,750**	1,406
Total Inventory	**16,538**	**9,870**

During the year, the total inventory increased mainly due to the stock of the new operating ship Luminara. The allowance for obsolete inventory amounted to $12.5m as of December 31, 2025 (2024: $11.3 million).

16. Trade receivables

Trade receivables are shown net of an allowance for credit losses. As of 31 December 2025, trade receivables amount to $67.0m (2024: $43.2m). No allowance for credit losses has been recognized in either the current year or prior year.

The Group has agreements with a number of credit card processors that transact customer deposits related to cruise tickets. Certain of these agreements allow the credit card processors to request, under certain circumstances, a reserve fund in cash. Trade receivables include $65.6m and $42.1m due from credit card processors as of 31 December 2025 and 2024, respectively.

17. Other current assets

	GROUP		COMPANY	
	As of December 31,		As of December 31,	
	2025	2024	**2025**	2024
	$,000 USD	$,000 USD	**$,000 USD**	$,000 USD
Prepaid expenses	**26,866**	13,970	**-**	396
Indirect taxation	**2,356**	3,788	**82**	91
Other current receivables	**10**	956	**-**	665
Total other current assets	**29,232**	18,714	**82**	1,152

18. Cash and cash equivalents

Cash and cash equivalents at the consolidated level comprise cash at bank and on hand amounting to $170.8m (2024: $99.0m), including $99.3m that are subject to restrictions and can only be used in the event of early repayment of Credit Agricole CIB facilities.

Cash and cash equivalents remained at $36.3m at company level (2024: $36.3m) which represents cash at bank. Changes in restricted cash balances may arise due to the reamended facility agreement disclosed in note 28.

For a detailed analysis of changes from the prior year, please see the Statement of Cash Flows.

19. Share capital and reserves

19.1. Share capital and share premium

	As of December 31,									
	2025					2024				
Share category	A1 shares	A2 shares	B shares	C shares	**Total**	A1 shares	A2 shares	B shares	C shares	**Total**
Voting rights	Full voting rights	No voting rights	Full voting rights, no share premium	No voting rights		Full voting rights	No voting rights	Full voting rights, no share premium	No voting rights	
Authorized shares of $1 each	900,000	3,500	5,000	5,000	**913,500**	750,000	3,500	5,000	5,000	763,500
Issued shares - number	871,123	2,997	4,801	4,900	**883,821**	630,684	2,997	4,801	4,900	643,382
Ultimate Parent company	*871,123*	*200*	*2,565*	*375*	***874,263***	*630,684*	*200*	*2,565*	*375*	633,824
Management & Other	-	*2,797*	*2,236*	*4,525*	***9,558***	-	*2,797*	*2,236*	*4,525*	9,558
Issued shares - $ value	871,123	2,997	4,801	4,900	**883,821**	630,684	2,997	4,801	4,900	643,382
Share premium of $999 each -	870,251,877	2,994,003			**873,245,880**	630,053,316	2,994,003			633,047,319
Equity issuance costs					**(3,561,251)**					(3,561,251)
Net Share premium - $ value					**869,684,629**					629,486,068

In the consolidated financial statements, additional paid-in capital is presented net of equity issuance costs amounting to $3.6m as of 31 December 2025 (2024: $3.6m), directly attributable to the issuance of shareholder contributions (particularly in the subsidiary Naviera).

19.2. Accumulated losses

Accumulated losses represent the cumulative residual amount of all losses since inception.

19.3. Translation reserve

Translation reserve is the exchange differences on translation of foreign operations, mostly relating to the translation of Naviera I S.L. that owns the Evrima yacht.

20. Loans and borrowings

20.1. Overview loans and borrowings

	Interest rate %	Initial Grant date	Maturity	Committed amount in $,000	GROUP As of December 31, 2025 $,000 USD	2024 $,000 USD
Syndicated term loan facility	LIBOR + 1.6% margin	May-17	Oct-37	268,000	**13,312**	8,000
Syndicated term loan facility	LIBOR + 1.6% margin	May-17	Oct-37	50,000	**2,483**	1,492
ECA Tranche 1	4.03%	Mar-22	May-36	454,320	**45,129**	37,860
ECA Tranche 2	4.03%	Mar-22	Jun-37	464,433	**59,190**	**20,501**
Nordic bonds	11.88%	Jul-24	Jul-28	300,000	**17,812**	**17,812**
Total Current loans and borrowings as at 31 December					**137,926**	**85,665**
Syndicated term loan facility	LIBOR + 1.6% margin	May-17	Oct-37	268,000	**219,905**	239,888
Syndicated term loan facility	LIBOR + 1.6% margin	May-17	Oct-37	50,000	**43,065**	49,194
ECA Tranche 1	4.03%	Mar-22	May-36	454,320	**360,306**	408,589
ECA Tranche 2	4.03%	Mar-22	Jun-37	464,433	**382,942**	274,706
Nordic bonds	11.88%	Jul-24	Jul-28	300,000	**302,408**	304,879
Total Non-Current loans and borrowings as at 31 December				**1,536,753**	**1,308,626**	**1,277,257**
Total loans and borrowings as at 31 December				**1,536,753**	**1,446,552**	**1,362,922**

	Interest rate	Initial Grant date	Maturity	Committed amount in $,000	COMPANY As of December 31, 2025 $,000 USD	2024 $,000 USD
Nordic bonds	11.88%	Jul-24	Jul-28	300,000	**17,812**	17,812
Total Current loans and borrowings as at 31 December					**17,812**	**17,812**
Nordic bonds	11.88%	Jul-24	Jul-28	300,000	**302,408**	304,879
Total Non-Current loans and borrowings as at 31 December				**300,000**	**302,408**	**304,879**
Total loans and borrowings as at 31 December				**300,000**	**320,220**	**322,691**

In July 2024, the Group issued $300 million of secured bonds with a four-year maturity and a fixed interest rate of 11.88%. The proceeds were used to repay the existing Senior PIK Toggle Notes and to partially fund vessel capital expenditures and for general corporate purposes. The bonds is listed since 1 July 2025 on Euronext Oslo Bors and remained outstanding as at 31 December 2025.

Relating to the Evrima yacht, the Group secured a commitment from a syndicate of Spanish banks for a committed amount of $318m. The term loan facility is denominated in U.S. Dollars and bears interest at 6-month London Interbank Offer Rate (LIBOR) plus a 1.60% margin. During the availability period – i.e. earlier of 36 months from inception of loan facility or the delivery of the yacht, the interest on the term loan was capitalised and added to the principal of the term loan.

20.1. Overview loans and borrowings - continued

The term loan facility has a repayment period of 12 years and a repayment schedule of 24 equal semi-annual repayments with no balloon payment at maturity. The repayment period started when the construction of the yacht was completed and delivered by the shipyard. The term loan is secured by first priority mortgage on the yacht. During the year 2025, the Group made principal repayment of $9.5m to CaixaBank.

The term loan facility contains financial covenants that take effect after four consecutive quarters post-delivery of the first yacht in October 2022. Therefore from 2024 onwards the debt service coverage ratio covenant applies. However, prior to the reporting date, the bank approved and granted a requested waiver, covering the period up to and including December 31, 2025.

For Ilma and Luminara yachts, the Group secured a commitment from the French bank Credit Agricole CIB for a total of $918m. The drawings are denominated in U.S. Dollars. Maturity of the loans are 12 years and a fixed interest rate of 4.03%. The repayment period starts when the construction of the yacht is completed and delivered by the shipyard. The facility contains two financial covenants applicable, a group leverage ratio and group equity ratio applicable from 2025.

The ECA tranche 2 facility related to the Luminara yacht was increased by $143 million in 2025 to complete construction.

On 2 December 2025, the Group obtained a waiver from Credit Agricole CIB lenders. The waiver defers principal instalments of USD 38.1 million, which were originally due in December 2025 and January 2026, and it waives the financial covenants as of 31 December 2025. The waiver was effective until 31 January 2026 and was subject to specific conditions, including shareholder funding commitments, minimum liquidity requirements and restrictions on distributions during the waiver period. All conditions precedent to the effectiveness of the waiver were satisfied as of 31 December 2025.

Further waiver letters were obtained on January 30, 2026, March 16, 2026, and 30 April 2026 relating to the agreement with the Ilma and Luminara lenders and the Group’s shareholders, as described in the subsequent events note.

The Group also incurred transaction costs of $54.1m (2024: $53.2m) to secure all of the above financing. These costs are presented as a reduction in each loan balance and are amortised over the life of the term loan based on the effective interest rate method. The amortised amounts are being capitalised in the cost of the vessels during the construction period.

20.2. Net debt reconciliation

	GROUP		**COMPANY**	
	As of December 31,		**As of December 31,**	
	2025	2024	**2025**	2024
	$,000 USD	$,000 USD	**$,000 USD**	$,000 USD
Loans and borrowings	**(1,446,552)**	(1,362,922)	**(320,220)**	(322,691)
Lease liabilities	**(10,629)**	(8,757)	-	-
Net debt	**(1,457,181)**	(1,371,679)	**(320,220)**	(322,691)

20.2. Net debt reconciliation - Continued

GROUP $,000 USD	Loans and borrowings	Lease liabilities	Net debt
Net debt at 1st Jan 2024	**(868,962)**	**(4,633)**	**(873,595)**
Cash flows			
Proceeds from loans and borrowings, net of transaction costs	(581,498)	-	(581,498)
Repayments of principal and interest	185,901	-	185,901
Lease payments	-	469	469
Non cash movements			
New leases recognised	-	(4,593)	(4,593)
Embedded derivative at issuance date	(11,000)	-	(11,000)
Capitalised interests and other	(21,947)	-	(21,947)
Accrued interests and debt issuance costs	(65,416)	-	(65,416)
Net debt at 31 Dec 2024	**(1,362,922)**	**(8,757)**	**(1,371,679)**
Net debt at 1st Jan 2025	**(1,362,922)**	**(8,757)**	**(1,371,679)**
Cash flows			
Proceeds from loans and borrowings, net of transaction costs	(142,913)	-	(142,913)
Repayments of principal and interest	128,863	-	128,863
Lease payments	-	1,395	1,395
Non cash movements			
New leases recognised	-	(2,605)	(2,605)
Capitalised interests and other	228	(480)	(252)
Accrued interests and debt issuance costs	(69,809)	-	(69,809)
Foreign exchange adj	-	(182)	(182)
Net debt at 31 Dec 2025	**(1,446,552)**	**(10,629)**	**(1,457,181)**

COMPANY $,000 USD	Loans and borrowings	Net debt
Net debt at 1st Jan 2024	**(123,719)**	**(123,719)**
Cash flows		
Proceeds from loans and borrowings, net of transaction costs	(300,000)	(300,000)
Repayments of principal and interest	155,950	155,950
Non cash movements		
Embedded derivative at issuance date	(11,000)	(11,000)
Accrued interests and debt issuance costs	(43,922)	(43,922)
Net debt at 31 Dec 2024	**(322,691)**	**(322,691)**
Net debt at 1st Jan 2025	**(322,691)**	**(322,691)**
Cash flows		
Repayments of principal and interests	35,624	35,624
Non cash movements		
Accrued interests and debt issuance costs	(33,152)	(33,152)
Net debt at 31 Dec 2025	**(320,220)**	**(320,220)**

21. Lease liabilities

The Group

In March 2022, the Group entered into a new lease agreement in respect of a long-term lease for an office situated at Vault 13-15, Valletta Waterfront, Floriana, FRN 1914, Malta, whose lease period commenced on 7 April 2022 and "naturally" terminates on 6 April 2030.

In April 2023, the Group entered into a new lease agreement in respect of a long-term lease for an office situated at 100 Northeast 3rd Avenue, Fort Lauderdale, Florida, USA whose lease period commenced on 21 April 2023 and "naturally" terminates on 28 February 2034.

In March 2024, the Group amended the lease agreement of the office situated at 100 Northeast 3rd Avenue, Fort Lauderdale, Florida, USA to expand the space term. The expansion space term commenced on 4 March 2024 and ''naturally" terminates on 30 April 2035.

In December 2024, the Group entered into a new lease agreement for an office situated at the 10th floor of 2 Rue du Gabian, Monaco whose lease period commenced on 1 May 2025, and "naturally" terminates on 30 April 2028.

In May 2025, the Group entered into a new lease agreement for an office situated at Suite 30.04, Level 30, Australia Square, Tower Building, 264 George Street, Sydney, whose lease period commenced on 1 June 2025, and "naturally" terminates on 31 May 2030.

	GROUP	
	As of December 31,	
	2025	2024
Maturity analysis - contractual undiscounted cash flows	**$,000 USD**	$,000 USD
Less than one year	**1,495**	431
One to five years	**4,661**	3,040
More than five years	**4,473**	5,286
Total undiscounted lease liabilities as at 31 December	**10,629**	8,757
Current liability	1,495	431
Non-current liability	9,134	8,326
Total undiscounted lease liabilities as at 31 December	**10,629**	8,757

The Company

The Company was not party to any lease contracts during the years ended 31 December 2025 and 2024.

22. Contract liabilities

	GROUP	
	As of December 31,	
	2025	2024
	$,000 USD	$,000 USD
Customer deposits	183,425	106,915
Total contract liabilities	**183,425**	106,915
Current liability	175,107	100,169
Non-current liability	8,318	6,746
Total contract liabilities	**183,425**	106,915

The accumulated amount of deposits for future cruises as of 31 December 2025 following refunds given during the year is $183.4m (2024: $106.9m). In accordance with the normal terms and conditions agreed upon with customers when booking future cruises, customers have the right to cancel their booking at any time prior to the sailing date; more than 365 days before sailing, guests can cancel and receive a refund minus an administrative fee, while within 365 days, cancellation fees apply on a sliding scale: 10% between 365–181 days, 25% between 180–121 days, 50% between 120–61 days, and 100% within 60 days.

23. Derivative financial liability

On April 4, 2022, the Group raised $125m in debt (PIK Toggle note). This debt was fully repaid in July 2024. However, as part of this debt instrument, there are 21,521 warrants that can still be converted into the Group's Class A1 shares at an exercise price of $1 per share. The warrants have a maturity date on April 4, 2029. The Warrant agreement includes a cash settlement clause. Therefore, the Group recognised a liability as at issuance date being April 4, 2022 based on the binomial approach.

At year-end, the fair value is re-assessed and the change in fair value of this liability is recognised as Finance income/expense.

The parameters used in the model are for each valuation date (4 April 2022, 31 December 2024 and 2025):
1. The equity value of 100% of the Group
2. The risk-free rate.
3. The volatility.
4. The maturity date

	At 31 December 2025	**At 31 December 2024**	**At issuance date**
Risk-free rate	3.6%	4.4%	4.0%
Volatility	109.7%	147.5%	37.0%
Maturity date in years	3	4	7
Warrant liability in $m	**20.7**	**14.3**	**19.8**

24. Other non-current liabilities

Key Money

The Group entered into a series of agreements with The Ritz-Carlton Hotel Company, L.L.C. (the "Hotel Partner") whereby the Group obtained the right to use the Hotel Partner's licensed trademarks in consideration for royalty payments. The Hotel Partner agreed to contribute development funds amounting to $18m toward the construction of the Group's first yacht, $14m toward the construction of the Group's second yacht and $14m toward the construction of the third yacht (the "Key Money"). If the Group terminates this series of agreements prior to their fixed term, the Group has the obligation to return a portion of the Key Money pro-rata to the time still remaining in the fixed term.

As of 31 December 2025, the Group had received the full amount of $18m for the first yacht and $14m each for the second and third yachts.

Key Money is amortised in the statement of profit of loss as a reduction in Ritz-Carlton royalties and fees over the duration of the contract which for the year ended 31 December 2025 amounts to $2.4m (2024: $1.5m). Hence, the original liability increased to $39.3m (2024: $29.6m), net of accumulated amortisation of $6.7m (2024: $4.3m).

25. Trade and other payables

	GROUP		COMPANY	
	As of December 31,		As of December 31,	
	2025	2024	**2025**	2024
	$,000 USD	$,000 USD	**$,000 USD**	$,000 USD
Trade payables	**18,551**	45,095	**2,690**	886
Accruals and other payables	**55,763**	33,538	**3,455**	607
Related parties	**42**	42	**-**	-
Total trade and other payables	**74,355**	**78,675**	**6,145**	**1,493**

Accruals and other payables include accruals mainly related to operating costs such as vessel operating costs and administrative expenses.

26. Financial instruments – fair values and risk management

The Group has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these financial statements.

26.1. Fair value

The management assessed that the fair values of cash and short-term deposits, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the non-current loans and borrowings also approximate the carrying amount before the amortisation of transaction costs with the exception of the Nordic Bonds. The non-current loans and borrowings that have a fixed rate relate to the CACIB loan agreements and Nordic Bonds. With respect to the CACIB loans, there is no change in the interest rate within the amended agreements, which have been finalised subsequent to year end, when compared to the original agreements. Based on an independent market valuation, the Nordic bonds have a fair value of $260m as compared to a carrying amount of $320m. The valuation of the instrument is based on a discounted cash flow approach, where the discount rates are determined using a Black-Derman-Toy (BDT) interest rate diffusion model, assuming a log-normal distribution with mean-reversion properties (considered to be level 3).

The key financial assets and liabilities measured at fair value in the statement of financial position are grouped into the fair value hierarchy as follows:

		GROUP				COMPANY			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As of 31 December 2025	**Date of valuation**	**$m USD**	**$m USD**	**$m USD**	**$m USD**	**$m USD**	**$m USD**	**$m USD**	**$m USD**
Assets measured at fair value									
Derivative financial asset	31-Dec-25	**3.2**	-	-	**3.2**	**3.2**	-	-	**3.2**
Liabilities measured at fair value									
Equity warrants	31-Dec-25	**20.7**	-	-	**20.7**	**20.7**	-	-	**20.7**
As of 31 December 2024	Date of valuation	$m USD	$m USD	$m USD	$m USD	$m USD	$m USD	$m USD	$m USD
Assets measured at fair value									
Derivative financial asset	31-Dec-24	11.2	-	-	11.2	11.2	-	-	11.2
Liabilities measured at fair value									
Equity warrants	31-Dec-24	14.3	-	-	14.3	14.3	-	-	14.3

26.2. Risk management framework

The Group's Directors have overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

26.3. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally in relation to the Group's cash at bank, receivables from payments processors and receivables from the parent company. During the year ended 31 December 2025 the Group's and the Company's cash is placed with Caixabank, S.A. (with current Moody's / S&P ratings of A2/A+), J.P. Morgan Chase (with current Moody's / S&P ratings of A1/A) and Crédit Agricole (current Moody's / S&P ratings of A1/A+). The Group has a concentration risk on its receivables from various credit card processors amounting to $65.6m (2024: $42.1m) as most of its cash flows are, as is standard for the industry, processed through credit cards. The credit risk is, however, deemed to be limited because the counterparties are deemed to be reputable institutions being mainly part of major financial institutions.

26.3. Credit risk - continued

Amounts due from third parties mostly relate to customer deposits and receivables from credit cards processors who are considered to be reputable and large institutions for which we have assessed them to be stage 1 of the Group ECL assessment and on that basis the Expected Credit Loss (ECL) model on this balance is considered to be insignificant, refer to note 16. Moreover, refer to the going concern assessment included within note 2.1.1.

Amounts receivable from related parties are fully recoverable, and no impairment charges are necessary since the probability of default within the ECL model on the Company's financial assets is assessed to be insignificant.

This is assessed on the basis that the Company's purpose is to fund the operations of its subsidiaries through capital injections which are invested in it by the shareholders. As per the discounted cash flow forecast performed, the Group is set to yield return on investment in the coming years.

The carrying amount of financial assets at the reporting date represents the maximum credit exposure:

		GROUP		COMPANY	
		As of December 31,		As of December 31,	
		2025	**2024**	**2025**	2024
		$,000 USD	$,000 USD	**$,000 USD**	$,000 USD
Cash and cash equivalents	Note 18	**170,796**	99,034	**36,285**	36,339
Receivables from payment processors	Note 16	**65,558**	42,129	**-**	-
Other receivables	Notes 14 & 17	**44,977**	54,844	**-**	756
Amounts due from related parties	Note 27	**-**	-	**1,035,354**	765,657
		281,331	196,007	**1,071,639**	802,752

26.4. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Liquidity is primarily managed through customer deposits and funding being provided and committed to by the shareholder as well as refinancing arrangements. Further information is provided in note 2.1.1.

Information relating to future covenants applicable is disclosed in the note 28 subsequent events.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include estimated interest payments.

26.4 Liquidity risk - continued

GROUP		**Carrying amounts**	**Contractual cash flows**	**Less than 1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**
As of 31 December 2025		**$,000 USD**	**$,000 USD**	**$,000 USD**	**$,000 USD**	**$,000 USD**	**$,000 USD**
Trade and other payables	Note 25	**74,355**	**74,355**	**74,355**	**-**	**-**	**-**
Lease liabilities	Note 21	**10,629**	**12,419**	**1,872**	**1,821**	**3,846**	**4,881**
Loans & borrowings	Note 20	**1,446,552**	**1,895,088**	**192,136**	**171,340**	**733,304**	**798,308**
Equity warrants	Note 23	**20,678**	**20,678**	**-**	**-**	**20,678**	**-**
		1,552,214	**2,002,541**	**268,363**	**173,161**	**757,828**	**803,189**
		Carrying amounts	Contractual cash flows	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
As of 31 December 2024		$,000 USD	$,000 USD	$,000 USD	$,000 USD	$,000 USD	$,000 USD
Trade and other payables	Note 25	78,675	78,675	78,675	-	-	-
Lease liabilities	Note 21	8,757	10,909	852	1,087	3,548	5,422
Loans & borrowings	Note 20	1,362,922	2,051,931	157,736	171,348	773,831	949,016
Equity warrants	Note 23	14,261	14,261	-	-	-	14,261
		1,464,616	2,155,776	237,263	172,435	777,379	968,699

COMPANY		**Carrying amounts**	**Contractual cash flows**	**Less than 1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**
As of 31 December 2025		**$,000 USD**	**$,000 USD**	**$,000 USD**	**$,000 USD**	**$,000 USD**	**$,000 USD**
Trade and other payables	Note 25	**6,145**	**6,145**	**6,145**	**-**	**-**	**-**
Loans & borrowings	Note 20	**320,220**	**406,875**	**35,625**	**35,625**	**335,625**	**-**
Equity warrants	Note 23	**20,678**	**20,678**	**-**	**-**	**20,678**	**-**
		347,043	**433,698**	**41,770**	**35,625**	**356,303**	**-**
		Carrying amounts	Contractual cash flows	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
As of 31 December 2024		$,000 USD	$,000 USD	$,000 USD	$,000 USD	$,000 USD	$,000 USD
Trade and other payables	Note 25	1,493	1,493	1,493	-	-	-
Loans & borrowings	Note 20	322,691	442,500	35,625	35,625	371,250	-
Equity warrants	Note 23	14,261	14,261	-	-	-	14,261
		338,445	458,254	37,118	35,625	371,250	14,261

26.5 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other price risk such as commodity risk will affect the Group’s income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

26.6 Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases, receivables and borrowings are denominated and the respective functional currencies of the Group companies. The vast majority of the Group's future sales and receivables, its purchases and its loans and borrowings will be denominated in United States dollars.

The Group's term loans and bonds are denominated in USD, which matches the expected cash flow generated by the Group's underlying business during the term loans and bonds repayment period. This provides an economic hedge without derivatives being entered into and therefore hedge accounting is not applied.

26.6.1. Exposure to currency risk

The Group's and the Company's exposure to foreign currency risk at 31 December 2025 was as follows:

	GROUP			COMPANY	
As of 31 December 2025	**$,000 USD**	**$,000 USD**	**$,000 USD**	**$,000 USD**	**$,000 USD**
	EUR	**GBP**	**AUD**	**EUR**	**GBP**
Cash and cash equivalents	7,845	840	1,246	1,483	-
Trade receivables	2,064	890	274	-	-
Other current assets	4,769	102	-	-	-
Trade and other payables	(5,474)	(274)	(97)	(6)	(7)
Lease liabilities	(1,709)		(842)	-	-
Intercompany receivables *	-	-	-	512,577	45
Intercompany payables	-	-	-	-	-
	7,496	**1,558**	**581**	**514,054**	**38**

As of 31 December 2024	$,000 USD	$,000 USD	$,000 USD	$,000 USD
	EUR	GBP	EUR	GBP
Cash and cash equivalents	3,027	999	151	-
Trade receivables	1,514	431	-	-
Other current assets	3,788	-	91	-
Trade and other payables	(35,767)	(205)	(11)	(12)
Lease liabilities	(694)	-	-	-
Intercompany receivables	-	-	440,550	-
Intercompany payables	-	-	-	(42)
	(28,131)	1,225	440,781	(54)

Intercompany receivables mainly relate to funding provided by the Company supporting the settlement of the payments in relation to the construction of the vessels which were made in EUR.

26.6.2. Sensitivity analysis

		GROUP				COMPANY			
		EUR		GBP		EUR		GBP	
	Change in rate	Effect on Profit before Tax $,000 USD	Effect on pre-tax equity $,000 USD	Effect on Profit before Tax $,000 USD	Effect on pre-tax equity $,000 USD	Effect on Profit before Tax $,000 USD	Effect on pre-tax equity $,000 USD	Effect on Profit before Tax $,000 USD	Effect on pre-tax equity $,000 USD
2025	+5%	**375**	**24,125**	**78**	**78**	**25,703**	**25,703**	**2**	**2**
	-5%	**(375)**	**(24,125)**	**(78)**	**(78)**	**(25,703)**	**(25,703)**	**(2)**	**(2)**
2024	+5%	(1,407)	32,311	61	48	22,039	22,028	(3)	-
	-5%	1,407	(32,311)	(61)	(48)	(22,039)	(22,028)	3	-

26.6.3. Interest rate risk

The Group's facility arranged by Caixabank bears a floating interest rate that is revised in line with movements in the 6-month LIBOR. The Group does not enter into hedging instruments to mitigate its exposure to interest rate risk. The facilities arranged by Credit Agricole CIB, as well as the Nordic bonds, carry fixed interest rates are not expected to be different than their fair value. The directors consider that the group is not exposed to fair value interest risk since loans bearing fixed rates of interest are carried at amortised cost

A change of 100 basis points in interest rates on variable-rate borrowings would have increased the Group's interest (expensed and capitalized) by $3.1m in 2025 (2024: $2.3m). This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

26.6.4. Fuel price risk

The Group is exposed to fuel price fluctuation risk that affects the costs incurred to buy fuel for ship operations. The Group has not entered into derivative fuel contracts. The Group monitors market conditions on an ongoing basis, including through broker quotes and price benchmarking. As a result of the Middle East conflict disclosed in Note 28, the Group expects that the cost of fuel will increase during 2026, although the Group was able to lock in prices for the short term.

26.7. Commitments, contingencies and guarantees

26.7.1 Ship construction

The Group had previously committed to the construction of the Next Gen super-yacht MV Luminara, materially contracted in March 2022. The vessel was completed during 2025 at a total construction cost of approximately $573m. As of 31 December 2025, no further capital commitments remain in relation to this vessel.

26.7.2 Financial covenants

The Group or its subsidiaries are required to comply in 2025 and thereafter with the following key financial covenants under its financing agreements including Nordic bonds and bank facilities.

Nordic Bonds: applicable at Cruise Yacht Upper HoldCo Ltd statutory level:

- Minimum liquidity requirement at entity level, corresponding to a minimum level of cash

Caixa Bank, applicable at Cruise Yacht HoldCo sub consolidation perimeter:

- Debt Service Coverage ratio measuring the ratio of cash flow available for debt service to debt service obligations, tested semi-annually.

26.7.2 Financial covenants - continued

The Group obtained a waiver letter before the reporting date for this covenant for financial year 2025. In relation to compliance with 2026 covenants, refer to note 2.1.1.

Credit Agricole CIB, applicable at Next Gen Yacht HoldCo Ltd sub consolidation perimeter:

- Group Net Leverage ratio, measuring net debt to EBITDA, 1st application December 2025, tested semi annually*
- Group Equity ratio measuring shareholders' equity to total assets, 1st application December 2025, tested semi annually*
- Minimum liquidity obligation, minimum amount of cash to be maintained on specific bank accounts
- DSRA obligation, minimum amount of cash to be maintained on a specific bank accounts

*The Group obtained waivers before the reporting date for these covenants, refer to note 20.

As part of the refinancing arrangement with Credit Agricole CIB, covenants will be suspended until 31 December 2028 and new covenants will be applicable for the Group or its subsidiaries. Please see note 28.

26.7.3 Litigations

From time to time, the Group may be involved in legal proceedings arising in the ordinary course of business relating to matters including, but not limited to, disputes with suppliers or employees (including pursuant to employment discrimination and wage and hour laws) and customers, as well as disputes over intellectual property. The Group maintains comprehensive insurance and the Directors believe such coverage to be of a nature and amount sufficient to cover material financial loss as a result of such claims.

There are no current pending litigations to note which could result in any significant outflow of resources.

27. Related parties

27.1 Parent and ultimate parent

The Company is wholly-owned by OCM Luxembourg EPF IV Cruise Yacht Master Holdco S.à.r.l. (the "Parent"), a private limited company incorporated and domiciled in Luxembourg with a registered address of 26A boulevard Royal, Luxembourg 2449. The ultimate parent is Oaktree European Principal Fund IV, L.P.

27.2 Related party balances

The Group pays OCM FIE, LLC, an affiliate of the Ultimate Parent ("other related party"), a management fee of $500,000 per annum for advisory services.

Included in the note 25 there is an amount of $42k (2024: $42k) which is owed by the Group to related parties.

27.2. Related party balances – continued

Related party transactions entered into by the Company with its subsidiaries are disclosed in Note 6.2. These transactions relate to recharging of expenses incurred by the Company on behalf of its subsidiaries.

	COMPANY	
	As of December 31,	
	2025	2024
	$,000 USD	$,000 USD
Amounts due from related parties	**1,035,354**	**765,656**
Cruise Yacht HoldCo Ltd	*488,575*	*384,430*
Next-Gen Cruise HoldCo Ltd	*505,979*	*346,547*
Naviera Yacht I, S.L.	*22,567*	*25,389*
Yacht Portfolio Ltd	*10,518*	*5,968*
Cruise Yacht Opco Ltd	*3,291*	*1,894*
The Air Portfolio Llc	*1,004*	*854*
Dolce Cruise Management Ltd	*347*	*304*
Next-Gen Cruises Ltd	*3,072*	*271*
Amounts due to related parties	**409**	**115**
The Yacht Collection Monaco SAM	-	*115*
The Ritz-Carlton Yacht Collection Australia Pty Ltd	*409*	-

27.3. Compensation of key management personnel of the Group

The Group's key management personnel comprise the Directors of the Group. Costs incurred amounted to $2.9m for the year ended 31 December 2025 (2024: $2.7m). Those costs are short-term employee benefits.

28. Subsequent events

New agreements with Credit Agricole CIB

Subsequent to the reporting date, the Group entered into a binding amendment and restatement of its senior secured financing arrangements with Credit Agricole CIB relating to the financing of two ships, Ilma and Luminara. In conjunction with this, the Group obtained waiver letters from the Ilma and Luminara lenders on 30 January 2026, 16 March 2026 and 30 April 2026, extending the waiver signed on 2 December 2025.

Under the amended Facility Agreement, all scheduled principal payments falling due between 1 December 2025 and 31 December 2027 have been deferred, resulting in aggregate deferred principal of $171.4 million.

The deferred amounts constitute new loan tranches and will be repaid in equal semi-annual instalments per vessel from January 2028 to December 2032. The contractual maturity of the facilities remains unchanged.

28. Subsequent events - continued

In connection with the amendment, the Group's controlling shareholders committed to inject total equity funding of $275 million into the Group. As of 25 May 2026, the full amount had been injected, including $80 million injected in Q3 and Q4 2025 and $192 million injected in Q1 and Q2 2026. The equity funding was provided to meet the liquidity needs of the business plan and includes $50 million of shareholder proceeds injected into the NextGen perimeter, with the remainder allocated as follows: $53 million earmarked for the payment of the existing bond interest coupon and $64 million earmarked for the transaction costs in connection with the amended agreement with Credit Agricole CIB transaction and for the Operating cash need for the Group.

The amended Facility Agreement introduces at Next Gen sub consolidation perimeter, a new liquidity covenant and a new performance covenant (Trading Performance Covenant and Occupancy Covenant) which will be tested quarterly on a last-twelve-months basis from 31 March 2028, by reference to the Group's approved business plan. These new performance covenants will only trigger enhanced reporting obligations in case of breach. In addition, the testing of the existing financial covenants (Group Net Leverage Ratio and Group Equity Ratio) has been suspended until 31 December 2028, after which it will automatically resume.

The amendment further provides additional liquidity requirements starting from 2028, consisting in a cash sweep mechanism under which excess available cash generated within the Next-Gen sub-consolidation perimeter and Cruise Yacht Upper HoldCo Ltd, as defined under the Facility Agreement, is required to be applied towards the repayment of the deferred loan tranches, an obligation to refinance the existing bond by 15 May 2028 (the failure of which would constitute an event of default under the Facility Agreement) and other restrictions including limitations on distributions (which refer to dividend, charge, fee, payment or other distribution made by any member of the Group to or for the benefit of any of its shareholders or affiliates) and additional indebtedness while the deferred amounts remain outstanding.

Iran conflict

Subsequent to the reporting date, geopolitical tensions in the Middle East have continued to evolve, contributing to heightened global economic uncertainty. The Group has no direct itinerary exposure to the affected conflict areas, and its geographic deployment remains diversified across operations in Alaska, the Baltic, the Mediterranean and Asia. Management is closely monitoring booking trends, conversion rates and guest sentiment, as well as the potential impact on fuel costs (see Note 26.6.4). Whilst the current position remains unpredictable, management does not currently anticipate a significant impact on the Group's business plan.

Independent auditor's report

To the Shareholders of Cruise Yacht Upper HoldCo Ltd

Report on the audit of the financial statements

Our opinion

In our opinion:

- The Group financial statements and the Parent Company financial statements (the "financial statements") of Cruise Yacht Upper HoldCo Ltd give a true and fair view of the Group and the Parent Company's financial position as at 31 December 2025, and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the EU; and

- The financial statements have been prepared in accordance with the requirements of the Maltese Companies Act (Cap. 386).

What we have audited

Cruise Yacht Upper HoldCo Ltd's financial statements, set out on pages 7 to 53, comprise:

- the Consolidated and Parent Company statements of profit or loss and other comprehensive income for the year ended 31 December 2025;

- the Consolidated and Parent Company statements of financial position as at 31 December 2025;

- the Consolidated and Parent Company statements of changes in equity for the year then ended;

- the Consolidated and Parent Company statements of cash flows for the year then ended; and

- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and the Parent Company in accordance with the ethical requirements of the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) that are relevant to audits of financial statements in Malta and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these Codes.

Our audit approach

Overview

Overall group materiality: $14,280,000, which represents approximately 0.75% of total assets.

We conducted a full scope audit of the significant components within the Group.

- Impact of the Group's business plan and the related financing arrangements on the basis of preparation
- Impairment assessment of the carrying amount of vessels held by the Group

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Independent auditor's report - continued
To the Shareholders of Cruise Yacht Upper HoldCo Ltd

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Overall group materiality	$14,280,000
How we determined it	0.75% of total assets
Rationale for the materiality benchmark applied	We chose total assets as the benchmark because, in our view, it is representative of stakeholders' interests, and it is a more stable and reliable benchmark until the Group scales up. We chose 0.75% of total assets based on our professional judgement, noting that it is also within the range of commonly used asset-related materiality thresholds that we consider acceptable.

We agreed with the Board of Directors that we would report to them misstatements identified during our audit above $714,000 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Independent auditor's report - continued

To the Shareholders of Cruise Yacht Upper HoldCo Ltd

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Impact of the Group's business plan and refinancing arrangements on the basis of preparation During the year ended 31 December 2025, the Group reported a loss before tax of $264,140k (2024: $160,041k), and its current liabilities exceeded its current assets by $106,249k (2024: $94,733k). As of 31 December 2025, the Group required additional financing to support its operations and its ongoing obligations. Subsequent to the reporting date, the Group modified its lending arrangement with Crédit Agricole CIB in relation to the financing of two vessels, Ilma and Luminara. This amendment primarily resulted in the deferral of principal payments amounting to $171.4m, with repayments commencing from 2028, besides the extension of related covenants. As part of the re-financing, the Company's shareholders injected additional capital into the Group in May 2026, amounting to $167m. Further, as of 31 December 2025, management secured a waiver of financial covenants relating to a loan facility with remaining principal amount of $299m due as at 31 December 2025, and intends to secure a similar waiver in 2026. Following these measures, the Group's business plan was considered to be fully funded.	Our audit procedures included: • Enquiring on management's going concern assessment including the analysis of the business plan and cash-flow forecasts approved by the Board of Directors. • Performing look-back procedures by comparing actual performance for 2025 to budget, and analysing the forecast over the period 2026-2031. • Validating the mathematical accuracy of the models used by Group's management. • Analysing key assumptions related to the main drivers included in the business plan and cash-flow forecast, including sensitivity analysis, while also reviewing the classification between restricted and unrestricted cash, and the capital injections made by the shareholders post year end to support the business plan. • Enquiring on performance subsequent to the year end as compared to the business plan, including comparison of booking trends, discussions around potential implications of geo-political conditions, and consideration of unrestricted cash balances as compared to projections.

Management's assessment of the Group as a going concern is dependent on the implementation of the approved business plan, including expectations for operational performance, cash flow forecasts and related assumptions. Subsequent to the year end, geopolitical tensions arose in the Middle East, and although the position remains unpredictable, management's assessment as at the date of approval of these financial statements is that there will be no significant impact on the execution of the business plan.

The Directors have concluded that there is sufficient liquidity available for at least 12 months from the date of approval of these financial statements. While they acknowledge that there is a risk that actual results may differ from forecasted figures, they have concluded that there are no factors that give rise to material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

We identified this key audit matter because of the significant judgement involved in management's future cash flow forecasts, and in their conclusion that there is no material uncertainty.

Further information is included in the following notes:
Going concern – note 2.1.1.
Liquidity risk – note 26.4.
Financial covenants – note 26.7.2.
Subsequent events – note 28

- We have read and understood the key terms of all committed debt facilities to understand any terms, covenants or undertakings that may impact the availability of the facility, including consideration of waivers and modifications subsequent to the year end;
- As part of our testing of the forecast cash flows, we assessed the consistency of financing cash flows with the above-mentioned terms, including the appropriate treatment of restricted funds, and validation of the funds invested by the shareholders.
- We enquired on the shortfall in the Caixabank covenant based on the business plan for 2026, and understood management's position on the likelihood of obtaining a further waiver similar to 2025.
- We also considered the adequacy and appropriateness of the related disclosures to the financial statements.

After considering the balance of evidence, we consider management's assumptions underlying the business plan, including the judgement that there are no factors that give rise to material uncertainty, to be consistent with the evidence obtained.

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of the carrying amount of vessels held by the Group The Group owns a fleet of 3 vessels identified as Evrima, Ilma and Luminara. The vessels have a carrying amount of $1,559m as at 31 December 2025 (2024: $1,469m). At each reporting date, the Group reviews the carrying amounts of its vessels to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The recoverable amount is defined as the higher of its fair value less costs to sell or its value in use. The Group's management did not identify any impairment indicators for the vessels Ilma and Luminara. Based on valuations obtained from independent ship brokers, the fair values of these vessels exceeded their carrying amounts. An impairment loss of $34m was recognised in the statement of profit or loss for the year ended 31 December 2025 in relation to Evrima, based on the brokers' valuations obtained since the value in use was determined to remain lower. Given the magnitude of the amounts involved, the significant judgement and estimates inherent to the vessels' valuation as well as the identification of a triggering event for impairment, we considered this area to be a key audit matter. Further related information is included in Notes 3.5.2 and 10.2 to the financial statements.	Our audit procedures in relation to the vessels' impairment assessment are outlined below: • We reviewed the outcome of the respective external and independent broker valuations obtained by management. • We considered the consistency of each vessel's performance in 2025 with the expectations included in the approved budget. • We enquired on internal and external factors that could influence the impairment assessment, such as regulatory compliance considerations, primarily through discussions with management and consideration of Board minutes. • For Evrima, we tested the value in use model provided by management by comparing the underlying data to the approved business plan, testing mathematical accuracy, analysing key assumptions relating to the main drivers, and challenging the discount rate through the involvement of our own valuation experts. • We considered the appropriateness of the disclosures to the financial statements. Based on the work performed, we found the impairment assessment of the vessels held by Group, as well as the related disclosures required, to be consistent with the explanations and evidence obtained.

We have no key audit matters to report with respect to our audit of the parent company financial statements.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The Group includes a number of subsidiaries, which are mostly located in Malta but with presence also in Spain, Australia, France, and the US, either directly or also through a branch of a subsidiary. We therefore assessed what audit work was necessary in each of these components, based on their financial significance to the financial statements and our assessment of risk and Group materiality. The Group auditor performed full scope audits of the significant components.

The Group auditor performed all of this work by applying the overall Group materiality, together with additional procedures performed on the consolidation. This gave us sufficient appropriate audit evidence for our opinion on the Group financial statements as a whole.

Other information

The directors are responsible for the other information. The other information comprises the Directors' report (but does not include the financial statements and our auditor's report thereon).

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon except as explicitly stated within the *Report on other legal and regulatory requirements*.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs as adopted by the EU and the requirements of the Maltese Companies Act (Cap. 386), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group or the Parent Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

The *Financial Statements 2025* contains other areas required by legislation or regulation on which we are required to report. The Directors are responsible for these other areas.
The table below sets out these areas presented within the Annual Report, our related responsibilities and reporting, in addition to our responsibilities and reporting reflected in the *Other information* section of our report. Except as outlined in the table, we have not provided an audit opinion or any form of assurance.

Area of the *Financial Statements 2025* and the related Directors' responsibilities	**Our responsibilities**	**Our reporting**
Directors' report (on pages 3 to 6) The Maltese Companies Act (Cap. 386) requires the directors to prepare a Directors' report, which includes the contents required by Article 177 of the Act and the Sixth Schedule to the Act.	We are required to consider whether the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements. We are also required to express an opinion as to whether the Directors' report has been prepared in accordance with the applicable legal requirements. In addition, we are required to state whether, in the light of the knowledge and understanding of the Company and its environment obtained in the course of our audit, we have identified any material misstatements in the Directors' report, and if so to give an indication of the nature of any such misstatements. With respect to the information required by paragraphs 8 and 11 of the Sixth Schedule to the Act, our responsibility is limited to ensuring that such information has been provided.	In our opinion: • the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and • the Directors' report has been prepared in accordance with the Maltese Companies Act (Cap. 386). We have nothing to report to you in respect of the other responsibilities, as explicitly stated within the Other information section.

Independent auditor's report - continued

To the Shareholders of Cruise Yacht Upper HoldCo Ltd

Area of the *Financial Statements 2025* and the related Directors' responsibilities	Our responsibilities	Our reporting
	Other matters on which we are required to report by exception We also have responsibilities under the Maltese Companies Act (Cap. 386) to report to you if, in our opinion: • adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us. • the financial statements are not in agreement with the accounting records and returns. • we have not received all the information and explanations which, to the best of our knowledge and belief, we require for our audit.	We have nothing to report to you in respect of these responsibilities.

Other matter - use of this report

Our report, including the opinions, has been prepared for and only for the Parent Company's shareholders as a body in accordance with Article 179 of the Maltese Companies Act (Cap. 386) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior written consent.

Romina Soler

Principal

For and on behalf of

PricewaterhouseCoopers
78, Mill Street
Zone 5, Central Business District
Qormi

Malta
25 May 2026