2024

ANNUAL REPORT



HAPIMAG

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Steinhausen, March 2025

INTRODUCTORY REMARKS

Dear Shareholder

Hapimag was born out of a concept: The opportunity to holiday "in your own home" at the most beautiful destinations in Europe. Hapimag continues to embody this concept: We create a home from home – a place to relax, recover, recharge and simply be happy. A place that combines the advantages of a holiday apartment with the comfort of a hotel. At the same time, we are committed to the well-being of our community, our planet and our employees.

The fact that more and more people like and support this concept makes us proud and happy. We were able to welcome 3352 new shareholders in the year under review – a rise of 7.0 % versus the previous year. With a rise of around 0.4 % to 198'706, we also recorded an increase in the number of active shares for the first time since 2010. The continued enthusiasm shown towards Hapimag is also evidenced by the fact that guest numbers and occupancy rates at our 56 resorts in Europe were once again at a consistently high level. Overall, some 441'903 guests went on holiday with Hapimag in 2024. Occupancy at our resorts once again reached the high level of 73.2 % – exactly on a par with the very good result for the previous year.

Operating result (EBIT) decreased to EUR 4.8 million (previous year: EUR 9.9 million). This was due to the absence of an extraordinary profit from the partial sale in Winterberg, together with increased costs in connection with investments in digitalisation and other strategic areas.

Your home from home

Our ambition extends beyond the holiday itself: We create that home-from-home feeling – somewhere you can relax, recover, recharge and simply be happy. Last year, we invested around EUR 32 million in the modernisation of our holiday apartments, the highest annual amount in our company's history, and continued to reduce the renovation backlog. Large numbers of shareholders have already stayed at the newly renovated resorts in Paguera, San Agustín and Berlin Zoo – and they're impressed. As well as upgrading the ambience of our accommodation, the renovations also foster sustainable infrastructure and – where possible – improve accessibility and sustainability. We will again be making above-average investments in our resorts in the 2025 financial year. Indeed, work is already in full swing in Vienna, Westerland Aalborg and Albufeira.

At the same time, we are making Hapimag an even more sustainable company. As a sharing community, we are already taking economic, social and environmental responsibility jointly with you – our shareholders. This is also reflected in the new annual report, which for the first time incorporates a dedicated sustainability report in which we give a detailed explanation of our activities in this area. Though perhaps only a further step, it is nevertheless an important one on the road to meeting our sustainability targets. Here, our focus is on environmental goals such as combating climate change, achieving carbon-neutral status by 2050, optimised water consumption and the circular economy. In parallel, we intend to become a more attractive employer and offer our employees opportunities for personal and professional development.

We can only achieve these goals thanks to the support we receive from you – our valued shareholders. Hapimag has been based on this special bond for more than 60 years, and we wish to thank you for your continued loyalty and active participation. Together, with each step, we are getting closer to our vision: a world with more happy people is a better world.



SILVAN ODERMATT
Co-CEO & CFO

PHILIPP RIES
President of the
Board of Directors

HASSAN KADBI
Co-CEO & Member of
the Board of Directors



"We stand out BECAUSE OF *our people"*

Hapimag is on a journey to growth. The consistent focus on the three strategic goals aims to promote healthy and sustainable business development. We sat down with co-CEOs Hassan and Silvan to talk about the strategy, their future plans for Hapimag and fostering an innovative culture.

By *Christian Weiss*





In 2023, Hapimag decided to focus again on growth. Looking back, is growth a strong enough and right strategic goal – what about the product itself?

Hassan: Everything starts with the product. We can't win if we do not offer a desirable product. It lays a strong foundation, and actively pursuing our growth strategy is key to achieving success. In the last decades there were many great and superior products which failed or never made it to the market because of the wrong strategy. So, besides the right product we also need to crack how to attract the attention and interest of our potential customers.

Can you give some additional insights into the growth strategy. What kind of "growth" are we looking at over the coming years – an increase in shareholders with the existing portfolio, or do we need to expand our portfolio to enable further growth?

Hassan: The portfolio needs to go ahead of the shareholders, otherwise we will acquire shareholders which we have no place to accommodate. We have learned valuable lessons from past experiences where quick catch-up decisions impacted our portfolio. We are actively addressing these challenges and using those insights to build a more resilient and successful future. Getting the right properties is key.

How do we balance shareholder preferences for new destinations with long-term strategic considerations, especially when these may diverge?

Silvan: Customer feedback is very important to us. Besides, we take into account various factors beyond customer feedback. For example our approach includes anticipating future travel trends, climate change impact, accessibility, and the opportunity/risk profile in the target markets. Our expansion decisions need to prioritise long-term viability and strategic positioning over short-term preferences. That is the only way, how to stay at the forefront and a leader in the leisure, travel & tourism industry.

"It lays a strong foundation, and actively pursuing is key to achieving victory."

Managing expectations is crucial when acquiring new customers and eventually growing the business. Hapimag's business model is complex and we have a diverse portfolio of resorts…

Hassan: In fact, we have gained valuable insights over time, allowing us to continually evolve and clarify our brand offering; ensuring that it is clear and compelling for potential customers. We therefore launched a project to refine our value proposition. The result is a sharper and more to the point positioning of Hapimag – with a clear brand promise and core offerings. Through ongoing refinement of our brand identity and a focus on authentic imagery, we strive to provide a transparent picture of what to expect. We believe in delivering on our promises and then exceeding them, creating positive surprises along the way.

Speaking of growth, there are of course other implications. Specifically, is the projected growth rate sustainable, given the potential strain on resources and infrastructure and the need to maintain a high-quality experience for all members?

Silvan: We are mindful of the potential challenges associated with growth and are fully committed to grow sustainably. Our focus is on balancing capacity with demand, prioritising profitable growth over rapid expansion, and ensuring to attract members who share our values. We firmly believe this is the right approach to provide a high-quality experience for all members while managing resources and infrastructure effectively. Besides, our historical data suggests that the projected growth rate is not only achievable but well within our capacity to handle.

In August, Hapimag launched a brand new "Holiday Partnership Programme" and added a partner resort to its own portfolio. Isn't this expansion a contradiction in terms of maintaining a strong community and a member experience?

Silvan: Owned resorts remain our long-term focus. As mentioned earlier, capacity creation comes before taking on new shareholders. However, these processes take a long time and cost a lot of money. Expansion through partners is a good addition: partnering provides immediate capacity, allows us to test new destinations, and requires only very limited investment. To make it a success there are two key criteria: high quality, as offered by The Crane in Barbados, and unique experiences, such as those offered by the innovative start-up Raus. To uphold the "Hapimag experience" in partnerships, we prioritise quality.

Hapimag is in the midst of change. We are in the process of updating our brand identity and attracting the next generation of travellers. How can we balance the need to improve our brand image with the importance of continuously improving the guest experience?

Hassan: Brand image and guest experience are intrinsically linked, and both are crucial for our growth. While our current guest satisfaction is high, we need to evolve and innovate to meet the changing expectations of future generations. This involves knowing and understanding their unmet needs, and anticipating their demands, which our current satisfaction metric might not fully capture. We are actively addressing this through initiatives like the holiday product strategy to ensure our offerings remain relevant and appealing in the long-term – for our current members as well as future generations. This is a major, cross-functional initiative involving teams from operations, real estate, and product. Currently, we are analysing initial findings to make actionable recommendations for long-term and short-term improvements.

What makes the unique Hapimag experience at the resorts?

Silvan: We want our shareholders to experience unforgettable holiday moments and feel at home in our resorts. In particular, we stand out because of our people. We know and believe in the importance and meaning of holidays for a healthy and happy life. Summarised in our vision: More happy people for a better world. Our passionate teams take care of giving every stay a personal touch – before, during and after a holiday. Next to that are our locations and the reliability. Our shareholders know what to expect. Nevertheless the expectations towards holiday experiences are increasing and the market is getting more and more competitive. That is why we need to stay dynamic, member-centric and offer a unique blend of personalised experiences – digitally and in-person.

OUR *Strategy*

Gaining new customers for our holiday world

Improving and enhancing the holiday experience

Integrating sustainability and innovation in the company

MODERN. SUSTAINABLE. VALUABLE. HOW HAPIMAG INVESTS IN THE FUTURE.

Hapimag combines unforgettable holiday experiences with sustainable value preservation. How exactly does this work? By continuously investing in and modernising our resorts. A look behind the scenes of our renovation project in Westerland-Aalborg shows how we reconcile economic and ecological aspects, always offer an attractive and contemporary holiday experience and secure the value of Hapimag shares.

By *Christian Weiss*

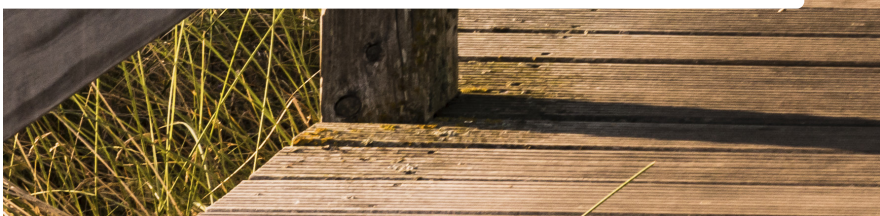
Sylt, the "Queen of the North Sea," is a much-desired destination that has captivated people for generations. Hapimag has also been present on Germany's northernmost island for decades, now operating four resorts there. In the heart of Westerland, just a few steps from the famous promenade and Brandenburg beach, you'll find the Westerland-Aalborg resort. 45 apartments, an inviting reception/ lobby area, and a wellness area with a swimming pool and sauna await guests. However, time doesn't stand still here either, not even on Sylt.

Precisely because Aalborg is one of Hapimag's most popular resorts, a need for renovation became apparent. The last comprehensive modernisation was 20 years ago. The apartment furnishings no longer met the current standards of members. "We always want to offer our guests a unique holiday experience in a modern and comfortable ambience," says Martin Roten, Chief Real Estate Officer at Hapimag. "Therefore, we decided on a comprehensive renovation of Aalborg."

But what does "renovation" mean at Hapimag? "For us, it's not a quick fix," explains Martin Roten. "We rely on a sustainable renovation strategy. Guest satisfaction is our top priority. We consider the feedback from our members, analyse internal reviews, and conduct regular checks of the building's condition." Everything is then meticulously documented in the so-called Property Improvement Plan. Roten: "Factors such as occupancy and location also influence our decisions."

To secure the long-term value of our resorts and continue to offer shareholders unique holiday experiences in the future, Hapimag has defined a clear renovation cycle. In addition to age, this also takes into account location-specific factors such as position and occupancy. Currently, six resorts are in the renovation process; these include Vienna, Aalborg and Albufeira in the implementation phase, and Damnoni, Antibes and Scerne di Pineto in the planning phase. Hapimag invests between 30 and 40 million euros per year in its resorts. The company thus invests an above-average amount of capital and makes a clear commitment to maintaining the value of the portfolio.

The renovation of Aalborg is a successful example of this philosophy. In the resort, all apartments are being equipped with new furniture, LED lighting, modern and partly barrier-free bathrooms, and optimised kitchenettes with energy-efficient appliances. In addition, the building is being fully renovated with energy and sustainability aspects in mind, which particularly includes maximum accessibility. Specifically, this means that in the future, a hybrid solution – gas heating combined with a heat pump and photovoltaic system – will be used for energy generation, and all areas of the resort will be accessible. Local craft businesses are deliberately chosen for the implementation: "They know the resort and the local conditions," says Mirza Beganovic, the responsible project manager in the Real Estate team. "This is efficient, sustainable, saves costs, and usually has a positive effect on ongoing operations."





HÖRNUM
SYLT, GERMANY



HAPIMAG WESTERLAND AALBORG
SYLT, GERMANY

During the planning and implementation of each renovation, we pay attention to careful cost control. All stakeholders are brought on board early to inquire about optimisations and problems from daily operations. Subsequently, the scope of the renovation is determined in relation to the highest possible guest satisfaction, and the costs are defined. Mirza Beganovic: "In Aalborg, for example, it was clear that a small lift led to daily conflicts, as it was used by guests, housekeeping, and technicians. Therefore, the idea of installing a second lift came up very early on."

The approval of renovation projects is given by the Executive Committee and the Board of Directors. Furthermore, to optimise costs and ensure a uniform standard, there are guidelines for the selection of interior design. Hapimag strives to renovate as efficiently as possible. However, building today is significantly more expensive than it was a few years ago. Guest demands are much higher regarding the equipment of the resorts and apartments. In addition, requirements regarding sustainability and accessibility lead to significantly higher costs than in the past. There is also the general increase in construction costs, which has a negative impact on investment costs. These factors mean that prices sometimes have to be adjusted upwards after a renovation. The big plus: a significantly improved resort and feel-good experience.



"With the renovation of Westerland-Aalborg, we are bringing the popular destination up to date. At the same time, we are incorporating the charm of the island," summarise Yvonne Lotz and Kathrin Matthiesen from cm-DESIGN in Hamburg, who won the interior design competition and are responsible for the new feel-good atmosphere. "For us, it is important to offer guests a retreat where they feel safe and well looked after – a place of relaxation for the heart and soul, to take a deep breath and find peace." In the case of Aalborg, it was about the unique location: the redesign of the interiors is based on the beautiful atmosphere of the island, the magnificent and moving natural spectacle, inspired by swaying dune grass and footprints in the sand, accentuated by a magnificent play of colours from heather and amber, creating a feeling of deceleration and cosiness. Different materials, colours, and structures create a harmonious interplay, ultimately forming a whole.

The interior professionals: "A cosy room dress lies like a light, soft powder on the guest and embraces them. This is underlined by colours and soft structures from nature. The interior concept conveys a lightness for pausing, closeness to nature and vastness are palpable through the design, leaving room for gathering new energy."

The reopening of Westerland-Aalborg is expected for Easter 2026. The resort is then to be more than ever a place of longing. Or, in the best sense of our shareholders, formulated: Your home away from home. A place to feel good and relax.

SHARING ECONOMY: A WIN-WIN-WIN FOR BUSINESSES, CUSTOMERS AND SOCIETY

The sharing economy is one of the developments that has been widely discussed in the last decade. Almost anything can be shared, and the shared use of resources is considered a business formula for a more sustainable world. Insights and findings from Dominik Georgi, Professor of Marketing and Consumer Behaviour at the Lucerne University of Applied Sciences and Arts.

By *Dominik Georgi*

Sharing and sharing-based business models have been around for a long time. The sharing of resources and communal business models have a long history. Pioneers such as Hapimag in tourism and Mobility in the mobility sector are impressive proof of this. According to the Sharing Monitor Switzerland, 27 % of the population already use sharing services, and the potential lies even higher at 52 % (Sharing Monitor Switzerland 2025).

Digitalisation has given the concept of sharing a significant boost in recent years. At the same time, sharing is attractive from a societal perspective. When properly implemented, sharing has ecological sustainability effects, such as reduced resource consumption. Sharing also has social sustainability effects, such as promoting social interaction.

Against this background, there is both a societal and a business interest in further developing sharing. Accordingly, it is a topic of research that examines how sharing can be promoted to generate insights, for example, for cities in the context of public initiatives for more sharing, or for companies with sharing-oriented business models, such as Hapimag.

What does sharing actually mean?

At its core, it is about sharing resources. "Sharing is an alternative to private ownership, which plays a role in market transactions and in giving. In sharing, two or more people share the benefits (and costs) of owning an item." (Belk 2014)

Traditionally, sharing takes place in the private sphere, among friends and family. In business, the term "sharing economy" has been established for some time, describing business models based on the concept of sharing, where the sharing of resources is the business purpose.

Why is sharing interesting and why does it make sense?

One of the reasons why sharing is an interesting phenomenon is that it can promote sustainability - in all three dimensions of sustainability: environmental, economic and social **(see Figure 1).**

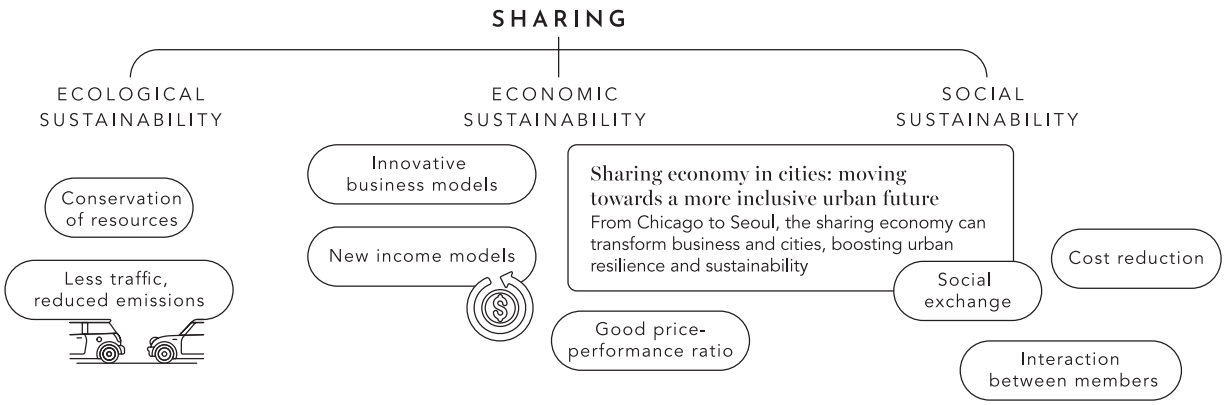


Figure 1: Sustainability impact of sharing
(Source: based on Georgi et al. 2018)

The most widely discussed are the environmental sustainability effects, which are mainly due to resource savings through multiple use. When several people share a car through car-sharing or ride-sharing, less energy is consumed and fewer emissions are produced. If private living space is reduced and common areas are increased in residential complexes, energy is also saved.

Sharing approaches can also have an impact on economic sustainability. This applies, for example, to individuals as sharing demanders who can use certain products and services more cheaply than if they had to buy them themselves. For businesses, sharing can create business opportunities or cost savings.

Social sustainability effects are also attributed to sharing. Sharing creates social interaction, which promotes the stability of societies. Sharing can promote social integration in various aspects: ethnically, by age, by educational background. In some cases, multi-generational living is deliberately promoted by housing cooperatives in residential complexes. This has very concrete "sharing benefits" in everyday life for those involved: seniors support younger families with childcare, younger people take seniors shopping, for example.

The example of Hapimag illustrates the benefits of sharing in all three dimensions: The shared use of holiday properties conserves resources, offers shareholders attractive price-performance ratios and promotes social interaction in the community.

What motivates consumers to share?

If sharing is to be encouraged, whether by sharing organisations or by other stakeholders, such as cities, it is essential to understand the influencing factors of sharing behaviour. These provide the starting point for managing sharing behaviour.

Various sharing studies, such as the "Sharing Monitor Switzerland", have identified factors influencing sharing behaviour, in particular sharing demand, in different areas (**see Figure 2**).

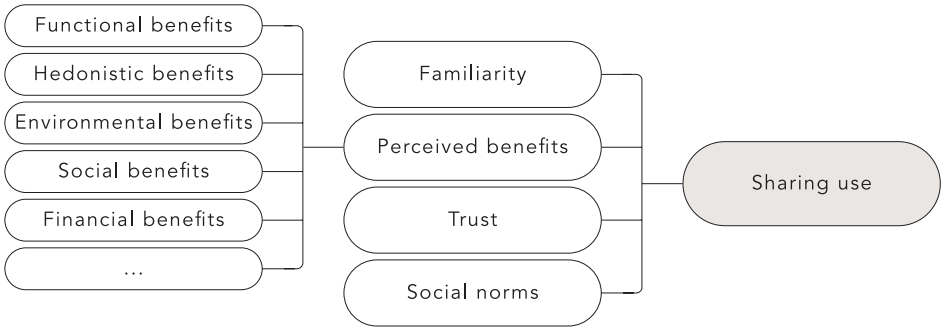


Figure 2: Factors influencing the sharing usage
(Source: Georgi et al. 2021)

Especially for innovative approaches, familiarity with sharing offers is a key prerequisite for their use. Another influencing factor is the benefit of sharing. There are several categories of benefits, each of which is particularly relevant for sharing, including:

- Functional benefits: Describe both the function and the functionality of a sharing offer. The function refers to the core benefit of the service, for example. the availability of holiday accommodation through Hapimag. While functionality refers to aspects such as convenience, i.e. how easy it is to use a sharing service.
- Hedonistic benefits: Refer to the "fun factor" of sharing. Depending on the sharing area, this component can be more or less pronounced and relevant for sharing use.
- Environmental benefits: Can be associated with sharing use, even at an individual level.
- Social benefits: May be present as many sharing approaches involve social interaction.
- Financial benefits: Can be associated with sharing, for example, if the purchase of the shared item would be significantly more expensive.

Trust is a relevant factor in many decisions, including and especially in sharing. In particular, when platform-based sharing, both providers and seekers need to trust each other.

Social norms describe the influence of the social environment on the decisions of individuals. For example, individuals are more likely to adopt a certain behaviour if they observe it in others, or if they believe that people in their social environment value this behaviour. Word-of-mouth communication, i.e. recommendations from acquaintances, therefore plays a special role in this context.

Several studies across different sharing categories have shown that the hedonic, functional and financial benefit components have the strongest influence on sharing use. In some cases, trust and social norms are even more influential than perceived benefits.

What's next for sharing?

The sharing economy still has considerable potential for development. Further knowledge and action is needed to realise this potential. A key factor is better communication of the benefits of sharing. Many consumers are not aware of the benefits, so the relevant dimensions of benefits need to be identified and effective arguments developed. In addition, a systematic design of the "Sharing Customer Experience" is crucial to ensure positive experiences.

Another important factor is "Sharing Community Building". The development and strengthening of sharing communities is essential to the success of the model. However, there are still open questions about the implementation and impact of such communities.

In addition, the importance of data-driven sharing is growing. Data analytics can unlock significant potential in various areas of the sharing value chain, particularly in matching supply and demand. Finally, the use of blockchain technologies is being discussed in order to overcome barriers such as security and matching, thus promoting the spread of blockchain-based sharing.



Dominik Georgi is Professor of Marketing and Consumer Behaviour at the Institute of Communication and Marketing (IKM) at the Lucerne University of Applied Sciences and Arts (HSLU). His research focuses on sharing economy business models, which he has been working on for more than a decade. Georgi also leads the research project Sharing Monitor Switzerland: www.sharing-monitor.ch.



HAPIMAG RESORT FLIMS
GRISONS, SWITZERLAND

BOARD OF DIRECTORS

The Board of Directors of Hapimag oversees the company's business activities. It determines the company's strategy and the principles of corporate governance. At Hapimag, the Board represents the diversity of the workforce, with different backgrounds, skills, ages, education, work areas, genders and nationalities. This multifaceted approach to diversity enables Hapimag to utilise a wide range of perspectives and expertise for the benefit of the company and its stakeholders.

The members of the Board of Directors have extensive and in-depth experience in the hotel and real estate industries. They are also active in other sectors, providing a basis for sound corporate decision-making. In 2024, two out of five members were female and four out of five were independent. This ensures objective oversight and improves corporate governance.



PHILIPP RIES

PRESIDENT OF THE
BOARD OF DIRECTORS

Philipp Ries has been a member of the Board of Directors since 2017 and President since April 2020. He has worked at Google in Zurich since 2010 and has held a job-share position as Product Partnership Lead EMEA since February 2022. He is also President of the Board of Directors of Nuavo Holdings AG and a member of the Investment Committee of the Venture Fund of Verve Ventures. Philipp Ries has an MSc in computer science / economics from the University of Zurich and successfully completed the Stanford Executive Programme at the Stanford University Graduate School of Business in 2014. He constantly keeps up to date on topics relevant to the Board of Directors, particularly at the University of St. Gallen and at the IMD in Lausanne. Philipp Ries is a citizen of Switzerland.



**DR. IUR.
CHRISTINE HEHLI HIDBER**

VICE-PRESIDENT OF THE
BOARD OF DIRECTORS

Christine Hehli Hidber has been a member of the Board of Directors since 2019 and its Vice-President since 2020. She is a partner at law firm Becker Gurini Hanhart Vogt in Lenzburg. Prior to that, she was a partner in a corporate law firm in Baden for ten years and worked for a similar period as a legal consultant and head of Corporate Legal at a major bank in Zurich and London. As an independent lawyer, Christine Hehli Hidber now advises and represents national and international clients. She is a member of the Board of Directors and vice president of a cantonal bank, as well as a member of the Board of Directors of an engineering company. She has knowledge of the travel industry, real estate, infrastructure construction and hospitality. She takes part in regular continuing professional development in BoD management and completed an International Board Certificate Programme at the Swiss Board School in cooperation with the University of St. Gallen. Christine Hehli Hidber is a citizen of Switzerland.



STEFANIE FRENSCH

MEMBER OF THE
BOARD OF DIRECTORS

Stefanie Frensch has been a member of the Board of Directors since 2022. As a real estate expert, she is responsible for Real Estate and Facility Management, among other things, as well as for CSR and sustainability. She also has a high level of expertise in the management of companies. Stefanie Frensch has been a member of the Executive Board of the Berlin-based family foundation Becker & Kries since 2019 and was previously Managing Director of Howoge Wohnungsbaugesellschaft GmbH, the municipal housing association in the federal state of Berlin, from 2011 to the beginning of 2019. The graduate engineer (FH) and architect previously worked for many years at Ernst & Young Real Estate GmbH in Berlin, most recently as a partner for several years. Furthermore, she is a member of the Board of Directors and Chair of the Sustainability Committee of IRESREIT, a listed housing association in Dublin (IR), and a member of the Supervisory Board of Berlin Zoo. In February 2024, she successfully completed the examination for the Qualified Supervisory Board of Deutsche Börse. Stefanie Frensch is a citizen of Germany.



STEFAN PETZINGER

MEMBER OF THE
BOARD OF DIRECTORS

Stefan Petzinger has been a member of the Board of Directors since 2024. He is an independent management consultant specialising in marketing and growth, and his focus on the Board of Directors is growth and new customer acquisition. As Chief Marketing Officer at the international company PlusDental from mid-2020 to the end of 2022, he was responsible for the company's growth and played a key role in its sale to the Swiss Straumann Group. Prior to this, Stefan Petzinger held international management positions in the tourism industry, including five years as Senior Vice President Marketing Europe and Managing Director of the German GmbH of the world's leading travel search engine Kayak, which is part of the Booking.com holding company. Stefan Petzinger holds a degree in business administration and completed the diploma programme for board members at the Swiss Board School. Stefan Petzinger is a citizen of Germany.



HASSAN KADBI

CO-CEO AND MEMBER OF THE
BOARD OF DIRECTORS

Hassan Kadbi has been CEO of Hapimag since 2016 and has shared this position as co-CEO with Silvan Odermatt since 2023. He has also been a member of the Board of Directors since 2020. He joined Hapimag in 2005. He started as a Resort Manager in Bodrum, then worked as an Area Manager for Greece, Morocco and Turkey, before assuming responsibility as Chief Resorts Officer for the operational management of the resorts. Prior to 2005, Hassan Kadbi worked for Hilton in various positions globally. He has a Bachelor of Arts in International Hospitality and Tourism Management from the University of Bournemouth (GB) and a Higher Diploma in Hotel Management from the IHTTI School of Hotel Management in Neuchâtel (CH). In 2019, he graduated from the Executive Program at the Stanford University Graduate School of Business. He holds the "IMD Board Director Diploma" from the IMD Business School in Lausanne. Hassan Kadbi is a dual citizen of Switzerland and Lebanon.

EXECUTIVE COMMITTEE

The Executive Committee is responsible for the operational management of the company.
It is elected and appointed by the Board of Directors.



HASSAN KADBI

CO-CEO AND MEMBER OF THE BOARD OF DIRECTORS

Hassan Kadbi has been CEO of Hapimag since 2016 and has shared this position as co-CEO with Silvan Odermatt since 2023. He has also been a member of the Board of Directors since 2020. He joined Hapimag in 2005. He started as a Resort Manager in Bodrum, then worked as an Area Manager for Greece, Morocco and Turkey, before assuming responsibility as Chief Resorts Officer for the operational management of the resorts. Prior to 2005, Hassan Kadbi worked for Hilton in various positions globally. He has a Bachelor of Arts in International Hospitality and Tourism Management from the University of Bournemouth (GB) and a Higher Diploma in Hotel Management from the IHTTI School of Hotel Management in Neuchâtel (CH). In 2019, he graduated from the Executive Program at the Stanford University Graduate School of Business. He holds the "IMD Board Director Diploma" from the IMD Business School in Lausanne. Hassan Kadbi is a dual citizen of Switzerland and Lebanon.



SILVAN ODERMATT

CO-CEO AND CHIEF FINANCIAL OFFICER

Silvan Odermatt has been Chief Financial Officer at Hapimag since 2019 and co-CEO with Hassan Kadbi since 2023. He started his career at PricewaterhouseCoopers (PwC) in the audit department, before later transferring to Transaction Advisory/ Mergers & Acquisitions at PwC in Zurich and London. He went on to become the Group CFO of a leading manufacturer of paint and coatings in Germany and CFO of C&A Mode AG, headquartered in Baar. Born in Switzerland, he has a degree in business law as well as an Executive MBA from IMD Lausanne. He is also a Swiss Certified Public Accountant and Chartered Financial Analyst (CFA). In 2023, he completed further training in change management and organisational transformation at the London Business School. Silvan Odermatt is a citizen of Switzerland.



MANUEL CARRASCO

CHIEF HOSPITALITY OFFICER

Manual Carrasco has worked at Hapimag since 2006. He has a diploma in Spanish supplementary education, has completed a management trainee programme at Hotel Rheinpark Plaza Neuss and is a trained restaurateur. Before joining Hapimag, Manuel Carrasco held managerial positions at various international hotel chains. He has worked in various positions at Hapimag, including Resort Manager Paguera and Deputy Area Manager Spain, Portugal and Morocco, before becoming Operations Manager in 2015. He has been responsible for the operational management of the resorts as Chief Hospitality Officer since January 2017, additionally becoming responsible for the Member Services area in February 2018. Manuel Carrasco is a citizen of Spain.

AUDIT ADVISORY BOARD

As an independent body, the Audit Advisory Board reviews the activities of the company's management on behalf of the Annual General Meeting. It does not conduct a financial audit in accordance with the Swiss Code of Obligations, which is the responsibility of the auditors. Rather, the Audit Advisory Board considers itself a representative of Hapimag shareholders and focuses its audit activities on two aspects: preserving the value of the shares and satisfaction with the holiday experiences.



WELMOED CLOUS

CORPORATE GOVERNANCE & COMPLIANCE

Welmoed Clous has been a member of the Audit Advisory Board since 2020. She holds a Master's degree from Wageningen University, the Netherlands, and completed an executive programme at Erasmus University Rotterdam. She has more than 30 years of international experience in management roles at multinational companies. In her most recent job, she was Vice President in Regulatory Affairs and Product Safety and a member of the Executive Committee of Ecolab Europe GmbH. Ecolab is a leading global provider of industrial cleaning and sanitation products and services for hotels and restaurants. Welmoed Clous is a citizen of the Netherlands.



PROF. DR. VALENTIN WEISLÄMLE

TOURISM & HOSPITALITY AND/OR HOTEL INDUSTRY

Valentin Weislämle has been a member of the Audit Advisory Board since 2020. He holds a doctorate in economics and developed the Business Administration – Tourism & Hospitality Management degree programme at the Baden-Württemberg Cooperative State University. Since then, he has also been teaching the dual study programme to Hapimag students. From 2005 to 2013, he was a member of what was then the Advisory Board of Hapimag. He is represented on several tourism bodies and organisations and manages a tourism consultancy. Valentin Weislämle is a citizen of Germany.



DUCO DE JONG

RESORT DEVELOPMENT &
HOSPITALITY REAL ESTATE
MANAGEMENT

Duco de Jong has been a member of the Audit Advisory Board since 2024. He holds a degree in Business Administration and has completed various management development programmes. Duco de Jong has more than 20 years of experience in various finance functions, mainly at international level. He also worked for 15 years in the real estate and retail sectors for companies such as Redevco and C&A. He is the CFO of Student Experience, a developer and operator of student accommodation. Duco de Jong is a citizen of the Netherlands and a long-standing Hapimag shareholder.

HAPIMAG PAGUERA
MAJORCA, SPAIN



CORPORATE GOVERNANCE

Corporate governance provides the regulatory framework for the management and supervision of a company. This ensures sustainable corporate development and performance, while supporting Hapimag in minimising risks and protecting the interests of shareholders, members and other stakeholders. The company is committed to openness and transparency, and provides information on structures and processes, areas of responsibility and decision-making processes, as well as the rights and responsibilities of the various stakeholders.

Group structure

Hapimag AG, the parent company of the Hapimag Group, is a public limited company under Swiss law with its head office in the canton of Zug, Switzerland. The resorts made available by Hapimag AG are either owned by Hapimag AG or its subsidiaries, which are controlled by Hapimag AG.

Capital structure and shareholders

As at 31 December 2024, the ordinary share capital of Hapimag AG amounted to CHF 41'670'000 and consisted of 59'300 registered shares with a nominal value of CHF 100 each and 178'700 registered shares with a nominal value of CHF 200 each. Each share confers the right to cast one vote. The shares are not traded on the stock exchange and there is no right to a dividend. Further information on the consolidated equity capital can be found in the statement of changes in consolidated equity in the financial report (see page 68). To fulfil the purpose of the company, the statutory subscription right of shareholders is excluded in Art. 3 of the Articles of Association.

Board of Directors and its committees

The main duties of the Board of Directors are laid down in the Swiss Code of Obligations and in the company's Articles of Association, and more specifically in its Organisational Regulations. Their main duties in relation to sustainability are detailed in the "Sustainability Governance Framework" section. The Board of Directors is elected by the shareholders at the Annual General Meeting, generally for a term of office of two years.

As at 31 December 2024, Hapimag had 99'454 shareholders:

Number of shareholders	Number of shares held by shareholders	Number of shares
38 721	1	38 721
33 109	2	66 218
13 491	3	40 473
6 892	4	27 568
3 787	5	18 935
1 643	6	9 858
626	7	4 382
621	8	4 968
189	9	1 701
163	10	1 630
212	≥ 11	2 998
	(outstanding shares)	**217 452**
	(depot shares)	**20 548**
Total 99 454	**Total**	**238 000**

Organisation

The Board of Directors represents the company vis-à-vis third parties, insofar as it has not assigned the company's business on the basis of the Organisation Regulations to individual members or to third parties (Art. 23 of the Articles of Association). The Board of Directors meets as often as business requires, but at least four times per year.

The Board of Directors held four regular meetings in 2024 and two extraordinary meetings. It held one strategy meeting and the constitutive meeting after the Annual General Meeting. The meetings of the Board of Directors are attended by the co-CEOs, the Chief Hospitality Officer and other senior executives where necessary. All of the meetings and in particular the resolutions passed by the Board of Directors are recorded in the minutes. The Audit Advisory Board has access to the meetings and minutes at all times, and its members make use of this if necessary.

Corporate Governance Guidelines
Online at www.hapimag.com/cor-gov

The three standing committees support the Board of Directors and prepare its business. The members of these committees are selected by the Board of Directors. The committees have no authority to reach decisions or issue instructions except as granted to them by the Board of Directors or by the Organisational Regulations. They submit proposals to the Board of Directors, have rights of inspection and information in the matters assigned to them and can make recommendations to the Board of Directors and the Executive Committee. The minutes of the committee meetings are distributed to all members of the Board of Directors.

Customer and Product Committee (CPC)

The Customer and Product Committee monitors the activities that contribute to the company's new customer growth and are related to Hapimag's product. The committee held three meetings in 2024 and keeps the Board of Directors informed about the company's current and planned growth and product activities. This includes core topics such as the service promise, the promotion of the holiday experience, the continuous improvement of the user journey, measures to optimise the utilisation of available accommodation as well as the strategy and activities for acquiring new customers. The committee offers a forum for new ideas and impulses that help move the organisation forward, especially in the areas of resort operations, products, marketing, sales and business development.

Audit Committee (AC)

The Audit Committee supports the Board of Directors in particular with monitoring and compliance for integrity and conformity with applicable regulations, with assessing the strategic and operational financial performance of the Hapimag Group (including financial and tax planning) as well as with risk assessment and risk management. Four ordinary meetings were held in 2024. The Audit Committee dealt with the following main topics: constant monitoring of the business performance; annual financial statement review, accounting and discussion with external auditors; monitoring financial and portfolio policies; monitoring the liquidity and financial situation as well as relationships with banks; acknowledgment of the tax review in different countries; reviewing product legality and compliance; reviewing governance and issuing appropriate directives; reviewing budgets for the following year; reviewing the external and internal control system and risks; reviewing the privacy policy; reviewing larger capital expenditure projects.

	CPC	AC	NCC
Philipp Ries	Chairperson	Member	Member since 27.04.24
Dr. iur. Christine Hehli Hidber		Chairperson	Chairperson since 27.04.24 Member until 26.04.24
Hassan Kadbi	Member	Participation as co-CEO	Participation as co-CEO
Stefanie Frensch		Member	Chairperson until 26.04.24
Stefan Petzinger	Member since 27.04.24		

Nomination and Compensation Committee (NCC)

The Nomination and Compensation Committee supports the Board of Directors in particular with issues regarding appointments, dismissals, compensation and qualification of members of the Board of Directors and the Executive Committee, as well as with determining the structure of the contracts of the latter with Hapimag. The Nomination and Compensation Committee also assists the Board of Directors in determining the organisational structure. In addition, the Executive Committee must consult with the Nomination and Compensation Committee before making decisions on important personnel issues.

Four ordinary meetings were held in 2024. The focus was on the following topics: structure of the organisation; recruiting another member of the Board of Directors; reviewing disclosure of directors' vested interests; reviewing compensation and expense payments; preparing and implementing a self-evaluation of the Board of Directors; defining the annual objectives of the Executive Committee and assessing the achievement of objectives; updates on implementation of the HR strategy; reviewing fundamental issues in the area of human resources.

Sustainability governance

The Board of Directors plays an active role in monitoring the sustainability activities of the company. It has examined and approved the main themes and sustainability objectives of Hapimag as well as this Annual and Sustainability Report. It receives regular updates on the sustainability activities in the context of internal monthly reporting. Furthermore, new information is shared in the various committees and the topic is a core element of the annual strategy meeting. The Executive Committee, along with the Board of Directors, is responsible for reviewing and approving the sustainability strategy. The CSR committee provides regular guidance in relation to cross-departmental sustainability activities. This multi-layered governance structure ensures that sustainability is embedded within decision-making processes.

Division of decision-making authority between the Board of Directors and Executive Committee

The authorities of the Board of Directors and the Executive Committee are based on the Swiss Code of Obligations, the Articles of Association and the Organisation Regulations. The Board of Directors has delegated the management of day-to-day operations to the Executive Committee under the direction of the co-CEOs on the basis of the Organisation Regulations. The Executive Committee is responsible for the operational management of the Hapimag Group.

Information and control instruments of the Board of Directors

The Board of Directors is informed monthly about the financial situation and ongoing business within the scope of the comprehensive Management Information System. Every month, the Management Information System prepares an income statement, cash flow statement and various key figures and compares the current figures with the previous year and with the budget.

The Executive Committee reports at the meetings of the Board of Directors and, in the case of sub-issues, to the committee meetings about ongoing day-to-day operations, the financial situation and the main business transactions, as well as about the execution of assigned duties and upcoming projects. Every six months, the co-CEOs inform the Board of Directors about the main risks and their assessment of the risks on the basis of the relevance and likelihood of the risk (risk report). The Board of Directors approves the measures defined and to be implemented by the Executive Committee to mitigate the risks and monitors their implementation. If significant changes in the risk assessment arise in the periods between the semi-annual reports, reporting is conducted at the next possible meeting of the Board of Directors or of the Audit Committee.

Working alongside the co-CEOs and the committee chairpersons, the President of the Board of Directors ensures timely reporting to the members of the Board of Directors or vice versa to the co-CEOs regarding all aspects relevant to decision-making and monitoring of the Hapimag Group. The members of the Board of Directors inform the President of the Board of Directors – including the co-CEOs if necessary – in good time about any findings that are essential for Hapimag.

The co-CEOs in turn ensure reporting in the Executive Committee. The members of the Executive Committee and of the Leadership Team inform the co-CEOs in good time about any findings that are essential for Hapimag.

The President of the Board of Directors and co-CEOs ensure timely reporting between the Board of Directors, the committees and the Executive Committee/Leadership Team. The President of the Board of Directors also receives the minutes of the Executive Committee and Leadership Team meetings. Each member of the Board of Directors can also request the relevant persons at any time to supply information about issues regarding Hapimag and Hapimag companies, and view the Group's books and files.

Executive Committee

The Executive Committee prepares the decisions of the Board of Directors and implements its resolutions. It is responsible for preparing and implementing the strategic business plan. The Board of Directors leads the Executive Committee for the operational management of the Hapimag Group. The duties of the Executive Committee are detailed in the functional diagram that forms part of the Organisation Regulations.

The co-CEOs are responsible for the highest-level operational management of the Hapimag Group, for which they are given the necessary authority. However, essential transactions that are defined in the Organisation Regulations require the approval of the Board of Directors; the same holds true for transactions for which approval is reserved for the Board of Directors.

The members of the Executive Committee are responsible for the business areas assigned to them and have the corresponding decision-making authority. For questions regarding which transactions are decided by the Executive Committee as a body and which are decided by the responsible Executive Committee member individually – or together with the co-CEOs and/or Executive Committee members where necessary – the Executive Committee adheres to the following requirements:

Where more than one area or where a fundamental issue for the company and/or the Hapimag Group (in particular one that requires a uniform decision) is affected, the Executive Committee as a whole will decide. In other cases, the division head makes the decision with the responsible co-CEO or alone, if delegated by the responsible co-CEO to do so. In case of doubt, the co-CEOs will decide who has the decision-making authority.

Leadership Team

The Leadership Team is the operative management level below the Executive Committee. The members of the Leadership Team report to the co-CEOs or to another member of the Executive Committee. They are appointed and dismissed by the co-CEOs. The Leadership Team members generally meet once every two weeks to discuss and coordinate all operational matters. Minutes are taken of these meetings and a copy is sent to the President of the Board of Directors.

Shareholders' participation rights

As investors, the shareholders have the final decision in the company. Their decision-making authorities are determined by law (primarily the Swiss Code of Obligations) and the Articles of Association. It should be mentioned that Hapimag grants every individual shareholder the right to place matters on the agenda provided that these fall within the remit of the Annual General Meeting (see item 8 of the Corporate Governance Guidelines of Hapimag AG).

A total of 63'202 votes were represented at the 60th Annual General Meeting on 27 April 2024. The meeting approved the annual accounts and consolidated financial statements for 2023 and the audit reports. The members of the Board of Directors were discharged. The meeting confirmed the Board of Directors' recommendation that the Board be expanded from four to five members, to include Stefan Petzinger, as well as the election of a new member of the Audit Advisory Board.

Audit Advisory Board

As an independent controlling body, the Audit Advisory Board reviews compliance with regulations by the senior management (Board of Directors and Executive Committee) and their activities, on behalf of the Annual General Meeting, provided that this review does not fall within the scope of the auditors. It is composed of three Hapimag shareholders who are elected by the Annual General Meeting based on the recommendation of the Audit Advisory Board for a term of office of two years each. The Audit Advisory Board was elected for the first time in 2019.

Auditor

The auditor is elected by the Annual General Meeting. The auditor is elected for a period of one year and can be re-elected for six consecutive terms (Art. 25 of the Articles of Association). BDO Ltd, which has its headquarters in Zurich, has been the auditing body of Hapimag AG since 2019 and is also the Group auditor. The lead auditor for the financial year 2024 is Bruno Purtschert.

The auditor fulfils the duties incumbent on it in accordance with the law, the Articles of Association, the regulations and the applicable accounting standards, and is in direct contact with the company management.

Information policy and framework for stakeholder involvement

Hapimag cultivates open, direct and transparent communication with shareholders, members, business partners and employees. A direct dialogue with internal and external stakeholders enables it to gain a better understanding of their views and concerns regarding our business activities and their impacts. This takes place through ad-hoc engagement processes of various departments but also includes all information gathered in the context of day-to-day business activities. This data is significant to strategic and operational decision-making. Relevant views or interests of the various stakeholder groups are reported to the Board of Directors, management and supervisory bodies.

Along with regular newsletters, the members of the Executive Committee maintain direct contact with shareholders by visiting resorts and holding on-site meetings several times a year. The aim is to provide information about the company and its business performance in a transparent, timely manner.

Internal and external stakeholders were also involved in the dual materiality analysis, for example, in order to ensure a comprehensive understanding of the impacts, risks and opportunities. Further information and details are provided in the "Sustainability" section.

Furthermore, we work with an external service provider to manage guest satisfaction. The aim of this cooperation is to actively improve the feedback process by discussing outstanding support cases, integrating new surveys and optimising data analysis.

Other examples of the most frequent types of stakeholder engagement activity are detailed in the table below:

Stakeholder group	Engagement channel	Frequency	Description
Employees	Annual team meeting	1/year	Presentations and interactive workshops for all resort managers, area controllers and some team leaders covering the company's current key topics and priorities
	Employee information meeting	1/quarter	Quarterly, a Hapimag-wide employee information meeting takes place to provide an update on our performance and progress towards our strategic priorities and goals.
	Surveys	Based on need	It is also common practice to specifically seek our quantitative and/or qualitative feedback from employees during during strategy development, new project planning, or when operational changes are being considered.
Shareholders and members	Holiday product surveys	2-4/year	As part of continuously enhancing the holiday product, member surveys are conducted up to four times a year. These surveys help us collect feedback critical for our value proposition.
	Interviews and prototype testing	2/year	Engaging with small sample groups brings us valuable feedback and specifically helps the product user experience team create a better user experience across our digital platforms.
	Annual General Meeting	1/year	The Annual General Meeting is held annually for shareholders. It is the supreme governing body of a public limited company. The conduct of the meeting, and the associated shareholder rights and obligations, are subject to legal and statutory provisions. This ensures that all shareholders have a voice in the company's affairs and future.
	"Hapimag on Tour"	20/year	Throughout the year, the co-CEOs and CHO visit multiple resorts to meet with shareholders, presenting Hapimag's strategy and receiving their valuable feedback.
Guests	In- and post stay surveys	Per stay	Guest satisfaction surveys are regularly collected, and feedback is incorporated to enhance our holiday product.
Suppliers	Survey	1-2/year	Collaboration with centrally-contracted suppliers facilitates the exchange and review of guest satisfaction across the product range, leading to corresponding improvements.

Table 1: Overview of Hapimag's most common and regular stakeholder engagement activities



HAPIMAG WINTERBERG
HOCHSAUERLAND, GERMANY



RESTAURANT
'WANHAN PAIKAN KOTA'
PUNKAHARJU, FINLAND

STRATEGY

We believe holidays make people happy. And a world with more happy people is a better world. Our ***vision*** is therefore:

"More Happy People For a Better World."

This forms the basis of our clear ***mission:***

"To unfold the full potential of every precious holiday moment for everyone."

Business model

"More happy people for a better world." The Hapimag vision simultaneously describes our aspiration: We are a Swiss company that has operated holiday apartments with hotel service across Europe since 1963. Through an open, share-based model, our guests are co-owners of the company. This cooperative organisation offers an economically attractive and environmentally responsible alternative to the individually owned holiday apartment.



Instead of owning their own holiday apartment, shareholders and members can choose from over 5000 fully equipped apartments at 56 holiday resorts in popular European holiday destinations – by the sea, in the mountains and in cities. Together, we take economic, social and environmental responsibility – with the aim of enabling our guests to enjoy every precious moment of their holiday to the fullest.

To that end, the Hapimag Group builds, acquires, rents, manages, operates and acts as broker for holiday villages, apartment complexes, hotels and similar facilities. Furthermore, our corporate object includes operation of the premises and assets used for these facilities (e.g. restaurants, sports facilities and retail outlets) as well as the provision of other services associated with these activities (e.g. travel services).

Hapimag has a cooperative focus: In order to keep on improving and developing the Hapimag holiday experience, we focus on the participation of all shareholders and members. Thanks to our cooperative business model, our customers are more than just guests – they are also co-owners.

Hapimag is geared towards sustainable long-term development: Profits are not distributed; instead, they are reinvested and used for the long-term development of our guests' holiday experience. This guarantees a high standard of quality in our resorts and services, as we continuously invest in renovations and carry out value-preserving maintenance and repairs.

Hapimag is active throughout Europe. We operate in markets in which local price levels sometimes vary sharply. In concrete terms, we therefore endeavour to take the internal cost structure and local price level into account when calculating and setting our prices. We believe the top priority is the holiday experience of our members, rather than the maximisation of our profits. We think it is important to offer an attractive price/performance ratio and invest profits in our resorts – and in a way that delivers the greatest benefits for our shareholders.

Strategic direction

Hapimag AG is striving to expand its current position as a sustainable provider of holiday apartments. Through systematic implementation of our corporate strategy, we aim to create added value for our shareholders. In recent years we have designed an increasingly simple and flexible holiday world for them. Going forward, our focus will be on further growth and improvements to the holiday experience. Our strategy is centred around three key objectives: (i) gaining new customers for our holiday world; (ii) improving and enhancing the holiday experience; and (iii) integrating sustainability and innovation in the company. Cross-functional teams implement the individual strategies and associated themes.



Gaining new customers for our holiday world





Healthy and sustainable growth

In 2023 we developed a 5-year plan that specifically outlines how Hapimag can attract new shareholders and thus achieve sustainable long-term growth. Therefore, the focus in the 2024 financial year was once again on further growth – to be achieved firstly by attracting new shareholders and secondly by increasing the number of actively used shares of existing shareholders. Decisive steps forward were taken in both areas in 2024: In the year under review, we attracted 3352 new customers (+7 % versus previous year) to Hapimag and increased the number of active shares from 197'972 to 198'706.

Nothing beats a personal recommendation from a friend: In fact, it is still the case that the majority of our new customers come to us following a personal recommendation. Accordingly, a new recommendation programme was set up in order to boost awareness of our brand as well as interest among potential customers. Available in all five languages, existing shareholders can recommend Hapimag to friends and family in just a few steps by visiting www.hapimag.com/recommend-hapimag. This enables them to benefit from each successful recommendation, as the existing shareholder and new shareholder each receive 30 points as a gift.

Various social media campaigns in Switzerland, Germany and the Netherlands, TV ads in Switzerland and Germany, as well as advertising slots in specialist travel podcasts, all met with a positive response. We also built upon our collaboration with influencers: They provide their followers with authentic, credible reports from our resorts and raise awareness of the Hapimag concept among a young target group in particular.

A study we commissioned is already highlighting initial successes as a result of our activities: Aided awareness of the Hapimag brand in Germany rose from 10.6 % to 12.7 % and in Switzerland from 21.2 % to 24.8 %. Another positive trend is also evident in the acquisition of new customers as a result of memberships changing hands within the family. Thus 1841 out of a total number of 3352 shareholders newly acquired in 2024 took over an existing membership from the previous generation.

Expanded holiday offering

The Hapimag Group's growth trajectory is also reflected in the expansion of its portfolio and the inclusion of new, attractive partner offerings. These enable our community to enjoy new types of experiences and at the same time increase our offering for a growing number of members.



THE CRANE RESORT
PARTNER RESORT, SAINT PHILIP, BARBADOS

In the Caribbean, a special experience has been available since last year in the form of the Crane resort: Located on a cliff above one of the most beautiful beaches in the world, it is the perfect starting point for discovering the diverse Caribbean island of Barbados. We are particularly pleased to note that the partnership has got off to a promising start, with around 170 bookings made by the end of the year; meanwhile, the quality ratings submitted by guests are also very encouraging.

Another contract was signed with an exclusive partner resort, Petram Resorts & Residences in Istria, Croatia, in December 2024. Thanks to its central location in Europe, large numbers of guests can easily reach this new beach destination by car. The apartments of partner resorts are booked in the same way as any other Hapimag holiday apartment, with residence points and a local cost charge which is, however, paid before arrival.

In addition, we have introduced a holiday partnership programme. This programme offers shareholders attractive conditions on overnight stays and a host of other benefits; bookings are made directly via the partner website. The offerings – as with resorts and partner resorts – are also open to family members and friends. The programme began in the third quarter of 2024 with three partners; a further partner was added later in the year. An overview of all holiday partnerships can be viewed at www.hapimag.com/partnerships. The various offerings can all be booked directly via the websites of the partner companies.

Improving and enhancing the holiday experience



At home away from home

We are convinced that holidays play a key role in a healthy, happy life. Based on this maxim, we are enhancing the holiday experience in order to fully align it with the needs of our members and create places where they can relax, recover, recharge and simply be happy. To that end, we invested over EUR 35 million in our resorts in 2024: The newly renovated resort in Paguera opened in full at the start of the year, followed by the resort in San Agustín in June and the holiday apartments in Berlin Zoo in October.

This illustrates how we are sticking to our promise of above-average investment in the modernisation of our holiday apartments. We have firm plans to continue this strategy in the years ahead. Building work is in full swing in Vienna, Westerland Aalborg and Albufeira, while the planning process for the Damnoni, Antibes and Scerne di Pineto resorts began in 2024. The key factor for us is that these renovations not only upgrade the ambience of our accommodation but also foster sustainable infrastructure and improve accessibility.

In general, our aim is to be more active when it comes to developing the range of destinations and consequently make the resort portfolio more attractive to our shareholders. With that in mind, we are actively seeking new locations and also examining existing destinations if required on account of occupancy rates or other factors.

Extended validity of share residence points

Hapimag systematically gears its product to the wishes of its members. In November, the company announced that it had decided to extend the validity period for share residence points from January 2025. These points will in future lapse after ten years (plus an additional discretionary period of six months) rather than five. However, the longer validity period does not apply to discretionary points such as loyalty or anniversary points, or to points that are valid for over ten years anyway (in particular Holiday World Visas and Holiday Passes). In addition, the expiry date was changed from the end of April to the end of June. This benefits our shareholders, who get more time to enjoy every precious holiday moment to the full.



HAPIMAG SAN AGUSTÍN
GRAN CANARIA, SPAIN

Upgraded website and digital services

The holiday experience is also central to the continuous development of our digital services. Hapimag's ambition is to improve the holiday and make it even more relaxed, while providing shareholders with the best possible support when planning and holidaying at their desired resort. That leaves more time for what really matters: relaxation and recovery.

Finding a dream holiday apartment is even faster and simpler: The new calendar view shows at a glance what periods are available for a chosen holiday apartment. What's more, the optimised check-in process means the holiday starts almost immediately – with no time-consuming paperwork: Prior to arrival at the booked resort, various guest information is sent by e-mail for simple checks to be made and any additional information required for check-in is requested. This means that employees at the resorts have fewer routine tasks to do and can instead spend more time providing customers with personalised advice.

Integrating sustainability and innovation in the company



Sustainability has been the basis of the business model ever since Hapimag was established in 1963: Instead of an individual holiday apartment at a single location, shareholders share holiday apartments at popular destinations in Europe – to optimise apartment occupancy and promote responsible tourism. As a sharing community, we address our economic, social and environmental responsibilities together at Hapimag.

We believe that a thriving environment and society are essential in order to offer our guests and future generations meaningful holiday experiences. That is why this year we decided in favour of voluntary sustainability reporting, which is integrated into our annual report. Not out of any external obligation, but because it aligns with our responsibility to drive positive change.

Our approach to sustainability is impact-orientated. We focus our efforts on the areas where we can make the greatest impact – both for the environment and for society. Through continuous assessment of our priorities, dialogue with our stakeholders, and by embracing innovative solutions, we ensure that sustainability remains an integral part of our business to drive meaningful change and create a more resilient future.



HAPIMAG TONDA
TUSCANY, ITALY

Certain figures in sustainability reporting, in particular those relating to calculations of the carbon footprint and figures on water and energy consumption, are to some extent based on estimates and assumptions. We monitor our use of estimates and assessments regularly on the basis of our experience, external advice, and the development of our monitoring processes. Although the use of these assumptions and estimates involves a certain degree of uncertainty, we are working constantly to mitigate this uncertainty by refining our internal figures and data management processes and justifying every external source we use. If assumptions or estimates for a specific data point are revised during the reporting period, this is stated in the corresponding section.

More on sustainability from page 52

2024
IN FIGURES



206.4 million €
Operating income
(previous year: 199.2)

2.6 million
Overnight stays
(previous year: 2.6 million)





4.6 (out of 5)
Guest satisfaction
(previous year: 4.6)

73.2 %
Occupancy rate during opening times
(previous year: 73.2 %)





3352
New shareholders
(previous year: 3135)

198'706
Active shares
(previous year: 197'972)





9451
Shares transferred
(previous year: 9274)

5.18 %
Reduction in scope 1 and 2 carbon footprint per overnight
(new metric)



BUSINESS PERFORMANCE

RESORTS

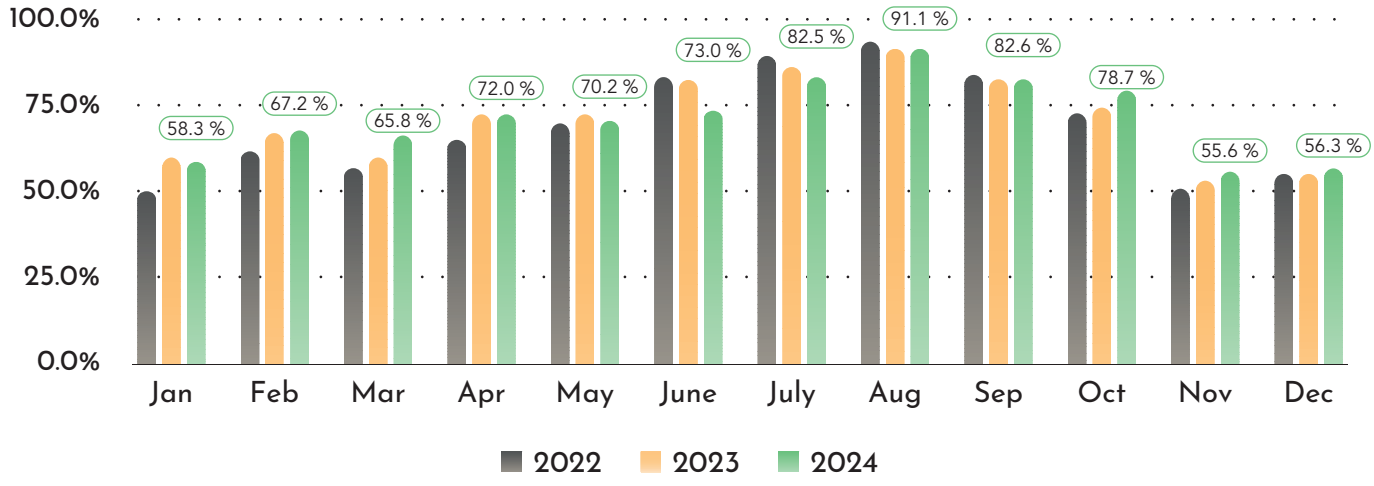
- First-class guest satisfaction with net promoter score of 67.36
- Occupancy rate again above-average at 73.2 %
- Operating income above 200-million mark for first time at EUR 206 million

In 2024, Hapimag once more delivered encouraging figures from a high base: The number of overnight stays again exceeded 2.6 million (-0.8 % versus previous year); in addition, the resorts welcomed a total of 441'903 guests (-0.3 %). At resort level, revenue rose to around EUR 118 million – equivalent to a rise of 7.0 % versus 2023. At EUR 206 million, overall operating income (EUR 199 million) rose above the 200-million mark for the first time.

Following excellent capacity utilisation in 2023 – with the highest occupancy rate since 2013 – the Group again achieved very good occupancy during opening times at 73.2 % (+/- 0.0 %) in the year under review. The City resorts in particular continued their positive trend and recorded the highest occupancy since 2013 at 81.3 %. With capacity utilisation of 71.7 %, the Sun & Sea resorts achieved their highest figure since 2005. At individual level, the resorts in Marbella (95.0 %), London (93.8 %), Berlin-Gendarmenmarkt (92.8 %), Hamburg (91.3 %) and Paris (90.1 %) were the star performers in 2024.

In overall terms, the shortage of skilled labour in the hospitality and food service sector, combined with inflation, poses challenges and impacts on operating as well as renovation costs.

Development of occupancy during opening times (in %)



Occupancy during opening times was once again a very good 73.2 % (+/- 0.0 %).

OCCUPANCY ACCORDING TO RESORT CATEGORY

(during opening times)

Alps

At 70.3 %, occupancy at the resorts was down slightly compared with the previous year (72.9 %). The highest occupancy was recorded by Zell am See at 87.5 % (88.7 %) and Interlaken at 80.1 % (79.0 %).

Nature & Relaxation: Country

At 69.9 %, overall occupancy was slightly lower than in the previous year (71.8 %). The highest occupancy rate was shown by Cannero at 84.4 % (89.4 %), followed by Tonda at 84.0 % (83.2 %) and Meran at 81.8 % (82.1 %). The resort in Marrakesh also continued to show an encouraging year-on-year performance at 53.8 % (44.9 %).

Nature & Relaxation: Sea

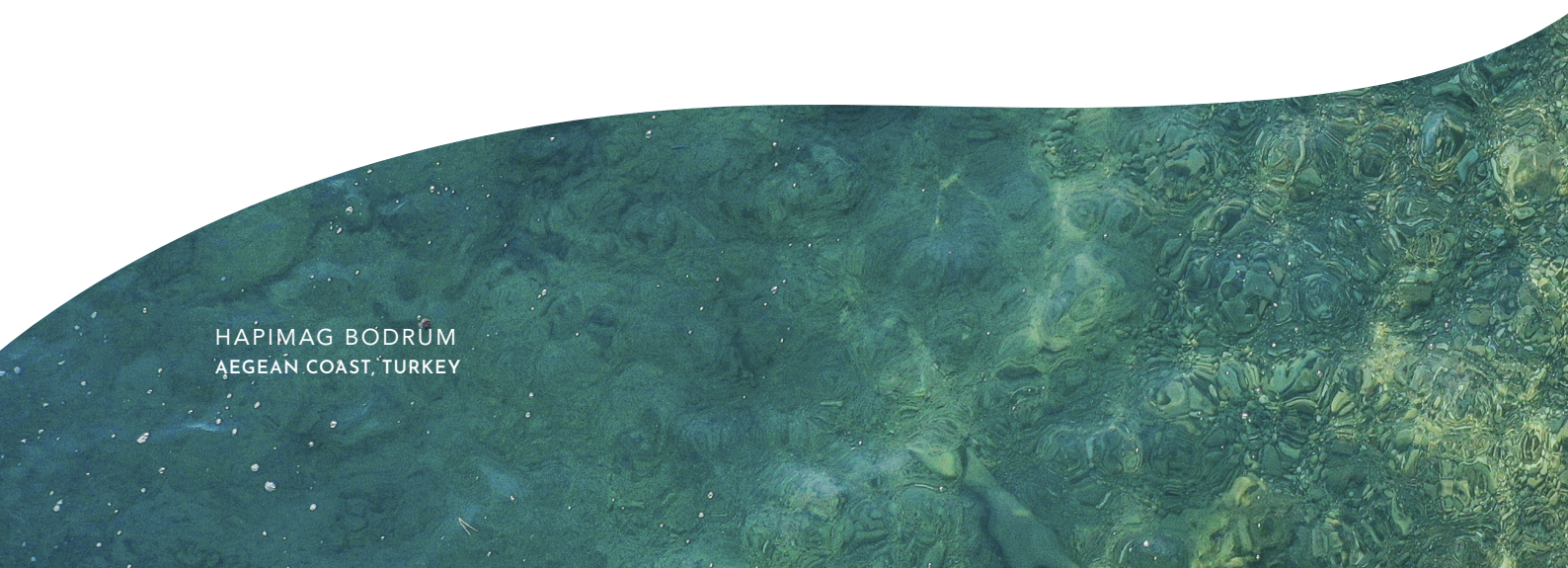
Overall, the resorts again recorded very good occupancy of 78.0 % – an increase compared with the previous year (76.3 %). Marbella showed the highest occupancy of all resorts at 95.0 % (93.9 %). La Madrague likewise achieved very good occupancy at 86.1 % (89.3 %). Following its renovation, San Agustín started slightly below expectations with an occupancy rate of 64.6 %.

Sun & Sea

With occupancy of 71.7 %, these resorts recorded a small increase (70.1 %). The highest occupancy, with a slight increase year on year, was shown by Binz at 86.9 % (84.4 %) and Hörnum at 86.3 % (84.1 %). Our largest Hapimag resort, Bodrum, achieved another increase in occupancy at 50.4 % (47.7 %). Occupancy at the newly renovated Paguera resort was 82.2 %. The resort in Albufeira was only open for a few days in 2024 and is to be renovated from mid-January.

Cities

Occupancy in the cities was very good at 81.3 % and again exceeded the previous year (80.9 %). The highest occupancy was shown by London at 93.8 % (93.1 %), followed by Berlin Gendarmenmarkt at 92.8 % (91.2 %) and Hamburg at 91.3 % (88.8 %). Following its renovation, Berlin Zoo reopened in late autumn with an occupancy of 75.9 %; the Vienna resort, meanwhile, has been undergoing renovation since the middle of the year.



Occupancy rates resulting from marketing to third parties

Hapimag offers vacant apartments that are not claimed by our shareholders to third parties. This is in line with our founding concept and sustainable business model of avoiding empty beds. These additional nights generate important revenue and help to cover fixed costs. Thanks to persistently good occupancy by our members, the proportion of occupied overnight stays from marketing to third parties was 7.6 % (7.6 %) in the year under review. Overall, marketing to third parties contributed revenue of EUR 11.9 million (EUR 11.1 million). Excluding marketing to third parties, this revenue would have to be generated through higher annual charges or higher local charges for our shareholders.

High level of quality

Our guests once again awarded us top marks for the quality of service at our resorts. Average satisfaction across all resorts reached once again an impressive figure of 4.6 out of a possible 5.0 points (4.6). With an impressive net promoter score of 67.36 (67.56), Hapimag achieved another top mark in the year under review. This metric measures how enthusiastic guests are about our resorts and how willing they are to recommend us. An external reputation index provides impressive confirmation: Based on guest ratings, we achieved an excellent rating of over 92 %. We are incredibly proud of these results, which reflect the degree of trust our guests have in Hapimag.

Our guests can share their feedback with us digitally while they are still at the resort. This allows us to take prompt action and ensure that every stay with us is an unforgettable experience.





RENOVATIONS

- Paguera, San Agustín and Berlin Zoo given new look
- Renovations under way in Vienna, Westerland Aalborg and Albufeira
- Investment in decarbonisation continuing apace

Hapimag invests continuously in the renovation of its 56 resorts. Our goal is to provide unforgettable holiday experiences in comfortable, modern apartments. Following the renovations of the St. Michael, Paris and Winterberg resorts in 2023, we continued to systematically invest in the future during the 2024 reporting year and further reduced the renovation backlog: We spent around EUR 32 million – the highest annual amount in the company's history – on renovations, reopening our newly renovated resorts in Paguera, San Agustín and Berlin Zoo. This illustrates how we are sticking to our promise of above-average investment in the modernisation of our holiday apartments and that we will maintain this course in the coming years.

The phased reopening of Paguera was completed shortly before Easter 2024, with the result that the resort was once again fully available to our members. Together with the renovation of the holiday apartments, the work included a freshening up of the public areas. In addition, we carried out lasting upgrades on the facades and technical installations while also improving access to two apartment buildings by means of new lifts. The San Agustín resort reopened in May 2024: Fully renovated and now with air conditioning too, the holiday apartments offer an opportunity to relax and recuperate. October 2024 saw the earlier-than-planned reopening of the Berlin Zoo resort, which has now become even more inviting thanks to the modernisation of all areas.

Two further renovation projects – in Albufeira and Vienna – began in 2024. The major renovation of the resort in Albufeira got under way in February 2024 and is scheduled for completion in autumn 2025. This project involves full renovation of the apartments as well as installation of an air-conditioning system. The main building, including the spa area, is being revamped and renovated while investments are also being made in sustainable technologies such as a photovoltaic system.



HAPIMAG BERLIN ZOO
BERLIN, GERMANY

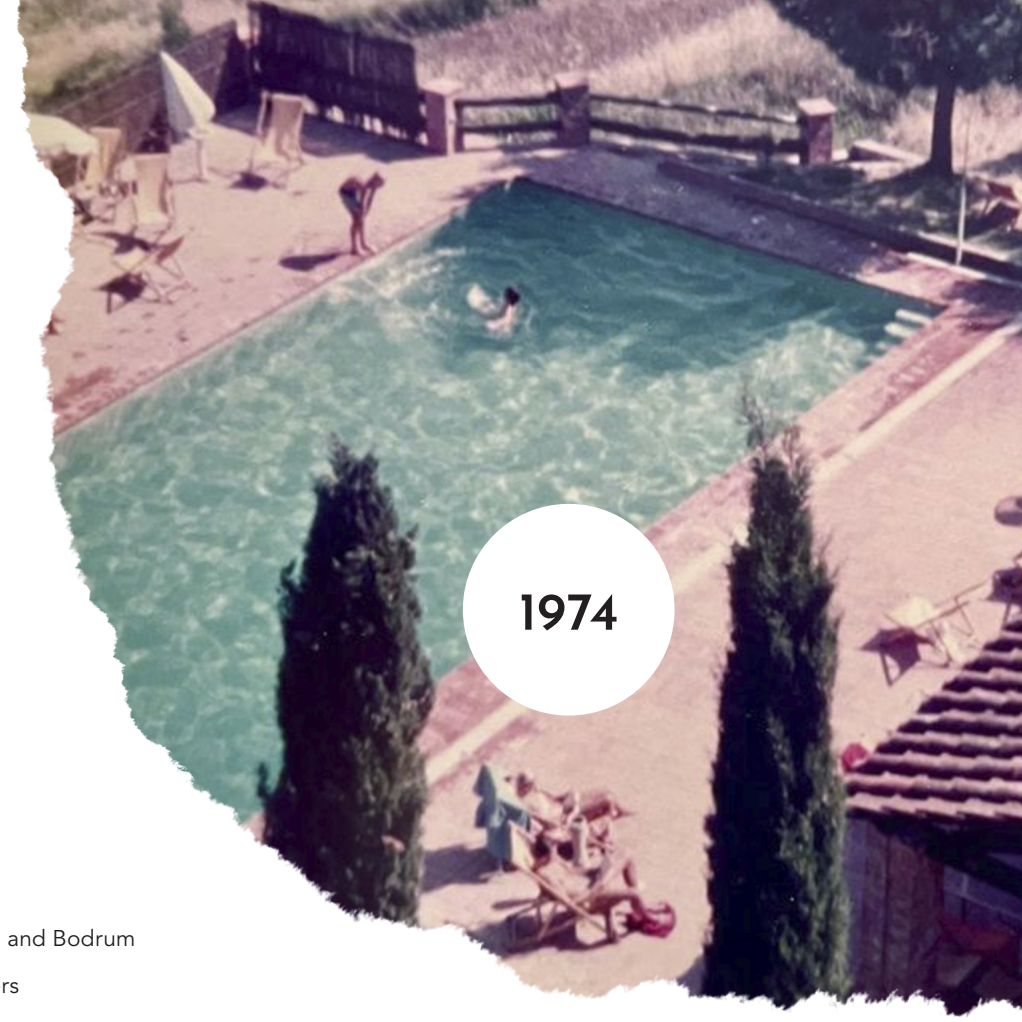
The renovation of the Vienna city resort began shortly before the summer of 2024 and is scheduled for completion in autumn 2025. The planned measures encompass full-scale renovation of the entire resort, including all apartments and public areas.

Furthermore, planning for the renovation of the Westerland Aalborg resort was completed in December 2024 enabling this comprehensive renovation project to begin in January 2025. The complex on the North Sea island of Sylt will likely open its doors again in spring 2026. As well as a total renovation of the apartments, the spa and reception areas are also being fully revamped. In addition, the resort's new, centrally located lift will provide significantly better access in the future.

In Bad Gastein, renovation work on the facade of the listed Kaiserhof building began in autumn 2024 with completion anticipated in the second half of 2025.

2024 also saw us make major advances in terms of renewable energy. The newly installed photovoltaic systems in Ascona and Binz as well as the systems in Pentolina, Porto Heli, Tonda and Cavallino, which will be completed in 2025, make a major contribution to improving our energy efficiency and reducing our carbon footprint. These investments are a clear commitment to a sustainable future and underscore our dedication to protecting the environment.

In addition to extensive modernisation work on buildings and holiday apartments, we also undertook smaller-scale investments and projects including various apartment refurbishments during ongoing operation, upgrades to fire protection measures, installation of charging stations for electric vehicles, roof and facade refurbishment, repairs and investment in technical installations such as air-conditioning, heating and control systems.



COMPANY

- Resort anniversaries: highlights in Tonda and Bodrum
- Promoting dialogue with our shareholders
- New entertainment programme for children
- Shortage of skilled labour still a sector-wide challenge

Moments of our history

2024 was another year packed with special moments and anniversaries. One particularly special event took place at the mid-year point: On 30 June 2024, Hapimag celebrated the 50-year anniversary of the Tonda resort. The concept and story behind the complex in Tuscany is still as fascinating today as it was back then. Back in the early 1970s, the company decided to transform the small medieval village of Castello di Tonda – with its abandoned ruins and neglected surroundings – into an inviting holiday resort. And that's precisely what happened: Hapimag saved the village from dereliction, rebuilt it, and gave it a new lease of life. On 29 June 1974, this jewel in the heart of Tuscany opened its doors to its first guests.

Another milestone was reached on the Bodrum peninsula in March 2024: For the past 30 years, the Turkish resort has enriched Hapimag's destinations portfolio. Emblematic of unforgettable holiday experiences, it is characterised by an unspoilt coastal landscape. The peninsula's lush pine forests and turquoise coves provide an opportunity to relax for a moment and enjoy nature. Incidentally, the landscape was also the inspiration for the name Sea Garden – a place where the bright green forest meets the clear blue water.

In Austria, meanwhile, Saalbach celebrated 55 years as part of the Hapimag family. It was also the 35th anniversary of the resorts in Braunlage, Marbella, Munich and Paris. Furthermore, Ascona and the Midi houseboats celebrated their 25th anniversary, while Hörnum on Sylt achieved the special milestone of 15 years.

Exchange at eye level

Through "Hapimag on Tour", the Executive Committee continued to foster a direct and thus on an eye level exchange with shareholders and guests. Current topics from the Hapimag holiday world are discussed in a relaxed atmosphere several times a year. Open cooperation based on trust lies at the heart of this communication format, and the topics are as varied as the audience. They include strategic direction, day-to-day operations, resort upgrades and renovations, sustainability and specific travel offerings. Hapimag is a sharing community that is organised on a cooperative basis, so these events provide an opportunity to answer questions from shareholders and provide feedback to enable us to work together and deliver even greater improvements.



HAPIMAG TONDA
TUSCANY, ITALY

Time for our younger guests

For many years, the principle followed by Hapimag is for the ideal children's programme to be simultaneously entertaining and educational. In 2024, Hapimag introduced various new activities in order to steadily expand the leisure offering for children and young people. Through selfie rallies focused on teamwork and real-life communication, these activities are aimed at teenagers and encourage them to use state-of-the-art technology in a fun way. In addition, classics such as the mini and maxi disco were revamped with new colours and sounds while a greater emphasis was placed on various specialtheme days at the children's clubs. An exciting project was piloted by the resort in Flims, where a Mini & Maxi Honesty Shop was set up for younger guests. If initial impressions continue to be confirmed, the project will also be rolled out at other resorts. Another important element of the programme and indeed a highlight are the popular children's shows that are offered every two years at selected Hapimag resorts. The summer saw the premiere of the show for 2024 and 2025, entitled "The World of Kroantis", at the resorts of Paguera, Bodrum, Damnoni and Scerne di Pineto; offering not only lots of variety and entertainment for the youngest Hapimag guests, it also gives them a chance to shine on stage and learn the importance of teamwork and cooperation.

Lack of skilled labour still a sector-wide challenge

Finding sufficient numbers of qualified personnel for our resorts once again proved a challenge in the year under review. The search for employees in the hotel and catering sector in particular remains significantly more challenging than prior to the pandemic. In response we have developed a new human resources strategy which serves as the basis of our focus on the training and personal development of our employees. Although general inflation rates eased in 2024, we continue to experience above-average growth in personnel costs in particular. This is driven by the lack of skilled labour as mentioned above.

FINANCIAL DEVELOPMENT

- Another good financial result
- Above-average investment in our resorts
- Operating income exceeds EUR 200 million for first time

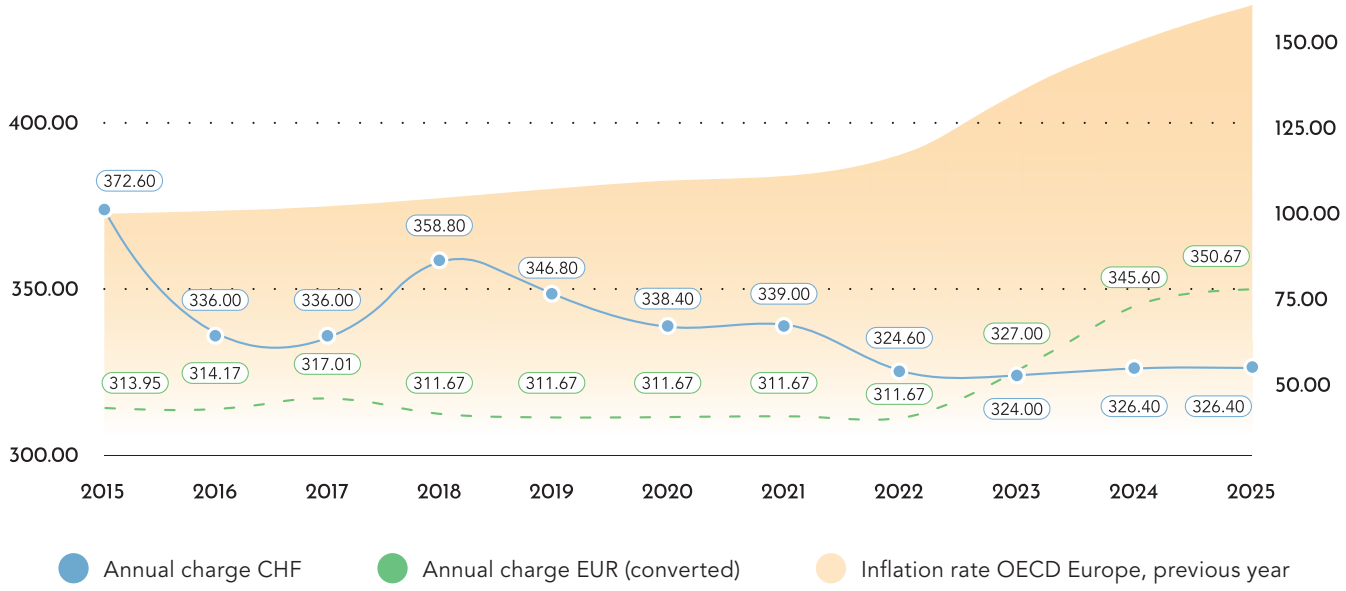
In the 2024 reporting year, Hapimag recorded the same occupancy as the previous year, 73.2 %, which is the highest occupancy rate during opening times since 2013. As a result, we once again achieved an encouraging financial result in the year under review. This sound financial basis allows us to continue making above-average investments in the renovation of our resorts, with the aim of improving the holiday experience for our guests. The enormous commitment of the entire Hapimag team and our consistent cost management likewise contributed to the positive result.

Thanks to high occupancy, Hapimag increased revenue in the resorts by 7.5 %, from EUR 109.5 million to EUR 117.8 million. As a result, operating income rose by around 3.6 % to EUR 206.4 million and broke through the EUR 200-million mark for the first time.

Annual charge remains constant

Despite rising costs at many levels (OECD European inflation, October 2024 vs. October 2023: +7.3 %), the annual charge for one share in Swiss francs remained unchanged for 2025 at CHF 326.40. The annual charge, together with the annual surpluses, is our most important source for financing our ambitious renovation plan. We continue to believe in the importance of offering an attractive price/performance ratio and at the same time making above-average investments in our resorts – specifically in a way that delivers the greatest benefits for our shareholders, as this is what significantly improves the holiday experience.

Adjustment of the annual charge



Operating income exceeds EUR 200 million for first time

At EUR 206.4 million, Hapimag generated 3.6 % higher operating income than in the previous year (EUR 199.2 million). This is the highest operating income ever achieved in the company's history. Operating expenses, excluding cost of goods and services and depreciation, rose by 7.1 % to EUR 144.7 million (EUR 135.1 million). The increase was attributed mainly to the general rise in inflation. Hapimag's consolidated financial statements show a net profit of EUR 3.4 million (EUR 7.4 million). The difference versus the previous year is due in part to the extraordinary gain from the partial sale of the three buildings in Winterberg.

Very good year for the resorts

Resort revenue increased by around 7.5 % to EUR 117.8 million (EUR 109.5 million). As in the previous year, occupancy was extremely high at 73.2 % (73.2 %) – the highest figure since 2013. The City resorts in particular increased their occupancy once again from a high base at 81.3 % (80.9 %). With occupancy of 71.7 % (70.1 %), the Sun and Sea resorts actually achieved their highest occupancy in over 20 years. Hapimag welcomed a total of 441'903 guests (443'024) at its resorts – only just below the previous year's record figure. At 2'621'593, the number of overnight stays was 0.8 % lower than the previous year's figure of 2'643'640. The average length of stay declined from 5.97 days to 5.93 days.

First growth in active shares since 2010

Due to share buybacks carried out as a result of the Change A programme, the number of shareholders fell as expected by 4232 to a total of 99'454. The number including members fell correspondingly, from 114'542 to 111'119. In total, we carried out 7923 share buybacks in connection with the exercising of purchase options from the Change A programme in the year under review.

In 2024 we were able to attract 3352 new shareholders to our community (+7 % compared with the previous year). Despite ongoing share buybacks, the number of active shares consequently rose from 197'972 to 198'706 – the first increase since 2010. This confirms that we are on the right track, in both strategic and operating terms.

Investments in renovations at record level

In 2024 we once again made above-average investments of EUR 35.5 million (EUR 29.1 million). At EUR 32.0 million (EUR 27.4 million), we invested more in the renovation of resorts than ever before in Hapimag's history. In particular, this includes spending on the renovation of the resorts in Albufeira (EUR 12.1 million), Paguera (EUR 2.7 million), San Agustín (EUR 2.5 million), Berlin-Zoo (EUR 2.3 million), as well as Bad Gastein and Vienna (each EUR 1.6 million). In addition, we spent EUR 11.9 million (EUR 11.8 million) on maintenance and repair work at our resorts.



HAPIMAG ALBUFEIRA
ALGARVE, PORTUGAL



Cash flow from operating activities amounted to EUR 25.1 million in the year under review (previous year: EUR 24.7 million). The free cash flow came to EUR -10.3 million (previous year: EUR -0.7 million) due to the very high volume of investment. As a result, net external funding amounted to around EUR -12.7 million at the end of the 2024 financial year (previous year: EUR -1.5 million). The balance sheet remains exceptionally stable: The equity ratio of 56 % (52 %) and the share of internal operating resources of 77 % (78 %) continued to provide Hapimag with a solid financial base.

Accounting

Hapimag is obliged by Swiss law to prepare both statutory financial statements and consolidated financial statements of Hapimag AG.

In the consolidated financial statements of Hapimag, the balance sheet and income statement items of all Hapimag companies are included and intercompany relationships are eliminated. Therefore, only the consolidated financial statements give a true and fair view of the Hapimag Group's net assets, financial position and results of operations. The consolidated financial statements are prepared in accordance with Swiss GAAP FER.

The resorts owned by Hapimag AG itself (Portugal, Austria, Switzerland and Finland) as well as their results and the activities of the head office are found in the statutory financial statements of Hapimag AG. The other resorts are owned indirectly through local companies. These companies are recognised as investments in the statutory financial statements of Hapimag AG. The statutory financial statements are prepared in accordance with the Swiss Code of Obligations.

The financial report on the consolidated financial statements is presented on pages 66 to 89 and that of the statutory financial statements on pages 96 to 103 The accounting policies for the consolidated financial statements are shown on pages 70 to 75 and for the statutory financial statements on pages 99 to 100.

SUSTAINABILITY

SUSTAINABILITY AT HAPIMAG

At Hapimag, we believe that holidays make people happy, and a world with more happy people is a better world. This vision guides our commitment to sustainability. In a world where sustainability is becoming increasingly important and complex, we want to ensure that our efforts truly contribute to a better world for our guests, employees, and the communities we operate in.

In 2024, Hapimag conducted a Double Materiality Assessment* (DMA) to reassess the corporate social responsibility (CSR) pillars and refine the sustainability strategy, ensuring it focuses on the most relevant environmental, social, and governance (ESG) topics. This assessment formed the foundation for developing a new and improved sustainability strategy, centred around Hapimag's specific material topics(*). This strategy will be implemented starting 2025.

To set the right baseline for the DMA process, an internal cross-functional team, with the support of external sustainability consultants, identified a wide range of potential ESG issues relevant to Hapimag, as well as to the hospitality sector. This included topics such as climate change, resource consumption, employee well-being, and community engagement. A comprehensive survey identified which of these topics are most relevant to Hapimag's business; the survey involved 261 internal stakeholders and 1657 external stakeholders (**Table 1**) in order to ensure we cover the interests of all.

Stakeholder group	**Number**	**Stakeholder group**	**Number**
Internal Stakeholders	261	External Stakeholders	1657
Stakeholder mix		**Stakeholder mix**	
Board members and leadership		Shareholders, members, guests and potential new members	
Team leaders and members across all resorts and headquarters		Suppliers	
		Universities	
		Hospitality sector representatives	
		Financial institutions	
		Innovation start-up partners	

Table 1: Breakdown of the stakeholder groups who participated in the survey

(*) A **Double Materiality Assessment** evaluates sustainability issues from two perspectives: Financial materiality, which considers how sustainability matters impact the company's financial performance, and impact materiality, which examines how the company's activities affect people, society and the environment. The outcome of this assessment is a set of **material topics:** key sustainability issues that are significant for both the company and its stakeholders.

As a result, 15 overarching topics and over 80 subtopics were identified. To ensure a focused and manageable assessment, we collaborated with various experts and consultants to first conduct an industry-specific analysis based on the Sustainability Accounting Standards Board's (SASB) standards. And second, to organise a targeted workshop with 27 key internal leaders. This collaborative process resulted in the prioritisation of five focus topics: climate change, water and marine resources, circular economy, own workforce, and workers in the value chain.

Subsequently, we conducted a detailed DMA of these topics, evaluating their potential impacts on Hapimag and Hapimag's impact on them. The DMA process is based on the EU's Corporate Sustainability Reporting Directive's (CSRD) European Sustainability Reporting Standards (ESRS); This involved assessing risks and opportunities across various time horizons, considering factors such as financial performance, operational efficiency, and reputation. The assessment included a quantitative and qualitative analysis, incorporating data from our operations, expert scoring from eleven employees across different departments, and insights from industry best practices.

1st step:	2nd step:	3rd step:
External and internal stakeholder rating of extensive ESG topics	Materiality workshop based on the SASB standards and with the guidance of two consultancy firms	Conducting a double materiality assessment

Table 2: Summary of Hapimag's process to identify its material topics

The assessment revealed four key material topics for Hapimag: Climate Change, Water Consumption, Circular Economy, and Own Workforce (**Table 3**). The visual is the final results of the Double Materiality Assessment and shows both materialities of each topic, the impact Hapimag has on the planet and society (impact materiality) and the impact of the topic on Hapimag's business and finances (financial materiality). It should be noted that our people are our greatest asset. While "Own workforce" does not meet the threshold to appear on our Materiality axis, it is hugely important to us. We are passionate about fostering employee development and well-being, because we know it directly impacts their lives and families. We are committed to making a real difference.

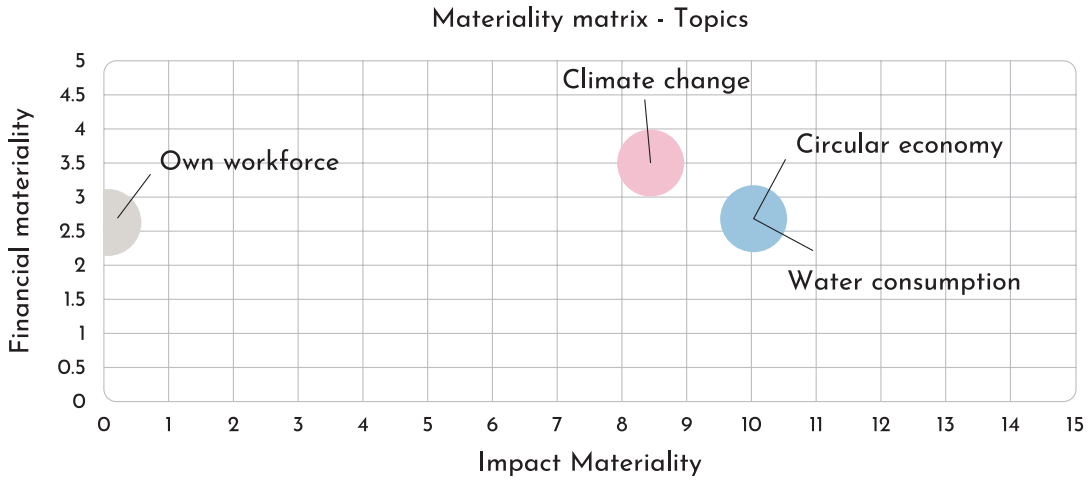


Table 3: Hapimag's Materiality Matrix showing its material topics

HAPIMAG'S MATERIAL TOPICS AND DEFINITIONS

Climate Change

Mitigation of climate-related risks (e.g. droughts, extreme cold or heat, etc.) for the current operating resorts as well as possible future ones and the efficient management of energy consumption, the shift towards renewable energy sources and the implementation of energy solutions all in the aim of reducing greenhouse gas (GHG) emissions and hence, its climate impact.

Water Consumption

Efficient management of water use and implementation of water solutions in the aim of reducing the need for water supply especially in Hapimag's water-stressed resorts across the mediterranean region.

Circular Economy

Efficient management and reduction of operational and construction/renovation waste across the whole lifecycle and value chain through various circularity strategies such as zero packaging, recycling, eco-driven procurement policies, etc.

Own Workforce

Safeguarding an inclusive and safe work culture and promotion of personal and professional growth via various strategies such as training and development, HR policies, efficient turnover management, transparency, equality, grievance mechanisms, etc.

The assessment highlighted the need to concentrate our resources and efforts on these four key topics to maximise our impact. By incorporating the findings into Hapimag's sustainability strategy, we will ensure that the materiality of those topics is reviewed and updated periodically as Hapimag, its stakeholders and environment change and further develop.

Throughout 2024, we have already made significant strides in addressing our key material topics, mitigating our risks and tapping into identified opportunities, as it will be demonstrated in the relevant sections of this report.

ENVIRONMENT

Climate change

Climate change is disrupting business, impacting society and the environment. Companies must integrate climate action into their strategies to meet global targets. At Hapimag, we recognise that the hospitality sector has a key role to play in driving this change.

Our Double Materiality Assessment highlighted the significant financial risks posed by climate change. These risks have a high probability of occurring over a short period of time, as evidenced by the resorts that have already faced fires and floods in their proximity. These events have resulted in damage-control costs and increased insurance fees. For this reason we decided to work on processes to assess and manage physical and transition risks(*) in our resorts and implement climate change adaptation measures, to not only reduce emissions but to actively manage the effects of climate change (mitigation vs adaptation).

(*) Transition risks arise from shifts in policies, technologies, and market preferences toward a low-carbon economy, while physical risks stem from direct climate impacts like extreme weather and rising temperatures.

We started with an analysis of climate-related physical risks over all our locations to understand the stakes at risk along with a resilience analysis of our portfolio. These analyses were performed by Climada Technologies in 2024 and allowed us to have a clearer vision of possible next steps in adapting to climate change.

In addition we initiated different initiatives to better understand the transition risks relevant to us and our industry, in particular:

- A yearly regulatory and due diligence check led to a number of recommendations on our future sustainability strategy and reporting practices that we started incorporating as of this year.
- An extensive portfolio survey explored our members' travel preferences, sustainability considerations (both with and without Hapimag), the perceived impact of climate change on their holiday experiences, and their preferred sustainable practices for resorts. The results provided valuable insights into our community's travel needs and decision-making processes.
- An external Political Economic Social and Technological (PEST) analysis, exploring trends connected to technology, travel behaviour, the travel market, and emerging regulations, identified climate change amongst other factors as a key trend with significant impact on our industry.

Concerning climate change mitigation (reduction of emissions), Hapimag's main impact on climate change stems from its energy consumption, construction material procurement, and the downstream impact of guests travelling worldwide for their holidays. This is why climate change mitigation is essential for us to engage in the fight against climate change in alignment with the Paris Agreement objective to limit global warming to 1.5°C degrees.

In order to define where to focus our efforts to create a positive impact in climate change mitigation, we partnered with a consultancy firm already back in 2023 to help us map and calculate our scope 1 and 2 emissions and estimate our scope 3 emissions (*) along our value chain. Since then, we have been calculating our scope 1 and 2 emissions on a yearly basis and in accordance with the GHG protocol.

As for scope 3 emissions, due to the complexity and broadness of this category, we have limited our assessment to a so-called hotspot analysis conducted by the same consultants to help us identify and prioritise our most carbon-intense activities. This analysis was based on estimates calculated from combining Hapimag's own figures from 2022 with publicly-available data. The analysis showed that most of our emissions come from scope 3 and within the latter, the 3 most carbon-intensive categories are our goods & services, our capital assets and guest travel.

In 2024, our key achievements in regards to climate change adaptation and mitigation, aside from reducing our carbon footprint, was understanding the relationship between climate change and Hapimag as it laid the foundation for what our next steps will be in regards of ensuring we adapt both our holiday product and portfolio to the identified physical and transition risks.

We believe that energy is a key area in which we can minimise both the negative effects of climate change and our costs. By improving energy efficiency and generating our own renewable energy sources, we aim to reduce our carbon footprint and achieve net zero by 2050. This objective is in line with the EU's latest emissions reduction recommendations. In 2024, we made more strides towards energy optimisation and autonomy.

(*) The Greenhouse Gas Protocol sorts carbon emissions into three categories: (i) scope 1 contains direct emissions, (ii) scope 2 contains indirect emissions from purchased electricity, steam, and purchased heat and cooling, and (iii) scope 3 contains the emissions caused by the company's upstream and downstream activities.

Energy optimisation

Since 2022, we have been focusing on shifting towards more energy-efficient lighting systems via the installation of LED lights and where feasible, intelligent LED systems. This switch to LED brings significant savings in electricity consumption because on average, an LED lamp consumes 70 percent less electricity than a standard lamp and if combined with an intelligent system that saving can go up to 90 percent. All resorts have been benefiting from these energy and financial savings in varying degrees, depending on how far they have progressed with the changeover. To give an overview: we have achieved a 95 to 100 percent switch to LED systems in 35 out of our 54 resorts; all the rest of our resorts are well on their way with 12 resorts already achieving a 90 percent change and 7 resorts to switch during their near-future renovations.

It should also be mentioned that we are continuously implementing new measures to reduce energy consumption such as the installation and modification of building management systems, adding and upgrading charging stations for electric vehicles and the implementation of intelligent systems for the disinfection and dosing of the swimming pools.

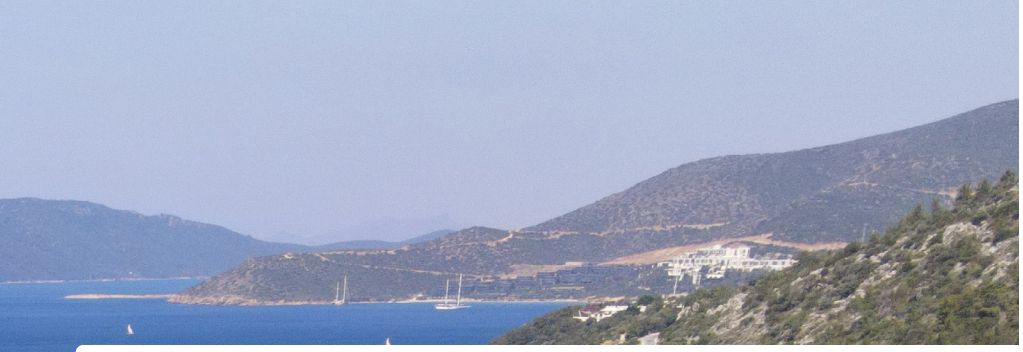
Furthermore, we pay close attention to replacing fossil fuelled systems across the resorts with cleaner energy sources, such as replacing fossil fuel-based heating systems with carbon neutral systems. A heat pump was installed at the Marrakech resort in the year under review, and the conversion will continue in 2025: This efficient technology will then be used in a further six resorts: Aalborg, Andeer, Ascona, Pentolina, Mas Nou, and Prague. Heat pumps help us reduce our carbon footprint by significantly reducing our gas and oil consumption and in some cases completely eliminate our need for it: in Ascona, the pump will reduce heating oil consumption by around 50 percent, and in Andeer we will be able to dispense with heating oil altogether.

Our electricity consumption per overnight stay has been rather consistent since 2023 and varied only slightly (less than 2 percent) mainly due to variations such as decrease in total overnights. The stability in consumption is a positive sign as it shows that the transition to electric systems did not cause the predicted increase in electricity consumption but positively contributed to the reduction of our carbon footprint (**Table 4**).

The reduction of our scope 2 emissions is not only due to the aforementioned but also due to the energy optimisation measures we have implemented and our success, since 2022 in increasing the share of renewable energy sources for our purchased electricity. As the latter is dependent on the contract renewal terms, our yearly progress could vary slightly or largely depending on those terms. While we managed to have more than 10 percentage points progress from 2022 to 2023, we increased our share by 1 percentage point in 2024, bringing our total share of renewable electricity sources to 77 percent.



PHOTOVOLTAIC INSTALLATION AT
HAPIMAG BODRUM
AEGEAN COAST, TURKEY



Renewable energy

We have also been investing in renewable energy production at the resorts for several years now, and 2024 was no different as we completed the installation of photovoltaic (PV) systems in Ascona, Porto Heli and Binz and have commenced the installation of PV systems across Pentolina, Cavallino and Tonda, all scheduled to be completed in 2025.

Our commitment to generating our own clean energy aims to reduce our carbon footprint while increasing the independence of our resorts. So far, 6 of our resorts have these installations and all together produce around 1'895'000 kWh per year. This self-production served the resorts in gradually increasing their independence from purchased electricity in varying degrees.

Please note the figures above are calculated based on a combination of consumption data and in-depth projection analysis.

	2023	2024	Reduction	2023	2024	Reduction
	Total carbon footprint (tCO_{2e})	Total carbon footprint (tCO_{2e})		Footprint (kgCO2e) per overnight	Footprint (kgCO2e) per overnight	
Total scope 1 and 2	8972	8436	– 5.97 %	3.41	3.23	– 5.18 %
Scope 1	6378	6049	– 5.16 %	2.42	2.32	– 4.35 %
Scope 2	2594	2387	– 7.99 %	0.98	0.91	– 7.21 %

Table 4: Hapimag's market-based carbon footprint for 2023 and 2024

Data limitations and assumptions

Data availability: Some emissions data are based on estimates where direct measurements or supplier-specific data were unavailable. Fuel consumed by our fleet of vehicles were excluded from the calculation due to unavailable data at the time of reporting and their low impact on the carbon footprint.

Due to complexities in collecting the data, the Paris resort alongside the three area offices in Italy, Austria and Greece have been excluded from the calculation for the moment.

Emissions factors and methodology: Calculations relied on emissions factors and conversions provided by DEFRA (Department for Environment, Food & Rural Affairs), and in some instances the European Environment Agency.

Potential of error: Complexities in data collection, potential human errors during data entry or consolidation, and assumptions in extrapolating emissions contribute to a margin of error.



Water Consumption

Water is a precious resource, and its responsible use is becoming increasingly important in a world facing water scarcity challenges. At Hapimag, we recognise that efficient water management is crucial not only for environmental sustainability but also for the long-term viability and resilience of our resorts, especially in southern Europe.

The climate-related risks assessment also highlighted that all of our Mediterranean resorts are located in water-stressed regions and are threatened by increased droughts and rising temperatures. This preoccupation was further strengthened in the DMA results because just as for climate change, risks linked with water use were deemed substantial for Hapimag in the short-term but localised to specific geographic areas. Furthermore, the resorts that are already facing water scarcity issues, will face additional costs generated by installed infrastructure to recycle water on site or delivery of water from outside.



Hapimag's resort-specific sustainability flyer present in every apartment

The increasing water scarcity probability has significant implications for our operations, as it could disrupt services, impact guest satisfaction, and lead to increased costs. From an environmental perspective, responsible water management is essential to minimise our impact on local ecosystems and communities and contribute to water security in these vulnerable regions. Therefore, Hapimag is committed to implementing water-saving measures and technologies across its resorts to reduce the water footprint and mitigate the risks associated with water scarcity.

In 2024, we made strides in saving drinkable water in our Italian resorts Cavallino and Cannero thanks to the installation of ground water and lake water pump systems. These systems enabled Cavallino to feed its irrigation system and hence save 11'000 m3 of drinkable water per year. As for Cannero, the pump enabled it to feed its irrigation system as well as its air conditioning system in the reception area to save 1000 m3 per year.

The aforementioned has allowed us to maintain almost the same water consumption per overnight stay as last year's (less than 1 percent variation) despite water-intensive renovations as well as the implementation of water filtration systems across many of our resorts to bring our guests drinkable water from the tap instead of disposable bottled water. The latter allows us to reduce the waste we generate from plastic bottles as well as the associated scope 3 emissions caused by the production, transport and distribution of such bottles.

It should also be noted that all of our resorts, especially our southern resorts (e.g. Bodrum, Damnoni, Porto Heli etc.), have been continuously seeking and implementing water-saving measures for many years now. Measures such as the installation of aerators and water-saving shower heads, harvesting rainwater, reusing grey water for irrigation and, increasing employees' and guests' awareness for example through so-called Sustainability Heroes -colleagues who drive the topic internally- and sustainability flyers present in each apartment.

Circular economy

The hospitality industry is increasingly embracing circular economy principles; driven by the growing awareness of the environmental impact of waste as well as regulations such as the European Union's ban of single-use plastic, i.e. items that are only used once or for a short time before being thrown away. While initial efforts focused primarily on reducing food waste, new initiatives are emerging to promote the reuse, recycling, and upcycling of various materials.

For Hapimag, this topic is of particular importance due to the negative environmental impact of waste generated by our operations, and even more so due to the construction waste generated during maintenance and renovation projects. On the other hand, we are also aware of the impact of the circular economy, and in particular the choice of circular products and materials, on our procurement strategies and decisions.

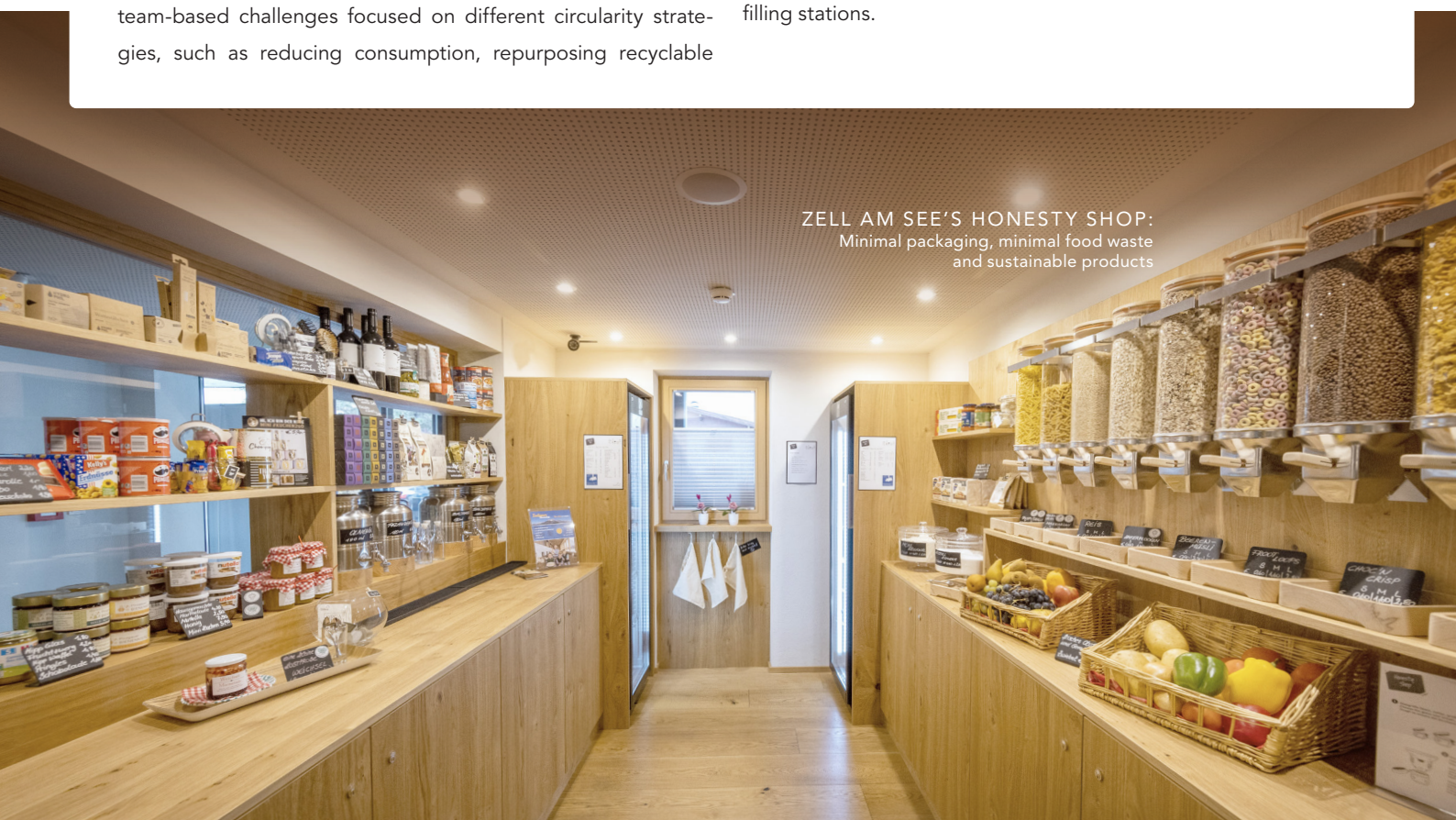
We also recognise that measuring and managing waste across our diverse portfolio of 56 resorts is a complex undertaking. Each resort has its own unique infrastructure, size, and local regulations, which require tailored approaches to waste management. The past year has been a valuable learning experience, allowing us to identify these variables and start developing processes and tools for and in the upcoming years, to empower our resorts in making larger-scale changes. In 2024, our biggest focus was on fostering a circularity mindset and applying it where possible on a resort-specific level. One way in promoting that mindset was through engaging our Sustainability Heroes in various monthly team-based challenges focused on different circularity strategies, such as reducing consumption, repurposing recyclable waste, hosting mini second-hand markets and donating to local charities. These initiatives aim to inspire and empower our employees to embrace circularity in their daily operations before we start introducing circularity changes at a more strategic level.

The promotion of this mindset has reaped great results expressed in various circularity solutions:

Refuse and Reduce

In accordance with the EU's directive on single-use plastics, we standardised the ban of purchasing single-use plastics and are in the process of depleting our existing inventory of a number of single-use products (e.g. Polystyrene cups and food containers, drinking straws, stirrers, disposable shoe covers, disposable aprons, balloons, cotton buds etc.) alongside the elimination of fireworks due to their negative impact on the environment and humans.

Furthermore, we standardised the procurement of recyclable and eco-friendly options instead of the aforementioned products. We are also currently gradually reducing the need for bottled water by implementing resort-specific solutions to fit their operations and infrastructure. For example, at Paguera and San Agustín we implemented a water filtration system that enables guests to have drinkable water straight from the tap and in Tonda, we introduced a water filling station to facilitate access to water to our guests. On the other hand, Zell am See and Bad Gastein focused on eliminating all unnecessary packaging in our honesty shops and made a big switch towards unpackaged foods in sustainable filling stations.



ZELL AM SEE'S HONESTY SHOP:
Minimal packaging, minimal food waste
and sustainable products

Repurpose and Repair

We attach great importance to maintenance, as we want to ensure that all the products and systems we use reach their full service life before they are replaced responsibly. One example that reflects this commitment as well as our creativity in approaching it comes from Flims: When the parts we needed to fix our appliances were no longer available in the market, we used 3-D printing to create these parts and avoid having to replace the appliances.

We are also aware of the high waste our renovation projects can generate, this is why when Vienna was renovated, so much of its disregarded furniture and technical equipment were given a second life by distributing them to the rest of the Austrian resorts. As for all the old mattresses, pillows and bed linens, these were donated to local NGOs alongside some pieces of furniture and appliances (e.g. heaters, tables, chairs, fans etc.). The same thing happened during the renovation of Berlin Zoo, where the armchairs were given to the Berlin Gendarmenmarkt resort; all the cupboards, dining tables, chairs, beds, mattresses, headboards and electrical appliances were dismantled and taken away by a Czech company, which reused them in other accommodation and hostels in the Czech Republic.

Recycle

Of course, we also prioritise recycling and are continually striving to make recycling in our holiday resorts easier for both our employees and our guests. Great examples come from Flims or Bodrum. At these resorts, we have made recycling an easy and convenient experience for guests by integrating videos and audio tutorials and intuitive ecological design.

SOCIETY

Own workforce

The importance of our "Own Workforce" is amplified in the hospitality industry, especially in the post-pandemic era. The hospitality sector faced unprecedented challenges during the pandemic, with lockdowns, travel restrictions, and economic uncertainty impacting employment and employee morale. As the industry recovers, attracting and retaining talented individuals is more crucial than ever. By prioritising the well-being and development of our employees, we can ensure that Hapimag remains a resilient and attractive employer in a competitive landscape.

Our Double Materiality Assessment clearly highlighted the opportunities we have to create a positive impact on both our company and society by empowering our employees to seek personal and professional growth through our focus on training and development.

This is aligned with our continuous aim of creating a positive and supportive work environment where employees feel valued and empowered. We are committed to establishing strong human resources foundations across all resorts, addressing industry challenges like talent shortages and high turnover rates, fostering a universal culture, and building a lean and efficient People & Culture team. Our aim is guided by the principles of employee focus, global consistency, and personal and professional growth mentality.

A key focus area is training & development, in which we aim to understand our employees' training needs, implement a training structure and ensure central onboarding of leadership positions. In 2024, we have not only identified training needs but already commenced the implementation of a Learning Management System (LMS) and have already identified global department trainers for our resorts. These steps come as a continuation of our multi-year previous and continued efforts to enhance the growth of our senior resort leaders as well as higher management leaders through targeted leadership training, regular performance and development reviews and a leadership feedback survey. Moreover, we focused on further enhancing Hapimag's work environment by making mental health support available in six languages, increasing the benefits employees receive when going on holidays with Hapimag and renovating around 25 apartments of our employee accommodation across multiple resorts. We also made further progress this year in our commitment to shift the official Hapimag working language from German to English to nurture a more inclusive environment for all our international employees and have been actively supporting the staff in enhancing their language skills via free memberships to a language learning application.

Hapimag's organisational culture

In order to safeguard a safe and inclusive work environment and culture across all resorts, we attach great importance to compliance with our Code of Conduct for Employees. The latter informs our employees of the values and principles we expect them to uphold in their work and it is centred around respect, integrity and the integration of sustainable thinking in all aspects of their jobs. This Code of Conduct, alongside our anonymous whistleblowing integrity platform, are both made available to all employees and it will be integrated in regular training and every new onboarding as of 2025.

As these values are of great importance to us, we extended them to our suppliers through our Supplier Code of Conduct (SCC). This code serves as an invitation for our suppliers to also conduct their business responsibly and adopt environmental and social standards that go beyond the legal requirements.

Both codes of conduct alongside our Slavery and Human Trafficking Statement (aligned with UK Slavery Act) are made publicly available on our website.

HAPIMAG GROUP KEY FIGURES

General information	2020	2021	2022	2023	2024
Shareholders and members	121 742	119 054	116 856	114 542	111 119
Shareholders	105 606	104 996	104 327	103 686	99 454
Units in circulation (shares and other right-of-residence products): Master sheet entries as at 31.12.	260 645	255 001	248 465	243 621	237 520
Number of outstanding shares as at 31.12.	227 437	226 866	225 826	225 158	217 452
Number of active shares as at 31.12.	200 742	199 946	198 889	197 972	198 706
Average workforce (full-time equivalent)	891	1 002	1 236	1 359	1 441
Net cash/net debt (–), in EUR million	– 32.0	5.2	1.3	– 1.5	–12.7
Net asset value[1] per outstanding share, in EUR	2 016	2 057	2 150	2 193	2 271

[1] The net asset value corresponds to the amount of internal operating resources divided by the number of outstanding shares.

Points overview (number of points in 1000)					
Points generated	13 164	12 877	14 005	12 871	12 994
Points exercised	7 611	10 369	14 594	15 202	15 497
Points offer	12 005	15 511	17 473	18 548	19 018
Expiry points – Shares	1 994	2 234	2 218	1 486	1 475
Ratio: Points offered vs. points exercised	158%	150%	120%	122%	123%

Resorts					
Number of resorts as at 31.12	57	56	56	56	56
Number of units as at 31.12	5 439	5 279	5 268	5 218	5 217
Total occupancy over the opening time in %	53.1%	58.8%	71.6%	73.2%	73.2%
Resort occupancy Sun and Sea	43.9%	55.8%	68.6%	70.1%	71.7%
Resort occupancy Nature and Relaxation	58.7%	58.4%	73.4%	73.6%	73.3%
Resort occupancy Alps	77.8%	72.0%	74.9%	72.9%	70.3%
Resort occupancy Cities	50.0%	57.9%	72.0%	80.9%	81.3%
Number of guests	207 975	280 275	410 663	443 024	441 903
Number of overnight stays	1 360 290	1 808 192	2 527 946	2 643 640	2 621 593
Resort revenue in EUR 1000	47 776	67 330	100 064	109 499	117 761
of which marketing to third parties in EUR 1000	5 142	8 678	12 066	11 087	11 864

Share and points transfers					
Number of share transfers	4 388	5 686	7 358	9 274	9 451
Points exchanged on the Points Platform	1 125 148	1 440 802	2 003 614	2 806 077	2 724 980
Points exchanged outside the Points Platform	614 273	643 114	658 296	1 216 082	1 127 512

Key income statement figures (in EUR 1000)					
Revenue	112 556	130 855	164 964	176 292	187 735
Operating income	122 881	152 356	180 930	199 173	206 390
Operating costs excluding depreciation/amortisation	95 697	110 605	146 765	157 652	169 205
Earnings before depreciation/amortisation, financial result and tax (EBITDA)	27 184	41 751	34 165	41 521	37 185
Operating result (EBIT)	– 3 181	8 855	3 719	9 942	4 762
Consolidated result	**– 4 744**	**4 768**	**3 123**	**7 441**	**3 388**

Key balance sheet figures (in EUR 1000)	2020	2021	2022	2023	2024
Total assets	610 217	606 232	627 802	635 614	638 165
Non-current assets	582 742	553 510	575 755	578 361	590 302

Equity and internal operating resources (in EUR 1000)					
Equity as per balance sheet	291 737	301 417	320 877	327 778	357 195
Call options (see Note 20)	17 942	16 531	15 288	15 019	2 138
Loans from shareholders	147 366	147 545	148 185	149 864	133 519
Investment subsidies	1 489	1 253	1 176	1 098	1 060
Internal operating resources	**458 534**	**466 746**	**485 526**	**493 759**	**493 912**

Hapimag acquired a ten-year call option from shareholders in financial years 2014 to 2018. This call option represents an equity instrument and is recognised as a deduction in equity. When calculating internal operating resources, this item is added to equity since the shares remain in circulation until such point in time as the call option has been exercised.

Investment coverage ratio					
Internal operating resources/Non-current assets	79%	84%	84%	85%	84%

Level of equity capitalisation					
Internal operating resources/Total assets	75%	77%	77%	78%	77%

Capital expenditure (in EUR 1000)					
New real estate	129	280	0	0	1 067
Renovation of real estate	14 390	9 815	31 458	27 420	31 952
Furniture and office equipment (including IT hardware and software), vehicles	995	1 453	1 534	1 634	2 500
Total capital expenditure	**15 514**	**11 548**	**32 992**	**29 054**	**35 519**

Cash flow (in EUR 1000)					
Cash flow from operating activities	19 794	34 198	30 123	24 726	25 124
Cash flow from investment activities	– 15 009	2 574	– 32 932	– 25 390	– 35 431
Free cash flow	**4 785**	**36 772**	**– 2 809**	**– 664**	**– 10 307**
Cash flow from financing activities	– 4 562	– 27 466	9 432	2 165	– 937
Currency translation adjustments on cash and cash equivalents	– 137	422	513	217	– 191
Increase/decrease (-) in cash and cash equivalents	**86**	**9 728**	**7 136**	**1 718**	**– 11 435**

Liquidity (in EUR 1000)					
Cash, cash equivalents and money market investments	6 755	28 419	23 619	25 337	13 902
Financial liabilities	– 38 709	– 23 209	– 22 340	– 26 873	– 26 584
Net cash/debt (-)	**– 31 954**	**5 210**	**1 279**	**– 1 536**	**– 12 682**

HAPIMAG RESORTS KEY FIGURES

	Number of accommodation units [1]	Quality (Scale 1 – 5) [2]		Occupancy during opening times (in %) [3]		Number of overnight stays [4]		Revenue resort (in EUR 1000)	
Alps	2024	2023	2024	2023	2024	2023	2024	2023	2024
Andeer | CH	15	4.77	4.82	73.2	70.4	6 407	6 336	251	249
Bad Gastein | AT	153	4.74	4.68	65.9	62.1	87 392	79 426	3 284	3 145
Flims | CH	120	4.71	4.69	74.0	70.5	77 727	75 191	4 089	4 157
Interlaken | CH	105	4.68	4.73	79.0	80.1	74 546	77 621	6 557	6 739
Saalbach | AT	21	4.73	4.70	78.3	73.7	12 616	11 873	566	609
Sonnleitn | AT	109	4.54	4.54	60.7	55.2	56 170	50 194	2 527	2 508
St. Michael | AT	110	4.80	4.81	75.1	72.0	75 993	75 718	3 665	3 770
Zell am See | AT	64	4.72	4.73	88.7	87.5	50 657	50 489	1 764	1 966
Nature & Relaxation, Country									
Ascona | CH	68	4.74	4.77	83.7	80.9	43 798	42 521	2 660	2 737
Bowness | GB	46	4.29	4.60	72.1	72.8	31 770	32 654	1 049	1 074
Braunlage | DE	121	4.43	4.49	65.7	58.7	72 393	64 680	2 548	2 415
Cannero | IT	133	4.54	4.50	89.4	84.4	78 573	77 053	3 028	3 127
Château de Chabenet | FR	23	4.72	4.55	54.8	53.2	5 783	5 435	464	463
Marrakech | MA	40	4.64	4.67	44.9	53.8	10 351	12 376	776	1 001
Merano | IT	36	4.72	4.66	82.1	81.8	24 242	24 351	800	845
Pentolina | IT	139	4.73	4.68	79.4	77.8	70 270	71 036	3 268	3 413
Punkaharju | FI	39	4.76	4.78	35.6	39.0	10 606	11 601	261	292
Tonda | IT	63	4.62	4.51	83.2	84.0	30 536	30 717	1 608	1 626
Unterkirnach | DE	81	4.52	4.48	67.6	59.9	46 010	41 304	1 307	1 225
Winterberg | DE	131	4.47	4.53	67.4	68.8	89 843	81 661	2 725	2 749
Nature & Relaxation, Sea									
Antibes | FR	92	4.52	4.45	79.3	82.5	57 863	60 313	1 759	1 939
La Madrague | FR	87	4.60	4.51	89.3	86.1	47 428	47 849	1 450	1 472
Marbella | ES	166	4.62	4.57	93.9	95.0	128 119	127 764	4 893	5 140
Mas Nou | ES	190	4.27	4.27	55.5	59.5	71 536	73 797	2 401	2 822
Porto Heli | GR	87	4.75	4.76	64.9	70.7	35 954	38 816	1 567	1 847
Puerto de la Cruz | ES	36	4.05	4.10	61.8	67.7	16 114	18 248	374	437
San Agustín | ES	60	4.37	4.50	73.8	64.6	15 158	19 627	509	644

	Number of accommodation units[1]	Quality (Scale 1 – 5)[2]		Occupancy during opening times (in %)[3]		Number of overnight stays[4]		Revenue resort (in EUR 1000)	
Sun & Sea	2024	2023	2024	2023	2024	2023	2024	2023	2024
Albufeira | PT	212	4.51	4.54	82.4	59.5	151 586	3 341	4 993	121
Binz | DE	184	4.63	4.62	84.4	86.9	120 817	122 891	3 985	4 517
Bodrum | TR	637	4.50	4.40	47.7	50.4	218 524	229 988	12 443	15 608
Cavallino | IT	125	4.75	4.76	80.1	86.1	85 827	88 936	3 503	3 954
Cefalù | IT	136	4.40	4.45	80.4	75.9	57 739	57 977	2 607	2 764
Damnoni | GR	199	4.76	4.77	75.9	78.6	102 465	106 534	4 078	4 567
Hörnum | DE	120	4.50	4.49	84.1	86.3	89 675	87 323	3 392	3 519
Paguera | ES	238	4.54	4.52	67.3	82.2	9 074	153 213	348	5 996
Scerne di Pineto | IT	150	4.59	4.55	79.9	77.2	64 899	64 320	2 543	2 628
Westerland | DE	96	4.31	4.30	83.8	84.9	59 865	57 977	1 651	1 703
Cities									
Amsterdam | NL	26	4.44	4.41	90.9	87.0	18 524	18 034	897	867
Athens | GR	16	4.65	4.60	75.3	76.0	9 780	10 143	340	362
Berlin Gendarmenmarkt | DE	28	4.64	4.58	91.2	92.8	20 647	21 438	747	795
Berlin Zoo | DE	30	4.48	4.64	87.0	75.9	20 326	4 816	632	172
Budapest | HU	30	4.77	4.78	56.1	57.1	14 173	14 558	451	487
Dresden | DE	37	4.80	4.84	72.6	74.0	19 688	20 271	743	780
Edinburgh | GB	29	4.71	4.70	83.4	89.0	18 287	18 812	988	1 171
Hamburg | DE	40	4.87	4.88	88.8	91.3	28 451	28 935	1 247	1 315
Lisbon | PT	27	4.67	4.66	90.2	89.1	20 364	20 038	694	649
London | GB	44	4.83	4.77	93.1	93.8	41 540	40 963	1 483	1 555
Munich | DE	57	4.47	4.44	76.1	77.9	35 240	36 436	1 250	1 355
Paris | FR	64	4.46	4.49	91.7	90.1	37 215	49 276	1 364	1 957
Prague | CZ	48	4.62	4.67	52.4	56.5	19 173	19 283	774	795
Salzburg | AT	28	4.85	4.84	85.7	85.4	17 878	17 694	800	800
Vienna | AT	34	4.60	4.66	88.4	78.3	24 306	9 937	876	381
Houseboat house ports									
Midi | FR	8	4.64	4.80	67.2	62.2	4 795	4 425	247	239
Müritz | DE	8	4.45	4.35	76.2	70.1	4 927	5 058	273	264
Total own resorts	**4 986**	**4.61**	**4.60**	**73.2**	**73.2**	**2 643 640**	**2 621 268**	**109 499**	**117 732**
Partner resorts	**10**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**325**	**n/a**	**29**
Total resorts	**4 996**	**4.61**	**4.60**	**73.2**	**73.2**	**2 643 640**	**2 621 593**	**109 499**	**117 761**

[1] Number of accommodation units available to shareholders and members at the end of the year
[2] According to the questionnaire (scale 1 – 5) sent to shareholders and members after each stay
[3] Closing times due to renovations are also taken into account
[4] Number of overnight stays: number of guests × number of nights

CONSOLIDATED FINANCIAL STATEMENTS OF HAPIMAG AG AS AT 31.12.2024

CONSOLIDATED BALANCE SHEET

Assets

in EUR 1000	Notes	2023	2024
Cash and cash equivalents	1	25 337	13 902
Receivables from goods and services	2	17 736	16 017
Other short-term receivables	3	10 172	12 173
Inventories	4	1 578	2 383
Prepaid expenses and accrued income	5	2 430	3 388
Current assets		**57 253**	**47 863**
Tangible fixed assets	6	577 928	589 877
Intangible assets	7	94	91
Financial assets	8	339	334
Non-current assets		**578 361**	**590 302**
Total assets		**635 614**	**638 165**

Liabilities and equity

Financial liabilities	9	5 375	5 317
Liabilities from rights of residence	10	25 407	19 110
Payables for goods and services	11	11 704	16 620
Other short-term liabilities	12	2 250	2 697
Accrued expenses and deferred income	13	22 582	17 620
Provisions	14	4 874	3 133
Current liabilities		**72 192**	**64 497**
Financial liabilities	9	21 498	21 267
Loans from shareholders	15	149 864	133 519
Liabilities from rights of residence	10	26 283	23 799
Other long-term liabilities	16	2 950	3 300
Deferred tax liabilities	17	12 735	13 159
Provisions	14/18	22 314	21 429
Non-current liabilities		**235 644**	**216 473**
Liabilities		**307 836**	**280 970**
Share capital	19	22 956	22 956
Capital reserves	20	420 685	437 598
Own shares	21	– 20 992	– 30 361
Other reserves	20	– 115 175	– 96 690
Retained earnings		20 304	23 692
Equity attributable to Hapimag shareholders		**327 778**	**357 195**
Total liabilities and equity		**635 614**	**638 165**

CONSOLIDATED INCOME STATEMENT

in EUR 1000	Notes	2023	2024
Annual subscription charges	22	67 663	70 902
Resort revenue	23	109 499	117 761
Other revenue	24	2 476	2 708
Revenue deductions	25	- 3 346	- 3 636
Revenue		**176 292**	**187 735**
Income from exercised rights of residence	10	16 231	13 192
Other operating income	26	6 650	5 463
Operating income		**199 173**	**206 390**
Cost of sales and services	27	– 22 534	– 24 483
Personnel expenses	28	– 65 750	– 72 896
Depreciation on tangible fixed assets and amortisation on intangible assets	6/7	– 31 579	– 32 423
Maintenance and operating expenses	29	– 40 811	– 41 410
Marketing and selling expenses	30	– 1 381	– 2 037
Administrative expenses	31	– 17 880	– 18 671
Other operating expenses	32	– 9 296	– 9 708
Operating result		**9 942**	**4 762**
Financial income	33	695	974
Financial expenses	33	– 1 925	– 1 681
Result before tax		**8 712**	**4 055**
Income taxes	34	– 1 271	– 667
Consolidated result attributable to Hapimag shareholders		**7 441**	**3 388**

CONSOLIDATED FINANCIAL STATEMENTS OF HAPIMAG AG AS AT 31.12.2024

CHANGES IN CONSOLIDATED EQUITY

in EUR 1000	Notes	Share capital	Capital reserves	Own shares	Other reserves	Retained earnings	Equity attributable to Hapimag shareholders
As at 1.1.2023		**22 956**	**412 117**	**– 20 418**	**– 106 641**	**12 863**	**320 877**
Consolidated result						**7 441**	**7 441**
Currency translation adjustments	20				– 8 803		– 8 803
Adjustments Inflation Accounting Turkey	20		2 484				2 484
Sale of shares	20		891				891
Transfer from own shares	20/21		– 788	788			0
Shares repurchased	21			– 1 362			– 1 362
Exercise of call options	20				269		269
Repurchase of loans from shareholders	20		5 981				5 981
As at 31.12.2023		**22 956**	**420 685**	**– 20 992**	**– 115 175**	**20 304**	**327 778**
Consolidated result						**3 388**	**3 388**
Currency translation adjustments	20				5 604		5 604
Adjustments Inflation Accounting Turkey	20		9 874				9 874
Sale of shares	20		2 468				2 468
Transfer from own shares	20/21		– 2 090	2 090			0
Shares repurchased	21			– 11 459			– 11 459
Exercise of call options	20				12 881		12 881
Repurchase of loans from shareholders	20		6 661				6 661
As at 31.12.2024		**22 956**	**437 598**	**– 30 361**	**– 96 690**	**23 692**	**357 195**

An overwhelming portion of the Hapimag Group's revenue is generated with shareholders. The company has no plans to distribute reserves.

CONSOLIDATED CASH FLOW STATEMENT

in EUR 1000	Notes	2023	2024
Operating activities			
Consolidated result		7 441	3 388
Income taxes	34	1 271	667
Depreciation and amortisation	6/7	31 579	32 423
Profit (-)/loss from the disposal of tangible fixed assets	26/32	– 1 830	157
Income from exercised rights of residence	10	– 16 231	– 13 192
Interest income	33	– 692	– 964
Interest expenses	33	393	403
Other non-cash items		380	589
Change in receivables and prepayments and accrued income		– 2 855	– 1 737
Change in inventories		– 250	– 879
Change in liabilities and accrued expenses and deferred income		5 405	4 388
Interest received		685	962
Interest paid		– 393	– 403
Income taxes paid		– 177	– 678
Cash flow from operating activities		**24 726**	**25 124**
Investment activities			
Investment of tangible fixed assets	6/7	– 29 054	– 35 519
Inflows from disposal of tangible fixed assets		3 664	88
Cash flow from investment activities		**– 25 390**	**– 35 431**
Financing activities			
Sale of shares		891	2 468
Shares repurchased		– 1 785	– 1 740
Exercise of call options		– 27	– 1 665
Proceeds from bank borrowings		5 143	5 253
Repayment of liabilities to banks		– 2 057	– 5 253
Cash flow from financing activities		**2 165**	**– 937**
Currency translation adjustments on cash and cash equivalents		217	– 191
Increase/decrease (-) in cash and cash equivalents		**1 718**	**– 11 435**
Cash and cash equivalents at beginning of year	1	23 619	25 337
Cash and cash equivalents at year-end	1	**25 337**	**13 902**

NOTES TO THE 2024 CONSOLIDATED FINANCIAL STATEMENTS OF HAPIMAG AG

1. CONSOLIDATED ACCOUNTING POLICIES

Reporting company

The consolidated financial statements include Hapimag AG, Steinhausen as the parent company and the subsidiaries where the parent company controls the investee (collectively referred to as "the Group" or "Hapimag", individually as "Group companies"). There are no holdings in which the stake is less than 100%. The companies included in the consolidated statements are listed on page 89.

Declaration of conformity

The consolidated financial statements of Hapimag AG have been prepared in accordance with the recommendations on accounting (Swiss GAAP FER) and give a true and fair view of the net assets, financial position and results of operations.

The consolidated financial statements were approved by the Board of Directors of Hapimag AG on 7 March 2025. They are also subject to approval by the Annual General Meeting on 8 May 2025.

Consolidation principles

100% of assets and liabilities, income and expense are recognised in accordance with the full consolidation method. Intercompany transactions (receivables and liabilities, income and expenditures) are eliminated. Unrealised intercompany profits on transactions and balances are eliminated through profit or loss.

Capital consolidation is done in accordance with the acquisition method. The acquisition cost of an acquired company is offset against its net assets measured at fair value at the acquisition date.

Consolidation is based on the individual financial statements of the Group companies which are prepared in accordance with uniform accounting principles. The accounting principles are consistently applied. The standard effective date is 31 December. The consolidated financial statements have been prepared, apart from derivative financial instruments, according to the cost method.

The consolidated financial statements are presented in euro (EUR), rounded to the thousand. The functional currency of the parent company Hapimag AG is the Swiss franc. The reason for choosing the EUR as the presentation currency is the international orientation of the Group and the fact that EUR is already the functional currency of most Group companies.

Currency translation

Foreign currency transactions

The local currency is considered the functional currency of all Group companies. Transactions in foreign currencies are converted into the functional currency at the spot rate applicable on the date the transaction was processed. Monetary assets and liabilities denominated in a foreign currency held on 31 December are converted into the functional currency at the exchange rate valid on the balance sheet date. Differences arising from translation on the balance sheet date are recognised in profit or loss and shown in the financial result.

Translation in the financial statements to be consolidated

The financial statements to be consolidated in foreign currencies will be translated to the presentation currency EUR. The translation is done in accordance with the current rate method. Assets and liabilities are translated at the exchange rate valid on the balance sheet date. Equity is kept at historical rates. Earnings and expenditures are converted at the average exchange rates for the period concerned. Translation differences as well as the foreign currency effects on long-term equity-like Group loans are recognised in equity and are presented as currency translation adjustments under Other reserves in equity. The cumulative currency translation adjustments arising from the translation of financial statements and Group loans are recognised in profit or loss when a subsidiary is sold.

Financial reporting in hyperinflationary economies

The financial statements of a company whose functional currency is that of a hyperinflationary economy must be adjusted for changes in the general purchasing power of the currency, so that the financial information provided is more meaningful.

Due to the currently very high inflation rates in Turkey, the financial statements of the Turkish subsidiary were adjusted to reflect the purchasing power at the reporting date using indexation. The Turkish Consumer Price Index was used for the indexation.

Presentation in the consolidated cash flow statement

The consolidated cash flow statement is presented according to the indirect method. The change in the liability arising from rights of residence is allocated as cash flow to "Cash flow from operating activities". The amounts recorded directly in shareholders' equity from sales and repurchase of own shares, on the other hand, are presented as financing activities.

Business model and revenue recognition

Hapimag builds and operates its own resorts, which are primarily made available to Hapimag shareholders and members. Hapimag sells equity and non-equity right-of-residence products (referred to as other right-of-residence products). A person becomes a member by acquiring a right-of-residence product, and becomes a shareholder by acquiring a share. Members are credited right-of-residence products once or on a recurring basis per right-of-residence product. Members are entitled to book and use accommodations in Hapimag resorts that are available in exchange for residence points. Hapimag is obliged to provide the necessary accommodation for all rights of residence.

The legal relationship between Hapimag and its shareholders is defined both by its Articles of Association and by the General Terms and Conditions for acquiring shares. Separate General Terms and Conditions apply to all other right-of-residence products.

A) Sales of right-of-residence products

Only shares that were bought back (so-called depot shares) are sold (see Own shares). The profit or loss on resold depot shares is recognised in the capital reserves.

Shareholders are credited with 60 residence points per share each year, which are not reported on the balance sheet. Shareholders are contractually obligated to provide the financial means, in the form of annual subscription charges, in order for Hapimag to manage and maintain the accommodations they finance. As such, Hapimag does not recognise any liabilities for these residence points. By contrast, residence points relating to suspended or terminated rights of residence and repurchased shares are recognised under accrued expenses and deferred income, as Hapimag has an obligation to provide accommodation in respect of these residence points even though it no longer receives any annual subscription charges in return. The change in this liability is recognised in the income statement under revenue (annual subscription charges, shares).

B) Sales of other right-of-residence products

The selling price of other right-of-residence products includes the components of amortisation of accommodation, the prepaid operational cost amounts of the annual subscription charge and sales of other right-of-residence products. For invoices for the sales of other right-of-residence products, the three components are booked as follows:

The amortisation part is booked in liabilities from rights of residence (current and non-current liabilities) and the prepaid operational costs part of the subscription charge is booked under liabilities (accrued expenses and deferred income and other non-current liabilities). Sale proceeds exceeding that amount are recognised in the income statement as revenue from the sale of other right-of-residence products.

When rights of residence are claimed, there is a reduction in both liabilities arising from rights of residence as well as accrued expenses and deferred income (number of points times the amount per point entered as a liability). The reduction in liabilities arising from rights of residence is credited to income from exercised rights of residence and the reduction in accrued expenses and deferred income is credited as sales generated by annual subscription charges.

C) Annual subscription charges

The annual subscription charges of shares and other right-of-residence products are invoiced at the start of the calendar year and entered as sales, provided that the charges are not included in the product price. The first annual charge for the purchase year is entered as a sale at the time the share is sold.

D) Resort revenue

Resort revenue basically include the income from local charges and services as well as net sales from the sale of goods. Such revenue is booked in the period in which the services or supplies were provided.

E) Share repurchase

In connection with the sale of shares until 30 June 2007, Hapimag will repurchase shares offered by shareholders for repurchase (including right of residence) in the amount of 10% of the shares sold to new shareholders. The repurchase price contains a repurchase discount.

According to the General Terms and Conditions of the Hapimag Share 21 (sold between 1 July 2007 and 31 August 2012), these shares may be bought back in an amount no greater than the amount of shares sold in the calendar year. This repurchase obligation includes the previously mentioned share buy-backs.

As of the balance sheet date, all repurchase obligations had been fulfilled and there existed no open obligations to redeem other shares.

Hapimag is not subject to a repurchase obligation for the equity products sold as of September 2012 and can instead exercise its discretion freely when deciding to repurchase shares. The repurchase price for these equity products is the net asset value. This value is determined by dividing the amount of internal operating resources (= shareholders' equity, loans from shareholders and investment subsidies) according to the Hapimag consolidated balance sheet by the number of Hapimag outstanding shares at the end of the year. The balance sheet of the financial year before the payment is decisive.

F) Exchange of shares

Since 2014, shareholders have been offered options for adjusting or terminating their membership. Shares exchanged and taken back within the scope of these offerings are recognised in a manner similar to the repurchase of shares.

G) Redemption of residence points under the Hapimag loyalty programme and other residence points

All Hapimag shareholders and members participate in the Hapimag loyalty programme. Under the loyalty programme, one to three residence points are credited monthly to members for each CHF 250 spent at resorts. Other residence points include point vouchers as referral bonuses, member compensations and points granted to employees. The issuing of these residence points is recognised in the income statement and booked under "Liabilities from rights of residence". If rights-of-residence are utilised, the liability is released as income.

Cash and cash equivalents

Cash and cash equivalents consist of cash and bank balances as well as short-notice fixed term deposits with maturities of up to 90 days, calculated from the date of acquisition.

Receivables from goods and services and other short-term receivables

Receivables from goods and services and other short-term receivables are recorded at nominal values minus value adjustments for credit risk. Groups of receivables with a similar risk profile, where there are indications that the outstanding amount will not be received in full, are subject to a general value adjustment. This is based on experience and on the assumption that the longer a receivable is outstanding, the greater the credit risk is.

Inventories

Inventories consist primarily of goods that are required for the operation of the resorts or are sold in them. They are valued at their acquisition cost or, if lower, their net realisable value. The acquisition cost is equivalent to the average acquisition cost.

Tangible fixed assets

Tangible fixed assets are stated at acquisition or production cost less accumulated depreciation and impairment losses. Parts of buildings with different useful lives are recognised separately. Tangible fixed assets or their separately recognised components are depreciated on a straight line basis over their estimated useful life:

Building shells	40 – 60 years
Internal and external building installations	15 – 30 years
Technical installations	10 – 15 years
Other equipment and furnishings	4 – 12.5 years
Houseboats including fixtures	12.5 years
IT systems, vehicles	4 – 5 years

Land is not depreciated, with the exception of impairment losses. Expenditure on the replacement of separate components of buildings is capitalised. Other investments are only capitalised if they increase the future economic benefit of the asset. Assets under construction are assets that are not yet complete or not yet ready for use. They are capitalised but not depreciated, though they undergo an impairment test if there are indications that this is required. Financing costs for qualifying assets are capitalised.

The following are not capitalised: all maintenance and repair work additional to the renovation cycle, the direct costs of Hapimag staff and start-up costs. These are recognised in the income statement as operating expenses.

The acquisition of tangible fixed assets by leasing is insignificant. All leased items are classified as "operating leases" and thus are not capitalised in the balance sheet.

NOTES TO THE 2024 CONSOLIDATED FINANCIAL STATEMENTS OF HAPIMAG AG

Intangible assets

Intangible assets are recognised in the balance sheet at acquisition or production cost less amortisation and impairment losses and are amortised over their expected useful lives as follows:

Software	4 – 5 years
Licenses and rights of use	Term of contract

Impairment losses

The book value of all assets, excluding inventories, is reviewed on the balance sheet date to identify any signs of possible impairment loss. If so, the attainable amount is calculated. The recoverable amount is the higher of the value in use and the net market value less disposal costs. The value of an asset is impaired if its book amount exceeds the recoverable amount. The book value is reduced to the recoverable amount if this is the case. The impairment is recognised in profit or loss.

Financial liabilities

Financial liabilities are recognised at nominal values. Liabilities to banks are recognised as current liabilities, provided they are due within 12 months.

Loans from shareholders

Until 28 February 2000, when a share was sold, part of the investment requirement (CHF 1'100) was recognised as a liability in "Loans from shareholders". The loan was non-redeemable, non-interest-bearing and included in the General Terms of Membership. Where shares with loans are repurchased, the balance of loans from shareholders, expressed in the nominal currency (CHF), decreases.

Liabilities from rights of residence

These liabilities arise from the sale of other right-of-residence products (see Section A) and the credit of residence points in connection with the Loyalty Programme as well as other residence points (see Section G). For the rights of residence exercised in the reporting year, there is a release to the income statement of these liabilities under the position "Income from exercised rights of residence" (see notes on revenue recognition).

Investment subsidies

Hapimag's activities in some countries entitle it to investment subsidies. These are presented upon receipt in "Other liabilities", and – if the fulfilment of all associated conditions is considered probable – recognised on a straight-line basis over the investment's useful life as "Other operating income".

Income taxes

Income taxes include current and deferred taxes for the period. These are calculated at current or actually expected national tax rates. Current income tax includes expected taxes on the results of Group companies determined in accordance with local tax legislation, as well as supplementary tax and tax refunds in respect of prior years. The annual accrual of deferred taxes is based on a balance sheet-oriented view. Deferred taxes are calculated on the temporary differences between the balance sheet values of the tax balance sheets and those used in the consolidated financial statements. Deferred tax assets are recognised only up to the amount of deferred income tax liabilities.

Employee pension liabilities

There are different retirement schemes in the Group for employees in accordance with the relevant national regulations. The actual economic effects of the employee pension plans are assessed annually and calculated on the balance sheet date. The employees of Hapimag AG, Steinhausen are insured by a legally independent pension scheme (Hapimag Pension Fund). The calculation of any surplus or shortfall is based on the annual financial statements of the Hapimag Pension Fund prepared in accordance with Swiss GAAP FER 26. For foreign pension plans, the calculation of the economic obligation is based on the country-specific recognised methods. Economic benefits arising from a surplus in the Pension Fund are recognised as assets where they are used for future expenditure on occupational pensions by the company. Economic obligations are recognised as liabilities where the conditions for the creation of a provision are met. Changes to the economic benefit or obligation are recognised in the income statement under personnel expenses in the same way as the contributions payable in the same period.

Provisions

Provisions are presented as non-current and current provisions if Hapimag has a present obligation arising from a past event and if it is probable that an outflow of economic benefits will be required to settle the obligation and the amount can be reliably estimated.

Own shares

There have not been treasury shares since 2013; as a result, only depot shares are reported under "Own shares". Depot shares are shares which were bought back (see Sections E and F). These shares are held with the purpose of reselling them to Hapimag members and are reported as own shares as a minus position in equity.

The repurchase and resale of Hapimag shares are recognised as explained in the notes on "Revenue recognition" (see Sections A, E and F).

Call option for the repurchase of Hapimag shares

Hapimag acquired a ten-year call option from shareholders in financial years 2014 to 2018. This call option represents an equity instrument and is recognised as a deduction in equity. Hapimag is entitled to exercise its call option at any time at the agreed price per share. If the call option is exercised, the shares received are reported under "Own shares" and the agreed price per share is paid out. Hapimag is not subject to any purchase obligation.

Estimates in the application of accounting principles and future estimation uncertainties

The resorts are subject to location risks that may affect their attractiveness (natural disasters, political unrest, outbreak of disease, etc.). This could result in impairment losses.

NOTES TO THE 2024 CONSOLIDATED FINANCIAL STATEMENTS OF HAPIMAG AG

2. NOTES

1. Cash and cash equivalents (in EUR 1000)	2023	2024
Cash on hand	344	295
Bank balances	24 993	13 607
Total	**25 337**	**13 902**

2. Receivables from goods and services (in EUR 1000)		
Receivables from goods and services	29 134	27 947
Allowances	– 11 398	– 11 930
Total	**17 736**	**16 017**

There are no concentrations of risk as the receivables from goods and services are due from a large number of members in different countries.

3. Other short-term receivables (in EUR 1000)		
VAT receivables	8 953	10 363
Other tax receivables	395	812
Receivables from suppliers	224	65
Receivables in respect of social security contributions	106	249
Other receivables	494	684
Total	**10 172**	**12 173**

There are no known concentrations of risk. There are not expected to be any significant impairment losses on receivables.

4. Inventories (in EUR 1000)		
Raw materials, supplies and goods	736	1 534
Finished products and goods	842	849
Total	**1 578**	**2 383**

5. Prepaid expenses and accrued income (in EUR 1000)		
Prepaid expenses and accrued income	2 430	3 388
Total	**2 430**	**3 388**

Prepayments and accrued income only include accruals for prepaid expenditure in the following year.

6. Tangible fixed assets (in EUR 1000)	Land and buildings	Equipment, house-boats, furniture and office equipment, vehicles	Renovations under construction	Total
At cost as at 1.1.2023	**999 862**	**208 992**	**27 800**	**1 236 654**
Adjustments Inflation Accounting Turkey	6 806	1 709	0	8 515
Additions	8 980	5 572	14 492	29 044
Transfers	8 635	4 864	– 13 499	0
Disposals	– 9 758	– 7 149	0	– 16 907
Currency translation adjustments	4 384	46	0	4 430
At cost as at 31.12.2023	**1 018 909**	**214 034**	**28 793**	**1 261 736**
Accumulated depreciation as at 1.1.2023	**490 891**	**170 437**	**0**	**661 328**
Adjustments Inflation Accounting Turkey	4 726	1 518	0	6 244
Additions	22 808	8 767	0	31 575
Disposals	– 7 957	– 7 116	0	– 15 073
Currency translation adjustments	– 216	– 50	0	– 266
Accumulated depreciation as at 31.12.2023	**510 252**	**173 556**	**0**	**683 808**
At cost as at 1.1.2024	**1 018 909**	**214 034**	**28 793**	**1 261 736**
Adjustments Inflation Accounting Turkey	21 018	5 527	0	26 545
Additions	12 923	6 737	15 856	35 516
Transfers	24 382	3 666	– 28 048	0
Disposals	– 14 198	– 5 254	0	– 19 452
Currency translation adjustments	– 2 204	14	2	– 2 188
At cost as at 31.12.2024	**1 060 830**	**224 724**	**16 603**	**1 302 157**
Accumulated depreciation as at 1.1.2024	**510 252**	**173 556**	**0**	**683 808**
Adjustments Inflation Accounting Turkey	13 001	4 545	0	17 546
Additions	23 482	8 936	0	32 418
Transfers	50	– 50	0	0
Disposals	– 14 005	– 5 202	0	– 19 207
Currency translation adjustments	– 1 944	– 341	0	– 2 285
Accumulated depreciation as at 31.12.2024	**530 836**	**181 444**	**0**	**712 280**
Net carrying amounts as at 1.1.2023	**508 971**	**38 555**	**27 800**	**575 326**
Net carrying amounts as at 31.12.2023	**508 657**	**40 478**	**28 793**	**577 928**
Net carrying amounts as at 31.12.2024	**529 994**	**43 280**	**16 603**	**589 877**

No financing costs were capitalised during the reporting year, as was also the case in the previous year.

The Transfers line shows the redistribution of completed renovations to the two asset categories.

The disposals in the year under review and in the previous year mainly relate to renovations.

NOTES TO THE 2024 CONSOLIDATED FINANCIAL STATEMENTS OF HAPIMAG AG

7. Intangible assets (in EUR 1000)	IT software	Licences and rights of use	Total
Net carrying amounts as at 1.1.2023	**4**	**83**	**87**
Net carrying amounts as at 31.12.2023	**12**	**82**	**94**
Net carrying amounts as at 31.12.2024	**10**	**81**	**91**

8. Financial assets (in EUR 1000)	2023	2024
Non-current receivables from suppliers (deposits)	143	141
Restricted cash	86	86
Other long-term receivables	110	107
Total	**339**	**334**

There are no known concentrations of risk. There are not expected to be any significant impairment losses on receivables.

9. Financial liabilities (in EUR 1000)		
Financial liabilities, non-current Liabilities to banks	21 498	21 267
Financial liabilities, current Liabilities to banks	5 375	5 317
Total	**26 873**	**26 584**

10. Liabilities from rights of residence (in EUR 1000)	2023	2024
Liabilities from the sale of rights of residence		
Opening balance	**41 001**	**36 811**
Additions	581	390
Decrease due to repurchase of rights of residence	– 1	– 1
Decrease due to exercised rights of residence	– 6 878	– 6 357
Currency translation adjustments	2 108	– 467
Closing balance	**36 811**	**30 376**

Rights of residence used in the course of the financial year are recognised as income.

Liabilities from the issue of other residence points		
Opening balance	**19 423**	**14 879**
Increase in liabilities for residence points from the loyalty programme (see Note 25)	3 370	3 707
Increase in liabilities for other residence points	545	1 017
Decrease due to other exercised residence points (including points from the loyalty programme)	– 9 353	– 6 835
Currency translation adjustments	894	– 235
Closing balance	**14 879**	**12 533**

Total liabilities from rights of residence, closing balance	**51 690**	**42 909**
– of which non-current	**26 283**	**23 799**
– of which current	**25 407**	**19 110**

11. Payables for goods and services (in EUR 1000)		
Payables for goods and services up to 1 year	11 704	16 620
Total	**11 704**	**16 620**

12. Other short-term liabilities (in EUR 1000)		
Liabilities to members	2 250	2 697
Total	**2 250**	**2 697**

13. Accrued expenses and deferred income (in EUR 1000)		
Deferred income, travel services	668	791
Deferral for prepaid portions of operating costs of annual subscription charges	9 337	4 741
Other deferred income	2 424	2 484
Current income taxes	615	396
Other taxes	2 369	3 044
Social security contributions	1 463	1 225
Outstanding invoices for goods and services	5 706	4 939
Total	**22 582**	**17 620**

Income from travel services is deferred to the date of departure.

NOTES TO THE 2024 CONSOLIDATED FINANCIAL STATEMENTS OF HAPIMAG AG

14. Provisions (current and non-current)	Other taxes	Other	Total
Current provisions (in EUR 1000)			
As at 1.1.2023	**119**	**3 862**	**3 981**
Used	– 58	– 358	– 416
Reversals	0	– 345	– 345
Additions	53	1 693	1 746
Currency translation adjustments	5	– 97	– 92
As at 31.12.2023	**119**	**4 755**	**4 874**
As at 1.1.2024	**119**	**4 755**	**4 874**
Used	– 36	– 1 772	– 1 808
Reversals	– 27	– 971	– 998
Additions	68	1 043	1 111
Currency translation adjustments	– 1	– 45	– 46
As at 31.12.2024	**123**	**3 010**	**3 133**

The other provisions primarily relate to legal disputes and costs resulting from restructuring.

Non-current provisions (in EUR 1000)	Pension liabilities	Personnel	Other taxes	Other	Total
Balance as at 1.1.2023	**149**	**2 267**	**11 463**	**6 558**	**20 437**
Used	0	– 713	0	– 10	– 723
Reversals	0	– 46	0	– 10	– 56
Additions	66	1 012	0	739	1 817
Currency translation adjustments	0	– 143	667	315	839
Balance as at 31.12.2023	**215**	**2 377**	**12 130**	**7 592**	**22 314**
As at 1.1.2024	**215**	**2 377**	**12 130**	**7 592**	**22 314**
Used	0	– 536	0	– 36	– 572
Reversals	0	– 173	0	– 528	– 701
Additions	24	561	0	47	632
Currency translation adjustments	0	– 50	– 124	– 70	– 244
As at 31.12.2024	**239**	**2 179**	**12 006**	**7 005**	**21 429**

See Note 18 regarding pension liabilities. Personnel encompasses provisions for employee retention and statutory provisions for retirement benefits related to length of service for employees in foreign subsidiaries. Other taxes relate to possible back taxes due to a change in the law and other provisions mainly relate to regulatory changes.

15. Loans from shareholders (in EUR 1000)	2023	2024
Loans in connection with the sale of the share product		
As at the beginning of the year	**148 185**	**149 864**
Repurchases	– 6 700	– 14 559
Currency translation adjustments	8 379	– 1 786
As at year-end	**149 864**	**133 519**

Until 28 February 2000, when a share was sold, part of the investment requirement (CHF 1'100) was recognised as "Loans from shareholders". The loan was non-redeemable, non-interest-bearing and included in the General Terms of Membership. Where shares with loans are repurchased, the balance of loans from shareholders, expressed in the nominal currency (CHF), decreases.

16. Other long-term liabilities (in EUR 1000)

	2023	2024
Investment subsidies		
Resort Bodrum (TR)	4	0
Resort Marrakech (MA)	54	43
Resort Porto Heli (GR)	946	879
Resort Zell am See (AT)	81	77
Resort Bad Gastein (AT)	1	51
Other Resorts	12	10
Total	1 098	1 060
Other liabilities		
Prepaid portion of operating costs of annual subscription charge from other right-of-residence products	1 615	2 049
Other	237	191
Total	1 852	2 240
Total	**2 950**	**3 300**

17. Deferred tax liabilities (in EUR 1000)

	2023 Assets	2023 Liabilities	2024 Assets	2024 Liabilities
Deferred tax assets and liabilities				
The deferred taxes result from the following balance sheet items:				
Tangible fixed assets	26	– 15 452	0	– 16 261
Intangible assets	18	– 5	13	– 5
Other short-term receivables	101	0	22	0
Accrued expenses and deferred income	30	0	0	– 2
Short-term liabilities	0	0	0	– 1
Long-term liabilities	0	– 290	0	– 317
Provisions	56	0	61	0
Loss carryforwards	2 781	0	3 331	0
Total	**3 012**	**– 15 747**	**3 427**	**– 16 586**
Set off of tax	– 3 012	3 012	– 3 427	3 427
Deferred tax liabilities	**0**	**– 12 735**	**0**	**– 13 159**

Deferred income taxes are calculated at the current country-specific tax rates in each company. In 2024, this amounted to a weighted average rate of 20.2 % (previous year: 20.6 %).

Hapimag has the following tax loss carryforwards that have not been capitalised:

Loss carryforward expiry	2023	2024
within one year	41 292	43
in 2–4 years	6 869	8 843
in 5–7 years	26 335	24 804
in more than 7 years	16 684	17 476
unlimited	25 541	30 976
Total	**116 721**	**82 142**

Deferred tax assets on temporary differences of EUR 37.2 million (previous year: EUR 41.1 million) were not capitalised.

NOTES TO THE 2024 CONSOLIDATED FINANCIAL STATEMENTS OF HAPIMAG AG

18. Pension liabilities (in EUR 1000)

Economic benefit / economic obligation and pension expenses	Surplus / shortfall		Economic part of Hapimag	Change to previous year or recognised in	Contributions concerning the business year	Pension costs in personnel expenses	
	2024	2023	2024	2024	2024	2023	2024
Employer's funds/employer-funded pension funds	0	0	0	0	0	0	0
Pension plans not including surplus/shortfall	0	0	0	0	0	0	0
Pension plans with surplus (Switzerland)	0	0	0	0	0	1 286	1 542
Pension plans with shortfall (foreign)	0	0	0	0	11	11	11
Pension plans without own assets (foreign)	0	– 215	– 239	24	0	66	24
Total	**0**	**– 215**	**– 239**	**24**	**11**	**1 363**	**1 577**

The pension plan with a surplus refers to the pension plan of the Hapimag Pension Fund, Steinhausen. Pension plans without own assets encompass individual foreign subsidiaries that recognise pension liabilities directly in the balance sheet.

19. Share capital

The share capital is that of Hapimag AG, Steinhausen and amounts to EUR 22.956 million, as in the previous year. The share capital consists of 59'300 registered shares with a nominal value of CHF 100 each and 178'700 registered shares with a nominal value of CHF 200 each. Each share confers the right to cast one vote. The shares are not traded on the stock exchange and any subscription right on capital increases is excluded in the Articles of Association. Shares sold until February 2000 are inalienably associated with a loan. In accordance with article 28 of the Articles of Association, no dividends are paid.

20. Reserves (in EUR 1000)

	2023	2024
Capital reserves		
As at the beginning of the year	**412 117**	**420 685**
Sale of shares	891	2 468
Transfer from own shares (see Note 21)	– 788	– 2 090
Repurchase of loans	5 981	6 661
Adjustments Inflation Accounting Turkey	2 484	9 874
As at year-end	**420 685**	**437 598**

The capital reserves are mainly the result of the sale of treasury shares.

Other reserves		
Call options		
As at the beginning of the year	– 15 288	– 15 019
Exercise of call options	269	12 881
As at year-end	**– 15 019**	**– 2 138**

Hapimag AG acquired a ten-year call option from shareholders in financial years 2014 to 2018. Hapimag is entitled to exercise its call option at any time at a price of CHF 200 per share. Hapimag is not subject to any purchase obligation.

Currency translation adjustments		
As at the beginning of the year	– 91 353	– 100 156
Change	– 8 803	5 604
As at year-end	**– 100 156**	**– 94 552**

Currency translation adjustments are temporary differences as of the balance sheet date that arose, on the one hand, from the translation of the annual accounts in a foreign currency into the presentation currency EUR and, on the other, due to the reporting date valuation of equity-like long-term Group loans.

Call options	– 15 019	– 2 138
Currency translation adjustments	– 100 156	– 94 552
Total other reserves	**– 115 175**	**– 96 690**

21. Own shares (in EUR 1000)	Number in 2023	Number in 2024	2023	2024
As at the beginning of the year	**12 174**	**12 842**	**20 418**	**20 992**
Transfer from own shares (see Note 20)	– 426	– 1 147	– 788	– 2 090
Repurchase of depot shares	1 094	8 853	1 362	11 459
As at year-end	**12 842**	**20 548**	**20 992**	**30 361**
Average sale price per share in EUR			2 093	2 152
Average repurchase price per share in EUR			1 902	2 187

22. Annual subscription charges (in EUR 1000)		
Annual subscription charges, shares	63 224	66 753
Annual subscription charges, other right-of-residence products	4 439	4 149
Total	**67 663**	**70 902**

23. Resort revenue (in EUR 1000)		
Local charges	57 304	62 003
Marketing to third parties	11 087	11 864
Restaurants and shops	25 820	27 571
Additional services	9 592	10 360
Other sales from services	5 696	5 963
Total	**109 499**	**117 761**

The geographical breakdown of resort revenue is as follows: EU 72.7 % (previous year: 73.7 %, Switzerland 11.8 % (previous year: 12.4 %). Other 16.0 % (previous year: 13.9 %).

24. Other revenue (in EUR 1000)		
Travel service sales	443	565
Cancellation insurance on right-of-residence products	651	551
Fees for right-of-residence products	516	491
Other	866	1 101
Total	**2 476**	**2 708**

Travel service sales are normally recognised in the income statement on the customer's day of departure.

NOTES TO THE 2024 CONSOLIDATED FINANCIAL STATEMENTS OF HAPIMAG AG

25. Revenue deductions (in EUR 1000)	2023	2024
Issue of residence points from the loyalty programme (see Note 10)	3 370	3 707
Other revenue deductions	– 24	– 71
Total	**3 346**	**3 636**

26. Other operating income (in EUR 1000)		
Leasing of the Sumpfstrasse property, Steinhausen	310	304
Book profits on the disposal of tangible fixed assets	1 937	73
Income from investment subsidies	107	94
Income from damages and insurance claims	57	125
Restaurants and shops leased to third parties	1 429	1 748
Other	2 810	3 119
Total	**6 650**	**5 463**

27. Cost of sales and services (in EUR 1000)		
Cost of goods sold, restaurants and shops	10 215	10 962
Cost of additional services resorts	4 930	5 712
Other cost of services resorts	5 066	5 409
Cost of travel services	396	493
Other	1 927	1 907
Total	**22 534**	**24 483**

28. Personnel expenses (in EUR 1000)		
Wages and salaries	50 501	55 078
Social security contributions	10 106	11 303
Pension cost (see Note 18)	1 363	1 577
Other	3 780	4 938
Total	**65 750**	**72 896**

29. Maintenance and operating expenses (in EUR 1000)		
Maintenance, repair and upkeep	12 066	12 151
Leasing expense	646	718
Energy supply, water and waste disposal	12 452	12 303
Cleaning, laundry and operating materials	15 394	15 916
Other	253	322
Total	**40 811**	**41 410**

30. Marketing and selling expenses (in EUR 1000)		
Sales promotion, media and direct advertising	740	1 309
Public Relations	121	95
Information publications for members	59	65
Other marketing expenses	461	568
Total	**1 381**	**2 037**

31. Administrative expenses (in EUR 1000)

	2023	2024
Office supplies, paper and printed matter	320	316
Postage and transmission fees	1 595	1 589
IT software and licensing fees	6 576	6 942
Travel and entertainment expenses	881	1 028
Legal and other consulting expenses	2 359	1 606
Board of Directors' fees, accounting and audit expenses	1 377	1 525
Insurance and fees	2 168	2 679
Other office and administrative expenses	2 604	2 986
Total	**17 880**	**18 671**

32. Other operating expenses (in EUR 1000)

Non-recoverable value added tax	4 644	4 868
Property tax	2 207	2 408
Other taxes and duties	657	617
Losses from receivables (write-offs and creation of provisions for doubtful debts)	1 063	890
Book losses on disposal of tangible fixed assets	107	230
Other	618	695
Total	**9 296**	**9 708**

33. Financial result (in EUR 1000)

Interest income	692	964
Currency gains (net)	0	10
Other	3	0
Total financial income	**695**	**974**
Interest expenses	– 393	– 403
Currency losses (net)	– 498	0
Bank charges	– 129	– 139
Credit and debit card fees	– 905	– 1 139
Total financial expenses	**– 1 925**	**– 1 681**
Total financial result	**– 1 230**	**– 707**

34. Income taxes (in EUR 1000)

Current income taxes	724	252
Deferred income taxes	547	415
Total income tax expense	**1 271**	**667**

35. Contingent liabilities

There are no material contingent liabilities.

NOTES TO THE 2024 CONSOLIDATED FINANCIAL STATEMENTS OF HAPIMAG AG

36. Leasing obligations (in EUR 1000)	2023	2024
Leasing obligations that do not expire or may not be terminated within twelve months have the following maturity structure:		
Leasing obligations up to 1 year	50	49
Leasing obligations 1 to 5 years	112	67
Leasing obligations over 5 years	0	0
Total	**162**	**116**

The leasing obligations consist primarily of leasing agreements for IT equipment and for vehicles.

37. Pledged assets

Assets with a carrying amount of EUR 87.5 million (previous year: EUR 91.5 million) are pledged as security for liabilities. Bank loans in the amount of EUR 26.6 million (previous year: EUR 26.9 million). In accordance with Article 29 of the Hapimag AG Articles of Association, the properties of the Company and its subsidiaries can be mortgaged up to no more than 20 % of the acquisition cost of the properties. The mortgage related charges in relation to the acquisition cost of tangible fixed assets on the reporting date amount to 6.6 % (previous year: 6.8 %).

38. Capital commitments

Obligations of EUR 30.5 million for capital commitments existed on the reporting date (previous year: EUR 4.6 million).

39. Derivative financial instruments (in EUR 1000)		
Positive/negative (–) replacement values not recognised in the balance sheet	872	80
Contract volumes	20 000	20 000

Forward exchange contracts and foreign currency options are used to hedge foreign currency risks arising from billing. Positive/negative replacement values not recognised in the balance sheet are hedging transactions for future cash flows (hedge accounting).

40. Change in the scope of consolidation

There was no change in the scope of consolidation in the reporting year or in the previous year.

41. Financial risk management

Principles of risk management

The Board of Directors has ultimate responsibility for risk management. Within the Board of Directors, risk issues are handled by the Audit Committee in particular. The co-CEOs regularly report to the Board of Directors on significant risks as part of the risk reporting process. This process is aimed at identifying and analysing the risks that the Group is exposed to, defining reasonable limits and establishing controls, and also monitoring risks and ensuring that the limits are adhered to. The principles of risk management, and the processes employed, are regularly reviewed in order to take into account changes in both market conditions and the Group's activities.

In the real estate area, Hapimag uses its own risk assessment system as part of the audits to identify, evaluate and control natural risks such as fire, water, storms and earthquakes.

With regard to its financial assets and liabilities, the Hapimag Group is exposed in particular to risks arising from changes in exchange rates and interest rates, credit risk on receivables and liquidity risk. The following sections provide an overview of the extent of the individual risks.

Foreign currency risks

Hapimag has a certain exposure to foreign currency risks. The prices for right-of-residence products, annual subscription charges and travel services (invoiced from the head office in Steinhausen) are booked in CHF. Invoices issued to the most important countries of origin of Hapimag members are also shown in the relevant local currency because there is also the option to pay them in the local currency. Local charges as well as products and services delivered at the holiday location are assessed in the local currency. Investments and operating expenses at the resorts are paid predominantly in local currency. For larger investments, foreign currency risks are hedged in the form of forward exchange contracts. Forward exchange contracts and foreign currency options are used to hedge foreign currency risks arising from billing (see Note 39).

Interest rate risk

The interest rate risk is the risk that the fair value or future payment flows of a financial instrument will fluctuate based on changes of the market interest rate. Cash is invested in short-term instruments. Non-current loans from shareholders are interest-free. Hapimag also has current, medium-term and non-current bank loans as at disposal at fixed and variable interest rates. In the case of the fixed interest-bearing financial liabilities (EUR 26.6 million, previous year: EUR 26.9 million) an interest rate movement has no effect on the consolidated result, because there is no adjustment to the fair value.

Credit risk

Credit risk is the risk that Hapimag will suffer financial losses if a customer fails to meet their contractual obligations. Receivables from goods and services relate mainly to private persons (Hapimag members), and are centrally and constantly monitored. The outstanding amounts are exposed to a certain credit risk that is accounted for by means of an allowance based on experience (provisions). Hapimag members with overdue items over CHF 100 are unable to book an apartment (booking block in the system). The accommodation that becomes available as a result can continue to be used by Hapimag. In addition, share repurchases or transfers are effected only if all open items are settled beforehand. Hapimag places deposits only with first-class financial institutions. The maximum credit risk is reflected in the carrying amounts of the financial assets recognised in the balance sheet.

Liquidity risk

Liquidity risk is the risk that Hapimag will be unable to meet its financial obligations at maturity. Liquidity is managed and controlled by a central Treasury Department, based on a short and medium-term income/expenditure plan, which takes into account in particular the ongoing building investments in the resorts. To ensure that Hapimag is solvent at all times, and to preserve its financial flexibility, a liquidity reserve is maintained in the form of cash in hand and credit limits. As of the balance sheet date of 31 December 2024 Hapimag has a credit limit in the amount of EUR 72.7 million (previous year: EUR 86.3 million). Of this, EUR 26.6 million (previous year: EUR 26.9 million) has been used.

NOTES TO THE 2024 CONSOLIDATED FINANCIAL STATEMENTS OF HAPIMAG AG

42. Transactions with related persons and companies

Related persons and companies are members of the Board of Directors and the Executive Committee (including members of their families), companies in which they hold considerable influence, Group companies and pension funds. An overwhelming proportion of the Hapimag Group's revenue is generated with shareholders and members. Hapimag staff hold 0.21 % (previous year: 0.18 %) of the company's total shares. Otherwise, there are no sums due from or payable to related persons or companies.

Payments to members of the Board of Directors or Executive Committee (in EUR 1000)	2023	2024
Fees and salaries	1 659	1 931
Pension contributions	169	209
Total payments to members of the Board of Directors or Executive Committee	**1 828**	**2 140**

43. Events after the balance sheet date

No further material events took place between the balance sheet date and 19 March 2025 that would have had an impact on the 2024 consolidated financial statements or that would be subject to disclosure here.

44. Conversion rates for the major currencies (Conversion in EUR)			2023	2024
Annual average rates	1	CHF	1.0286	1.0506
Consolidated income statement and consolidated cash flow statement	100	CZK	4.1679	3.9813
	1	GBP	1.1494	1.1815
	100	HUF	0.2621	0.2530
	100	MAD	9.1015	9.2956
	1	TRY	0.0305	0.0271
Year-end rates	1	CHF	1.0749	1.0634
Consolidated balance sheet	100	CZK	4.0525	3.9770
	1	GBP	1.1520	1.2052
	100	HUF	0.2615	0.2438
	100	MAD	9.1261	9.5172
	1	TRY	0.0305	0.0271

3. CONSOLIDATED COMPANIES AS AT 31.12.2024

Company (name)	Currency	Capital in 1000		Proportion of capital and votes in %			
		31.12.2023	31.12.2024	31.12.2023		31.12.2024	
				direct	indirect	direct	indirect
Hapimag AG, CH-Steinhausen	CHF	41 670	41 670				
Hapimag Finanz AG, LI-Vaduz	CHF	500	500	100 %		100 %	
Nordia Anstalt, LI-Vaduz	CHF	100	100	100 %		100 %	
Hava Beteiligungs-GmbH & Co. Wohnungsverwaltungs-KG, DE-Winterberg	EUR	2 045	2 045	100 %		100 %	
Hava Beteiligungs-GmbH, DE-Winterberg	EUR	26	26	100 %		100 %	
Hapimag Praha S.R.O., CZ-Prague	CZK	100	100	100 %		100 %	
Hapimag Ges.m.b.H., AT-Vienna	EUR	36	36	100 %		100 %	
Hapimag 2000 Ingatlanüzemeltető Kft., HU-Budapest	HUF	3 000	3 000	100 %		100 %	
Hapimag Magyarország Ingatlanhasznositó Kft., HU-Budapest	HUF	3 000	3 000	100 %		100 %	
Hapimag España S.L.U., ES-Paguera	EUR	30 020	30 020	100 %		100 %	
Hapimag Italia S.r.l., IT-Bolzano	EUR	20 000	20 000	100 %		100 %	
Hapimag Management (UK) Limited, GB-London	GBP	15 000	15 000	100 %		100 %	
Hapimag Resorts & Residences (UK) Limited, GB-Bowness-on-Windermere	GBP	4 000	4 000	100 %		100 %	
Hapimag (Holland) B.V., NL-Amsterdam	EUR	1 305	1 305	100 %		100 %	
Hapimag Turistik Yatirim ve Ticaret AS, TR-Istanbul	TRY	201 090.6	270 747.6	100 %		100 %	
Hapimag France S.àr.l., FR-Saint Cyr sur Mer	EUR	15 776.6	15 776.6	100 %		100 %	
Hapimag Hellas S.M.S.A., GR-Rethymno	EUR	22 193	22 193	100 %		100 %	
Hapimag Marocco SA, MA-Marrakech	MAD	9 600	9 600	99.997%	0.003%	99.997%	0.003%
Hapimag Liegenschaftsnutzung Ges.m.b.H., AT-Vienna	EUR	509	509	96%	4%	96%	4%
Bowness Time-Share Limited, GB-Bowness-on-Windermere, inactive	GBP	550	550		100%		100%

STATUTORY AUDITOR'S REPORT TO THE GENERAL MEETING OF HAPIMAG AG, STEINHAUSEN

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Hapimag AG and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion the consolidated financial statements (pages 66 to 89) give a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and its consolidated results of operations and consolidated cash flows for the year then ended in accordance with Swiss GAAP ARR and comply with Swiss law.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the financial statements, the compensation report and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 Board of Directors for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with Swiss GAAP ARR and the provisions of Swiss law, and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group'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 board of directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 Swiss law and SA-CH 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 consolidated financial statements.

A further description of the auditor's responsibilities for the audit of the consolidated financial statements is located at EXPERTsuisse's website at: https://www.expertsuisse.ch/en/audit-report-for-ordinary-audits. This description forms part of our auditor's report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

BDO Ltd

Bruno Purtschert
Auditor in Charge, Licensed Audit Expert

Michaela Isler
Licensed Audit Expert

Steinhausen, 19 March 2025

REPORT OF THE AUDIT ADVISORY BOARD

Meeting dates 2024 (all per videoconference):

- 24 January
- 1 February
- 22 May
- 18 June
- 10 July
- 28 October
- 26 November
- 12 December

Audit Topic Resort Development and Real Estate Management

This year the Audit Advisory Board (AAB) received many suggestions for audit topics. A lot of questions were raised about the quality of the portfolio. The AAB was asked to investigate the portfolio extension to various new countries, cities and locations. Sustainability is something which comes back in the feedback numerous times. After a careful review of all ideas and questions, the AAB applied a filter on what lies within the scope of the AAB. All other questions, concerns and suggestions outside the AAB's scope have been shared anonymously with the Board of Directors and the Executive Committee.

The resort development and real estate management topics have been divided into three main themes: 1. Proactive portfolio management 2. Sustainability and climate change 3. Hospitality and real estate management. Each theme has been further investigated and will be explained hereunder.

1. Proactive portfolio management

Buying and selling of assets is getting a lot of attention. At the same time, this process is clearly defined and past audits have demonstrated that these procedures are followed. The Hapimag board has approved the direction for a portfolio expansion strategy which further defines how the existing portfolio can not only be expanded but also strengthened for the future. It should be noted that these processes take a significant amount of time and therefore there are long-term, medium term and short-term options which are currently investigated. The portfolio management considers various factors, based on which decisions are made. These are financially driven but clearly also looking at accessibility for shareholders, climate considerations, sustainability impact, country risk, maturity of a destination, synergies with other destinations and, finally, interest of our shareholders. During the last quarter of 2024 a survey amongst shareholders has been conducted to better understand the needs and desires of new members as well as longstanding shareholders. While focusing on both groups, the outcome is used to determine the changing needs and desires over time. It needs to be mentioned that portfolio management has a long-term character and therefore considerations need to be made with a long-term view. Hapimag is committed to working on the short-term extension of the capacity as well with new partnerships in areas and regions where there is currently no presence. During 2024 several portfolio extensions were considered, many of them did not meet the criteria for reasons of lack of quality standards, financial performance or other key factors. Only one acquisition, of two houses adjacent to the Tonda resort, was successfully completed.

2. Sustainability and climate change

In the year 2024 a climate change study was conducted. This study has been looking at the existing portfolio and assessed the climate change risk per location. The learnings were applied in the aforementioned portfolio expansion strategy. Climate change is often seen as a threat whereas, as the study demonstrates, it also offers opportunities. Due to climate change, there is more need for AC's in the resorts where at the same time Hapimag will compensate for the negative CO_2 impact by investing in PV systems and increasing the share of renewable electricity to operate such devices. The topic of accessibility was mentioned multiple times, and it was also part of the shareholder survey. The outcome gave valuable insights and showed a strong preference for destinations reachable per car followed by air transport with direct flights, travel per public transportation was mentioned by the minority. Hapimag remains committed to the sustainability impact of its product. The portfolio expansion strategy of Hapimag focuses on expansion in Europe, on destinations easily reachable per car or public transportation and therefore minimizing reliance on air transport.

3. Hospitality and real estate management

Many enquiries were made related to the situation of a resort before and after renovation. Points needed and local charges increase especially after the renovation is completed. The only way to perform renovations of the portfolio at the current pace is to

adjust the pricing of its use. This is due to increased prices in general (inflation) as well as increased sustainability requirements next to shareholder requirements (e.g. air conditioning since temperatures are rising). Furthermore, a price/value evaluation in the market is made to determine a new pricing level. Lastly it needs to be mentioned that after renovation the quality of the product will be significantly higher. It needs to be mentioned that after renovation completion, occupancy levels are increasing, which results in better financial performance. On top of this, Hapimag conducts post-stay surveys to learn from the guests who stayed after the specific renovation.

Audit Topic Corporate Governance & Compliance

1. What due diligence was conducted of the new cooperation partners to assess if they comply with the same level/ standards of corporate governance, code of conduct, GDPR, child labour guidelines, etc.?

To ensure that any new cooperation partner meets Hapimag standards, due diligence is conducted for each partner, especially for partner resorts such as The Crane in Barbados. This includes site visits and quality audits to assess alignment with Hapimag's values, including social responsibility and environmental practices, as well as reviews of online feedback. In addition, financial stability is evaluated through credit rating checks and verifying beneficial owners and shareholders for legal compliance. Furthermore, partner resorts are asked to sign Hapimag's newly introduced Supplier Code of Conduct (see https://www.hapimag.com/en-gb/imprint/supplier-code-of-conduct/). Lastly, legal requirements such as the adherence to GDPR are subject to the partnership agreements. Nevertheless, it should be highlighted that a partner resort is not a Hapimag resort and therefore the holiday experience and other conditions may differ from the typical Hapimag holiday experience.

2. What was the motivation to organise partnerships? Do these partnerships negatively impact bookings at Hapimag locations?

The decision to establish partnerships with diverse offerings like tiny houses, wellness retreats and boat experiences was driven by several key factors. Firstly, these partnerships allow Hapimag to expand their offerings, create extra capacity and address evolving member preferences without requiring immediate investment in new Hapimag resorts. Secondly, partnerships provide a rapid way to expand geographically and introduce unique experiences that may not be feasible within the traditional Hapimag model. The aim is to enrich the holiday experience for the Hapimag community and to enhance the overall attractiveness of Hapimag's membership. To date, these partnerships generate minimal direct competition with Hapimag's core offerings and have been met with positive feedback from Hapimag members. The partnerships allow Hapimag to test new concepts with minimal risk. Hapimag follows a thorough assessment process for new locations and partnerships (see section Resort Development & Hospitality Real Estate Management). The decision-making process for each partnership involves thorough research, financial evaluation, on-site quality assurance and legal compliance checks, resulting in formal management approval.

3. How and when are the requirements from the EU CSRD (Corporate Sustainability Reporting Directive) incorporated in Hapimag's annual CSR reporting?

The Corporate Sustainability Reporting Directive (CSRD) which has been in force since January 2023, aims to bring sustainability reporting on par with financial reporting. To achieve this objective, companies must provide relevant, comparable and reliable information on their sustainability-related impacts, risks and opportunities. The detailed and standardized disclosure requirements for companies to report on environmental, social and governance matters are laid down in the CSDR's European Sustainability Reporting Standards (ESRS). While this year's analysis by PricewaterhouseCoopers (PwC) indicated that the Hapimag Group does not yet fall within the scope of the European Corporate Sustainability Reporting Directive (CSRD), Hapimag is nevertheless proactively preparing for potential future inclusion. The first dedicated sustainability report is included in this year's annual report (see page 52). The report utilizes the European Sustainability Reporting Standards (ESRS) as a framework, ensuring alignment with the Directive's requirements and allowing Hapimag to transition to full compliance when necessary.

For Hapimag's Sustainability Goals see
www.hapimag.com/en-gb/company/sustainability-at-hapimag/

Audit Topic Tourism, Hospitality and Hotel Industry

1. Local Contribution Fees and Charges in the Various Resorts

In this year's audit, we examined the setting and calculation of local contribution fees and charges across the various resorts. We observed significant variations, both in the amounts charged and their changes over time. The level of these contributions heavily depends on local conditions, specifically the type of resort and its country location. The main cost drivers are energy, personnel costs, everyday goods, and services. In recent years, these segments have experienced differing price trends across regions, largely explaining the considerable variations in local contribution fees and charges. Hapimag's efforts to enhance sustainability also influence pricing, for example, through the selection of environmentally friendly (albeit often slightly more expensive) products or local suppliers. All purchases of products and services undergo an evaluation process that considers make-or-buy decisions, quality, and tendering procedures. To achieve cost savings, central procurement is also utilized, depending on the scope of demand in the resorts. This includes cleaning supplies, laundry, small operating equipment, sofa beds, and similar items. The final amounts of local contribution fees are determined by the head office in consultation with local management.

2. How is the Price Set in the Points Kiosk?

Point sellers can set their own prices per offer, depending on the expiry date of their points. To simplify this, the platform automatically displays the lowest available points to users for their chosen expiry year. This ensures that users always receive the best available offer. They simply select the expiry year of the points they wish to use, and the platform shows them the best available offer for the chosen number of points and the minimum point requirement. If two offers have the same price, the system selects the older offer.

3. In What Areas is Artificial Intelligence (AI) Already Being Used or Planned for Implementation in the Coming Year?

Since 2024, AI software has been implemented in the resort and hospitality sector. This software is a collaborative AI tool that supports resorts in various tasks, such as writing, visualizing, and organising. Furthermore, the Customer Service department has been using AI support in Salesforce since December 2024. The implemented tool provides numerous benefits in member communication, including automated spell-checking, predictive sentence completion, optimised translations, and the generation of responses based on past conversations. Other areas, such as financial analysis, planning and budgeting, or learning management systems, are being prepared for AI implementation. As the technology is still evolving, its use is carefully evaluated beforehand.

4. Is the Use of Service Robots Planned in the Resorts and, if So, in Which Areas?

As part of Hapimag's holiday product strategy, all technological developments that could significantly optimise and/or enhance the holiday experience are evaluated. This includes service robots, which could potentially be used in gastronomy, reception, or housekeeping. Based on these evaluations, Hapimag currently has neither service robots in use nor planned for implementation.

Summary

The 2024 audit showed a sound commitment from Hapimag to further work on a healthy and balanced portfolio expansion considering challenges like financial stability and sustainability. Hapimag is equally committed to listening to the desires and needs of the shareholders. Lastly, decision making in the area of resort development requires a strategic view whereas at the same time short-term solutions are and will be offered to the shareholders in the form of additional partnerships.

Steinhausen, 29 January 2025

Welmoed Clous



Duco De Jong



Prof. Dr. Valentin Weislämle



FINANCIAL STATEMENTS OF HAPIMAG AG AS AT 31.12.2024

BALANCE SHEET

Assets

in CHF 1000	Notes	2023	2024
Cash and cash equivalents		16 568	7 947
Receivables from goods and services			
– due to third parties		14 028	12 616
– due to investments		2 181	3 962
Other short-term receivables		2 512	3 175
Inventories		256	200
Prepaid expenses and accrued income		1 386	1 501
Current assets		**36 931**	**29 401**
Financial assets			
– due to third parties		107	111
– long-term loans to investments		145 276	137 859
Investments	2.1	207 130	207 086
Tangible fixed assets	2.2	177 351	184 587
Long-term assets		**529 864**	**529 643**
Total assets		**566 795**	**559 044**

These are the statutory financial statements of Hapimag AG, Steinhausen. Hapimag is obliged by Swiss law to prepare both statutory financial statements and consolidated financial statements of Hapimag AG.

The consolidated financial statements of Hapimag (pages 66 to 89) include balance sheet and income statement items for all Hapimag companies. As such, the consolidated financial statements give a true and fair view of the Hapimag Group's net assets, financial position and results of operations. The consolidated financial statements are prepared in accordance with the recommendations on accounting (Swiss GAAP FER).

The resorts owned by Hapimag AG itself (in Portugal, Austria, Switzerland and Finland), their results, and the activities of the head office, are to be found in the statutory financial statements of Hapimag AG (pages 96 to 103). The other resorts are owned indirectly through local companies, and are recognised as investments in the statutory financial statements of Hapimag AG. These statutory financial statements are prepared in accordance with the Swiss Code of Obligations.

Liabilities and equity

in CHF 1000	Notes	2023	2024
Payables for goods and services			
– due to third parties		2 594	4 354
– due to investments		6 444	4 051
Liabilities from rights of residence		23 636	17 971
Short-term interest-bearing liabilities		5 000	5 000
Other short-term liabilities	2.3	11 972	7 963
Short-term provisions		1 676	1 038
Accrued expenses and deferred income		2 994	2 690
Short-term		**54 316**	**43 067**
Liabilities from rights of residence		24 451	22 381
Loans from shareholders		139 419	125 561
Long-term interest-bearing liabilities		20 000	20 000
Other long-term liabilities	2.3	1 597	2 064
Provisions		18 402	18 025
Long-term liabilities		**203 869**	**188 031**
Liabilities		**258 185**	**231 098**
Share capital	2.4	41 670	41 670
Statutory capital reserves			
–Reserves from capital contributions	2.5	50 888	47 754
– Other capital reserves	2.5	188 272	197 772
Statutory retained earnings		258	258
Voluntary retained earnings		75 774	68 306
Own shares			
- against reserves from capital contributions	2.6	– 18 435	– 23 693
- Other	2.6	– 4 645	– 7 970
Call options for Hapimag shares	2.7	– 17 704	– 2 520
Net profit/loss (–) for the year		– 7 468	6 369
Equity		**308 610**	**327 946**
Total liabilities and equity		**566 795**	**559 044**

FINANCIAL STATEMENTS OF HAPIMAG AG AS AT 31.12.2024

INCOME STATEMENT

in CHF 1000	Notes	2023	2024
Net proceeds from the sale of goods or services	2.8	85 525	80 776
Income from exercised rights of residence		15 780	12 557
Other operating income		1 073	1 383
Operating income		**102 378**	**94 716**
Cost of sales and services		– 5 278	– 4 310
Personnel expenses		– 26 936	– 27 350
Other operating expenses	2.9	– 53 843	– 51 597
Depreciation of tangible fixed assets		– 11 177	– 8 801
Operating result		**5 144**	**2 658**
Financial expenses		– 726	– 749
Financial income		1 229	1 121
Income/expenses (–) from investments (net)	2.10	– 12 668	3 701
Net profit/loss (-) before taxes		**– 7 021**	**6 731**
Direct taxes		– 447	– 362
Net profit/loss (-) for the year		**– 7 468**	**6 369**

NOTES TO THE 2024 FINANCIAL STATEMENTS OF HAPIMAG AG

1. ACCOUNTING POLICIES

1.1 General

The financial statements have been prepared in accordance with the provisions of the Swiss Accounting Law (title 32 of the Swiss Code of Obligations). The income statement is based on the total cost method. Further principles, in particular with regard to the business model and revenue recognition, are described in the consolidated accounting policies.

1.2 Financial assets

Non-current financial assets primarily comprise loans to investments. Loans granted in foreign currencies are measured at the current closing rate; unrealised losses are recognised, whereas unrealised gains are not reported (imparity principle).

1.3 Tangible fixed assets

Tangible fixed assets are measured at cost less depreciation and impairment losses. Tangible fixed assets are depreciated on a straight-line basis. Land is not depreciated.

1.4 Intangible assets

Intangible assets chiefly comprise computer software and are recognised at cost less amortisation and impairment losses. Amortisation is on a straight-line basis.

1.5 Loans from shareholders

Until 28 February 2000, part of the investment requirement (CHF 1'100) from the sale of shares was recognised as a liability in "Loans from shareholders". The loan was non-redeemable, non-interest-bearing and included in the General Terms of Membership. Where shares with loans are repurchased, the balance of loans from shareholders decreases.

1.6 Own shares

Repurchased shares are recognised at the time of acquisition as own shares at the repurchase price and reported as a negative entry in equity. These shares are held for resale to Hapimag members. The gain or loss on resold depot shares is shown in Other capital reserves.

1.7 Call options for Hapimag shares

Hapimag AG has acquired a ten-year call option from shareholders. Hapimag AG is entitled to exercise its call option at any time at the agreed price per share. Hapimag AG is not subject to any purchase obligation.

1.8 Net proceeds from the sale of goods or services

Net proceeds from the sale of goods and services are generally recognised at the time of invoicing. When other right-of-residence products are sold, the sales proceeds, to the extent that they are required for the provision of accommodation (investment requirement), are recognised as liabilities arising from the sale of rights of residence (current and non-current liabilities). The prepaid portion of operating costs of the annual subscription charge, which is included in the sales prices for the entire contractual term, is booked under "Other liabilities" (current and non-current liabilities). Sale proceeds exceeding that amount are booked in the income statement.

NOTES TO THE 2024 FINANCIAL STATEMENTS OF HAPIMAG AG

1.9 Income from exercised rights of residence

When the rights of residence (points) of other right-of-residence products are claimed, the liability arising from rights of residence (number of points times the amount per point entered as a liability) is reduced and earnings in the same amount result.

1.10 Leasing transactions

Leasing and rental agreements are recognised according to legal ownership. As such, expenses are recognised in the period they are incurred, but the leased or rented objects themselves are not recognised.

1.11 Derivative financial instruments

Derivative financial instruments used to hedge future cash flows are disclosed in the notes until they are realised. Their realisation is recognised in the income statement under the financial result. Other derivative financial instruments are recognised at fair value on the date of acquisition. Unrealised profits and losses from the fair value measurement of these instruments are recognised in the income statement under the financial result.

2. NOTES TO BALANCE SHEET AND INCOME STATEMENT ITEMS

2.1 Investments

The investments are listed on page 89.

2.2 Tangible fixed assets (in CHF 1000)	2023	2024
Land and buildings	168 909	177 070
Equipment, furniture and equipment, vehicles	8 442	7 517
Total	**177 351**	**184 587**

2.3 Other liabilities (in CHF 1000)		
Liabilities to members	2 090	2 520
Operating cost portion of annual subscription charges for right-of-residence products paid in advance (up to 1 year)	8 687	4 459
Other	1 195	984
Total current	**11 972**	**7 963**
Operating cost portion of annual subscription charges for right-of-residence products paid in advance (over 1 year)	1 502	1 926
Other	95	138
Total current	**1 597**	**2 064**

2.4 Share capital

As at the year-end, the share capital consisted of 59'300 registered shares with a nominal value of CHF 100 each and 178'700 registered shares with a nominal value of CHF 200 each, amounting to a total of CHF 41.67 million.

2.5 Statutory capital reserves (in CHF 1000)		
As at beginning of the year	**233 356**	**239 160**
Repurchase of loans	5 815	6 341
Gain/loss (–) from the sale of own shares	– 11	25
As at year-end	**239 160**	**245 526**
- of which reserves from capital contributions	50 888	47 754
- of which other capital reserves	188 272	197 772

2.6 Own shares

Own shares as at 31 December 2024 comprised 20'548 registered shares with a nominal value of CHF 100/CHF 200.

(in CHF 1000)	Number in 2023	Number in 2024	2023	2024
As at beginning of the year	**12 174**	**12 842**	**22 633**	**23 080**
Repurchase of depot shares	1 094	8 853	1 324	10 907
Sale of depot shares	– 426	– 1 147	– 877	– 2 324
As at year-end	**12 842**	**20 548**	**23 080**	**31 663**
- of which own shares against reserves from capital contributions			18 435	23 693
- of which own shares Other			4 645	7 970

Average sale price per share in CHF	2 034	2 048
Average repurchase price per share in CHF	1 849	2 081

NOTES TO THE 2024 FINANCIAL STATEMENTS OF HAPIMAG AG

2.7 Call options for Hapimag shares (in CHF 1000)	Number in 2023	Number in 2024	2023	2024
As at beginning of the year	**9 356**	**9 224**	**17 966**	**17 704**
Exercise of call option	– 132	– 7 931	– 262	– 15 184
As at year-end	**9 224**	**1 293**	**17 704**	**2 520**

Hapimag AG acquired a ten-year call option from shareholders in financial years 2014 to 2018. Hapimag AG is entitled to exercise its call option at any time at a price of CHF 200 per share. Hapimag is not subject to any purchase obligation.

2.8 Net proceeds from the sale of goods or services (in CHF 1000)	2023	2024
Annual subscription charges	66 950	67 001
Resort revenue	18 964	14 226
Other revenue	2 011	2 066
Revenue of right-of-residence products	41	10
Revenue of package tours	811	934
Revenue deductions	– 3 252	– 3 461
Total	**85 525**	**80 776**

2.9 Other operating expenses (in CHF 1000)		
Rental expenses, fees for services, administrative costs in respect of investments	30 081	27 540
Maintenance and operating expenses	6 340	5 739
Marketing and selling expenses	1 164	1 787
Administrative expenses	10 622	10 935
Other taxes and duties	4 531	4 622
Other operating expenses	1 105	974
Total	**53 843**	**51 597**

2.10 Income/expenses (–) from investments (net) (in CHF 1000)		
Income from investments	0	2 564
Interest from investments	2 007	3 238
Valuation adjustments on investments	– 7 740	– 2 101
Valuation adjustments on long-term loans to investments	– 6 935	0
Total	**– 12 668**	**3 701**

Valuation adjustments arise both from fluctuations in the exchange rates of currencies and because of the results of Group companies. In measuring foreign currencies at the closing rate, valuation adjustments for unrealised losses are recognised with due account taken of the principle of prudence (Art. 960 of the Code of Obligations) and of the principle of impartiality (Art. 960a of the Code of Obligations), although any subsequent reversals of impairments arising from unrealised profits from an impaired investment are not recognised.

3. FURTHER INFORMATION

3.1 Full-time equivalents

The average annual number of full-time equivalent staff including branches was over 200 both in the reporting year and in the previous year.

3.2 Outstanding leasing obligations (in CHF 1000)

Leasing obligations that do not expire or may not be terminated within twelve months have the following maturity structure:

	2023	2024
Leasing obligations up to 1 year	27	27
Leasing obligations 1 to 5 years	66	39
Total	**93**	**66**

The leasing obligations consist primarily of IT equipment leases.

3.3 Collateral provided for liabilities in favour of third parties (in CHF 1000)

Guarantees in favour of subsidiaries for the use of bank loans and credit lines with banks	47	47
Other guarantees in favour of subsidiaries	14	14
Total	**61**	**61**

3.4 Assets pledged as security for liabilities

Assets with a carrying amount of CHF 72.9 million (previous year: CHF 75.5 million) are pledged as security for the company's liabilities. Bank loans in the amount of CHF 25.0 million (previous year: CHF 25.0 million) were secured against the pledged assets.

3.5 Derivative financial instruments (in CHF 1000)

Positive/negative (–) replacement values not recognised in the balance sheet	811	75

Positive/negative replacement values not recognised in the balance sheet are hedging transactions for future cash flows (hedge accounting).

3.6 Contingent liabilities

Hapimag AG has undertaken by means of time-limited letters of comfort to ensure that certain subsidiaries are financially in a position to meet their liabilities at all times.

3.7 Other financial liabilities

As at 31 December 2024 there were obligations of CHF 17.2 million (previous year: CHF 0.9 million) for capital expenditure projects.

3.8 Material events after the balance sheet date

No further material events took place between the balance sheet date and 19 March 2025 that would have had an impact on the 2024 annual financial statements or that would be subject to disclosure here.

Proposal of the Board of Directors for the appropriation of the balance sheet profit as at 31.12.2024 (in CHF)

Net profit in 2024 of Hapimag AG	6 369 379
Profit/loss carried forward from 2023	0
Balance sheet profit as at 31.12.2024	**6 369 379**

The Board of Directors of Hapimag AG proposes the following appropriation of profit to the Annual General Meeting on 8 May 2025:

Allocation to voluntary retained earnings	**6 369 379**

STATUTORY AUDITOR'S REPORT TO THE GENERAL MEETING OF HAPIMAG AG, STEINHAUSEN

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Hapimag AG (the Company) – which comprise the balance sheet as at 31 December 2024, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements (pages 96 to 103) comply with Swiss law and the articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Audits of Financial Statements (SA-CH). 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 are independent of the Company in accordance with the provisions of Swiss law, the requirements of the Swiss audit profession and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements, the compensation report and our auditor's report thereon and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information 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 board of directors for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law, and for such internal control as the board of directors determines 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 board of directors is responsible for assessing the 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 board of directors either intends to liquidate the Company or to cease operations, or has 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 Swiss law and Swiss Standards on Audits of Financial Statements 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.

A further description of the auditor's responsibilities for the audit of the financial statements is located at EXPERTsuisse's website at: https://www.expertsuisse.ch/en/audit-report-for-ordinary-audits. This description forms part of our auditor's report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

Based on our audit in accordance with Art. 728a para. 1 item 2 CO, we confirm that the proposal of the board of directors complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

BDO Ltd

Bruno Purtschert
Auditor in Charge, Licensed Audit Expert

Michaela Isler
Licensed Audit Expert

Steinhausen, 19 March 2025


HAPIMAG AMSTERDAM
NETHERLANDS



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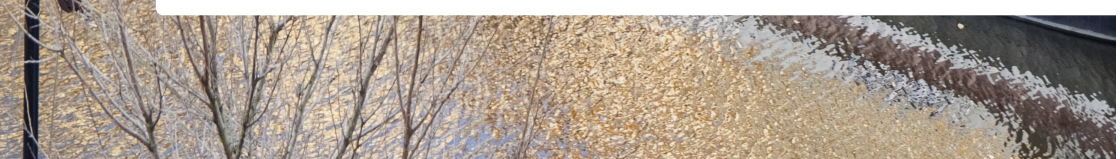
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BDO Ltd, Steinhausen has audited the German-language version of the consolidated financial statement and the financial statements of Hapimag AG for the year ended 31 December 2024, from which this translation was derived. In the audit reports dated 19 March 2025 BDO expressed an unqualified opinion on the German-language version of the consolidated financial statements and the financial statements of Hapimag AG from which this translation was derived.

IMPRESSUM

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