THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Prospectus, or as to what action you should take, you should immediately consult an appropriately authorised professional adviser.

This document constitutes a prospectus (the "**Prospectus**") for the purposes of Articles 3 and 4 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the "**Prospectus Regulation**"), relating to HBX Group International plc, a public limited company incorporated under the laws of England and Wales (the "**Company**"). In this Prospectus, references to the "**Group**" or "**HBX Group**" are to (i) HBG Limited ("**HBG Ltd**") and its consolidated subsidiaries for any period prior to the implementation of the Proposed Reorganisation (as defined and as further described in the section titled "*Proposed Reorganisation*") and (ii) the Company and its consolidated subsidiaries for any period following the implementation of the Proposed Reorganisation. This Prospectus has been prepared in accordance with, and includes the information required by, Annexes 1 and 11 of Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing the Prospectus Regulation as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) Nº 809/2004 (the "**Prospectus Delegated Regulation**").

This Prospectus has been approved by, and registered with, the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*, the "**CNMV**"), as competent authority under the Prospectus Regulation, on 30 January 2025. Such approval and registration relates only to the Offering (as defined below) and the admission to trading of all of the ordinary shares with a nominal value of €0.01 each in the share capital of the Company (the "**Shares**") on the Spanish Stock Exchanges (as defined below) as a regulated market for the purposes of EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**") for trading through the AQS (as defined below). This Prospectus is available on the CNMV's website (www.cnmv.es) and on the Company's website at www.investors.hbxgroup.com. Neither the Company's website nor any of its content form part or are incorporated into this Prospectus whether by reference or otherwise.

An investment in the Offer Shares (as defined below) involves certain risks. You should carefully read this Prospectus in its entirety and in particular the risk factors set out in "*Risk Factors*" before investing in the Offer Shares.

HBX Group International plc

(incorporated and registered in England and Wales as a public limited company)

Initial offering by the Company of New Offer Shares (as defined below) for an effective total amount of €725,000,000, and offering by the Selling Shareholders (as defined below) of 2,000,000 Existing Offer Shares (as defined below) to obtain gross proceeds of between €21,000,000 and €25,000,000, and admission to trading of all Shares on the Spanish Stock Exchanges

Offering price range: €10.50 and €12.50 per Share

This is an initial offering (the "**Offering**") of Shares, each with a par value of €0.01, made by (i) (x) Prometheus Aggregator S.à r.l. ("**Prometheus Aggregator**"), which is indirectly controlled by funds managed by Cinven, (y) Canada Pension Plan Investment Board ("**CPPIB**"), and (z) Kiwi Feeder S.à r.l. ("**Kiwi Feeder**"), which is indirectly controlled by EQT VII (Kiwi Feeder, together with Prometheus Aggregator and CPPIB, the "**Selling Shareholders**"), and (ii) the Company, to qualified investors inside and outside of Spain, including a private placement in the United States to persons reasonably believed to be qualified institutional buyers ("**QIBs**") as defined in Rule 144A ("**Rule 144A**") under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), in reliance on Rule 144A or other applicable exemptions from, or in transactions not subject to, the registration requirements under the U.S. Securities Act. The Offering outside the United States will be made in offshore transactions in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**"). The Shares have not been and will not be registered under the U.S. Securities Act or under the securities laws of any state or other jurisdiction in the United States. See section "*Selling and Transfer Restrictions*" for a description of certain restrictions on the ability to offer and sell Offer Shares and distribute this Prospectus. This Prospectus is not a "prospectus" for the purposes of Section 10 of the U.S. Securities Act.

The Company is offering such number of newly issued Shares as is required at the Offering Price (as defined below) to obtain gross sale proceeds of €725,000,000 in the Offering (the "**New Offer Shares**"), and the Selling Shareholders are offering 2,000,000 Shares in the Offering to obtain gross proceeds of between €21,000,000 and €25,000,000 (at the lower and upper ends of the Offering Price Range (as defined below), respectively) (the "**Existing Offer Shares**" and, together with the New Offer Shares, the "**Initial Offer Shares**"). Such number of New Offer Shares could range between 69,047,619 and 58,000,000 (based on an Offering Price (as defined below) at the lower and upper ends of the Offering Price Range (as defined below), respectively). Out of the 2,000,000 Existing Offer Shares, Prometheus Aggregator will offer between 818,273 and 827,823 Existing Offer Shares, CPPIB will offer between 818,273 and 827,823 Existing Offer Shares and Kiwi Feeder will offer between 363,454 and 344,354 Existing Offer Shares (assuming an

Offering Price at the lower and upper ends of the Offering Price Range, respectively). For the avoidance of doubt, references throughout this prospectus to "Existing Offer Shares" are to the Shares held by the Selling Shareholders following completion of the Proposed Reorganisation (as defined below).

In addition, the Selling Shareholders, acting severally and not jointly, will grant an option to BofA Securities Europe SA as the stabilising manager (the "**Stabilising Manager**"), who can exercise it on behalf of the Managers (as defined below), to acquire up to between 10,657,141 and 9,000,000 additional Shares (representing 15% of the Initial Offer Shares at the lower and upper end of the Offering Price Range, respectively) (the "**Over-allotment Shares**", and together with the Initial Offer Shares, the "**Offer Shares**") at the Offering Price (as defined below) from the Selling Shareholders to cover over-allotments of the Shares, if any, and short positions resulting from stabilisation transactions (the "**Over-allotment Option**"). The Over-allotment Option is exercisable, in whole or in part, by the Stabilising Manager for a period of 30 calendar days from the date on which the Shares commence trading on the Spanish Stock Exchanges (as defined below). Any Over-allotment Shares made available pursuant to the Over-allotment Option will rank *pari passu* in all respects with all of the Shares, including with respect to all dividends and other distributions declared, made or paid on the Shares, will be acquired on the same terms and conditions as the Initial Offer Shares being offered in the Offering and will form a single class for all purposes with all of the Shares.

Moreover, in the context of the Proposed Reorganisation and before the time of the initial registration in respect of all of the Shares (including the New Offer Shares) as equity interests in dematerialised book-entry form with Iberclear (the "**Initial Registration Time**"), certain Directors and senior managers will subscribe for between 4,370,294 and 4,111,829 newly-issued Shares at a price per Share equal to the Offering Price (based on an Offering Price at the lower and upper ends of the Offering Price Range, respectively), as a result of which the Company expects to receive between €46 million and €51 million in cash. These newly-issued Shares do not form part of the New Offer Shares. See section "*Proposed Reorganisation—Pre-Admission steps*".

The non-binding indicative offering price range at which the Offer Shares will be offered in the Offering is between €10.50 and €12.50 per Share (the "**Offering Price Range**"). The Offering Price Range has been determined by the Company and the Selling Shareholders after consultation with the Joint Global Coordinators, without reliance on any third-party expert to assess the value of the Shares or determine the Offering Price Range. The final price of each Offer Share (the "**Offering Price**"), which may fall outside the Offering Price Range, and the definitive number of Initial Offer Shares will be determined by the Company and the Selling Shareholders after consultation with the Joint Global Coordinators (as defined below) upon completion of the bookbuilding period, which is expected to occur on or about 10 February 2025, and will be announced through publication of an inside information notice (*comunicación de información privilegiada*) with the CNMV, by no later than the date following finalisation of the bookbuilding period.

In connection with the Offering, the Stabilising Manager (or any of its agents), may (but will be under no obligation to), to the extent permitted by applicable laws and regulations, engage in transactions that stabilise, support, maintain or otherwise affect the price, as well as over allot shares of the Company or effect other transactions with a view to supporting the market price of the shares of the Company at a level higher than that which might otherwise prevail in the open market. However, there is no assurance that the Stabilising Manager (or any of its agents) will undertake any stabilisation action.

This Prospectus and the Offering are only addressed to, and directed at, (a) institutional investors outside the United States (as defined in Regulation S under the U.S. Securities Act); (b) in the United States, QIBs (as defined in Rule 144A under the U.S. Securities Act) that are subscribing for or acquiring securities for their own account or for the account of another QIB; (c) in the United Kingdom ("UK"), Relevant Persons (as defined below); and (d) in any Member State of the European Economic Area ("EEA"), qualified investors (as defined in the Prospectus Regulation).

You are deemed to have represented to the Company, the Selling Shareholders and the Managers that (i) if you are in the United States, you are a QIB and you are acquiring the securities for your own account or for the account of a QIB, (ii) the securities subscribed for or acquired by you in the Offering have not been subscribed for or acquired on a non-discretionary basis on behalf of, nor have they been subscribed for or acquired with a view to their offer or resale to, any person in circumstances which may give rise to an offer of any securities to the public other than their offer or resale to qualified investors in any Member State of the EEA or to Relevant Persons or in circumstances in which the prior consent of the Managers has been obtained to each such proposed offer or resale; and (iii) if you are outside the United States, the UK and the EEA, you are a person into whose possession the document may lawfully be delivered in accordance with the laws of the jurisdiction in which you are located. No investor other than the above is allowed to participate in the Offering.

An investment in the Offer Shares involves a high degree of risk. See section "*Risk Factors*" beginning on page 15 for a discussion of certain matters that investors should carefully consider prior to making an investment in the Offer Shares.

The Offer Shares have not been and will not be registered under the U.S. Securities Act or the applicable securities laws of any state or other jurisdiction of the United States and may not be offered, sold, pledged or transferred within the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. For a description of certain restrictions about eligible offerees and on transfer of the Offer Shares, see section "*Selling and Transfer Restrictions*".

Prior to this Offering, there has been no public market for the Shares. The Company will apply to have its Shares listed on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges (the "**Spanish Stock Exchanges**") for trading through the Automated Quotation System or *Mercado Continuo* of the Spanish Stock Exchanges (the "**AQS**"). The Company expects its Shares (including the Offer Shares) to be admitted to trading on the Spanish Stock Exchanges on or about 12 February 2025 with effective trading through the AQS commencing on or about 13 February 2025 ("**Admission**") under the ticker symbol "HBX".

The Offer Shares are expected to be delivered through the book-entry facilities of *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal* ("**Iberclear**"), and its participating entities against payment thereof on or about 13 February 2025.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy or acquire any of the Offer Shares in any jurisdiction in which or to any person to whom it would be unlawful to make such an offer or solicitation.

This Prospectus was approved by and registered with the CNMV on 30 January 2025. Investors may contact the CNMV by telephone at (+34) 900 535 015. Its validity will end (and therefore a supplement to this Prospectus may be published during that period) upon Admission provided that Admission takes place prior to the expiration of 12 months following approval of this Prospectus by the CNMV. Once this Prospectus is no longer valid, the Company will have no obligation to supplement this Prospectus in case of significant new factors, material mistakes or material inaccuracies.

Joint Global Coordinators

Morgan Stanley **BofA Securities** **Citigroup**

Joint Bookrunners

Banco Santander **Barclays** **BNP PARIBAS** **Deutsche Bank** **UBS Investment Bank**

Co-Lead Managers

Alantra **BBVA**

Agent Bank

Banco Santander

Prospectus dated 30 January 2025

IMPORTANT INFORMATION

YOU SHOULD READ THE ENTIRE PROSPECTUS AND, IN PARTICULAR, "*RISK FACTORS*" BEGINNING ON PAGE 15 OF THIS PROSPECTUS, WHEN CONSIDERING AN INVESTMENT IN THE OFFER SHARES.

You are deemed to agree to each of the notices set forth below by accepting delivery of this Prospectus.

THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO ACQUIRE, ANY OF THE OFFER SHARES BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH AN OFFER OR SOLICITATION. NEITHER THE DELIVERY OF THIS PROSPECTUS NOR ANY SALE MADE HEREUNDER SHALL UNDER ANY CIRCUMSTANCES IMPLY THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY OR HBX GROUP OR THAT THE INFORMATION SET FORTH HEREIN IS CORRECT AS OF ANY DATE SUBSEQUENT TO THE DATE HEREOF.

In making an investment decision, prospective investors must rely upon their own examination, analysis and enquiry of the Company and HBX Group, their business and the terms of this Prospectus, including the merits and risks involved in investing in the Offer Shares.

This Prospectus has been prepared by the Company solely for the Offering of the Offer Shares and Admission.

None of the Company, the Selling Shareholders nor the Managers have authorised any person to give any information or to make any representations other than those contained in this Prospectus, and, if given or made, such information or representations must not be relied upon as having been authorised by the Company, the Selling Shareholders or the Managers.

You are being provided with this Prospectus solely for the purpose of considering an investment in the Offer Shares. All the information in this Prospectus has been furnished by the Company and you acknowledge and agree that none of Morgan Stanley Europe SE ("**Morgan Stanley**"), BofA Securities Europe SA ("**BofA Securities**") and Citigroup Global Markets Limited ("**Citigroup**" and together with Morgan Stanley and BofA Securities, the "**Joint Global Coordinators**"), Banco Santander, S.A. ("**Banco Santander**"); BNP PARIBAS ("**BNP PARIBAS**"), Barclays Bank Ireland PLC ("**Barclays**"), Deutsche Bank ("**Deutsche Bank**") and UBS AG London Branch ("**UBS Investment Bank**", together with Banco Santander, BNP PARIBAS, Barclays and Deutsche Bank, the "**Joint Bookrunners**"), and Alantra Capital Markets, S.V., S.A. ("**Alantra**") and Banco Bilbao Vizcaya Argentaria, S.A. ("**BBVA**", together with Alantra, the "**Co-Lead Managers**" and together with the Joint Global Coordinators and the Joint Bookrunners, the "**Managers**"), or any of their respective affiliates, advisers or entity through which the Managers may offer or sell the Offer Shares, makes any representation or warranty, express or implied, or to the fullest extent permitted by applicable law accepts any liability whatsoever, regarding the accuracy, completeness or verification of the information given herein, and nothing contained in this Prospectus is, or shall be relied upon as, a promise, warranty or representation in this respect by the Managers or any of their respective affiliates, advisers or selling agents, whether as to the past or the future. The Managers and their respective affiliates, advisers and selling agents do not assume any responsibility for its accuracy, completeness or verification and, accordingly, disclaim, to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise that they might otherwise be found to have in respect of this Prospectus or any information contained herein.

Each person receiving this Prospectus acknowledges that (i) such person has not relied on the Managers or any person affiliated with the Managers, or any of their respective advisers or selling agents in connection with any investigation of the accuracy of such information or its investment decision, (ii) it has relied only on the information contained herein, and (iii) no person has been authorised to give any information or to make any representation concerning the Company, the Selling Shareholders or the Offer Shares (other than as contained herein) and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Company, the Selling Shareholders or the Managers.

None of the Company, the Selling Shareholders, or the Managers, or any of their respective representatives, is making any representation to any offeree or acquiror of the Offer Shares regarding the legality of an investment in the Offer Shares by such offeree or acquiror under the laws applicable to such offeree or acquiror. Prospective investors should not consider any information contained in this Prospectus to be investment, legal, financial, business, tax, accounting or regulatory advice. Each prospective investor should consult its own counsel, business adviser, accountant, tax adviser and other advisers for legal, financial, business, tax, accounting, regulatory and related advice regarding an investment in the Offer Shares. Each investor or acquiror of the Offer Shares should analyse for itself the information contained in this Prospectus and base its decision to invest or acquire the Offer Shares upon such investigation, as it deems necessary, including its assessment of the risks involved and its own determination of the suitability of any such investment, with particular reference to its own investment objectives and experience, and any other factors that may be relevant to such investor in connection with the acquisition of the Offer Shares.

In connection with the Offering, any Manager and any of its respective affiliates or any investment vehicle directly or indirectly related to any such Managers may take up a portion of the Offer Shares as a principal position and, in that capacity, may retain, subscribe for, acquire, sell, offer to sell, or otherwise deal for its or their own account(s) in such Offer Shares, any other securities of the Company or other related investments in connection with the Offering or otherwise. Accordingly, references in this Prospectus to the Offer Shares being issued, offered, subscribed, acquired, placed or otherwise dealt with should be read as including any issue, offer, subscription, acquisition, placing or dealing by or to (as the case may be), the Managers or any of them and any of their affiliates or any investment vehicle directly or indirectly related to any Managers, acting in such capacity. In addition, certain of the Managers (or their respective affiliates or any investment vehicle directly or indirectly related to any such Managers), may enter into financing arrangements (including swaps, warrants or contracts for differences) with investors in connection with which such Managers (or their respective affiliates) may, from time to time, acquire, hold or dispose of the Shares. None of the Managers nor any of their respective affiliates nor any investment vehicle directly or indirectly related to any Manager intends to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so.

The Managers are acting exclusively for the Company and the Selling Shareholders and no one else in connection with the Offering. They will not regard any other person (whether or not a recipient of this Prospectus) as their respective clients in relation to the Offering and will not be responsible to anyone other than the Company or the Selling Shareholders for providing the protections afforded to their respective clients nor for giving advice in relation to the Offering or any transaction or arrangement referred to herein.

You may not reproduce or distribute this Prospectus, in whole or in part, and you may not disclose any of the content of this Prospectus or use any information given herein for any purpose other than considering an investment in the Offer Shares as described in this Prospectus.

The distribution of this Prospectus and the offering, sale, exercise or transfer of the Offer Shares in certain jurisdictions may be restricted by law. Therefore, this Prospectus may not be used in connection with any offer or solicitation in any jurisdiction where, or to any person to whom, it is unlawful to make such offer or solicitation. No action has been taken or will be taken by the Company, the Selling Shareholders or the Managers that would permit a public offering of the Offer Shares or the possession or distribution of this Prospectus (or any other offering or publicity materials or application form(s) relating to the Offer Shares) in any jurisdiction where action for that purpose would be required.

This Prospectus may not be used for, or in connection with, and does not constitute an offer of, or an invitation or solicitation to purchase or acquire, any Offer Shares in any jurisdiction in which such offer, invitation or solicitation would be unlawful. The Company, the Selling Shareholders and the Managers require persons into whose possession this Prospectus comes to inform themselves about, and to observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. None of the Company, the Selling Shareholders or the Managers accept any responsibility or liability for any violation by any person, whether or not such person is a prospective investor or acquiror of the Offer Shares described in this Prospectus, of any of these restrictions.

None of the Managers or any of their respective affiliates accepts any responsibility to any third party in connection with the Environmental, Social and Governance ("ESG") information in this Prospectus or makes any representation or warranty or assurance as to whether any ESG ratings of the Company or HBX Group will meet any investor expectations or requirements. None of the

Managers or any of their respective affiliates make any representation as to the suitability of, nor do they accept any responsibility for, any ESG rating or third-party social, environmental and governance assessment of the Company or HBX Group. No representation or assurance is given by the Managers or any of their respective affiliates as to the suitability or reliability of any opinion or certification of any third party made available in connection with the Offering, and any such opinion or certification is not a recommendation by any Manager to buy, sell or hold any Offer Shares.

This Prospectus should not be considered a recommendation by any of the Company, the Selling Shareholders, any of the Managers or any of their affiliates or representatives that any recipient of this Prospectus should acquire the Offer Shares.

OFFERING RESTRICTIONS

Prospective investors should familiarise themselves with and observe the selling and transfer restrictions set out under *"Selling and Transfer Restrictions"*, as well as the other offering restrictions set forth below. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

NOTICE TO INVESTORS IN THE UNITED STATES

THE OFFER SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION IN THE UNITED STATES FOR OFFER OR SALE AS PART OF THEIR DISTRIBUTION AND, SUBJECT TO CERTAIN EXCEPTIONS, MAY NOT BE OFFERED OR SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE STATE SECURITIES LAWS. THE OFFER SHARES OFFERED HEREBY ARE BEING OFFERED AND SOLD IN THE UNITED STATES ONLY TO PERSONS REASONABLY BELIEVED TO BE QIBS IN RELIANCE ON RULE 144A OR ANOTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND OUTSIDE THE UNITED STATES IN OFFSHORE TRANSACTIONS AS DEFINED IN, AND IN RELIANCE ON, REGULATION S.

PROSPECTIVE INVESTORS ARE HEREBY NOTIFIED THAT ANY SELLER OF THE OFFER SHARES MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE U.S. SECURITIES ACT PROVIDED BY RULE 144A. THE OFFER SHARES ARE NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN. SEE SECTION "*SELLING AND TRANSFER RESTRICTIONS*".

THE OFFER SHARES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION (THE "**SEC**"), ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER UNITED STATES REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OR THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE IN THE UNITED STATES.

NOTICE TO INVESTORS IN THE EEA

In relation to each member state of the EEA (each a "**Member State**"), no Offer Shares have been offered or will be offered to the public pursuant to the Offering in that Member State prior to the publication of a prospectus in relation to the Offer Shares which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, all in accordance with the Prospectus Regulation, except that the Offer Shares may be offered to the public in that Member State at any time:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation), subject to obtaining the prior consent of the Joint Global Coordinators for any such offer; or

(c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the Offer Shares shall require the Company, the Selling Shareholders or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation and each person in a Member State who initially subscribes for or acquires any Offer Shares or to whom any offer is made will be deemed to have represented, warranted and agreed to and with the Company, the Selling Shareholders and the Managers that it is a qualified investor within the meaning of the Prospectus Regulation.

In the case of any Offer Shares being offered to a financial intermediary, as that term is used in Article 5(1) of the Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the Offer Shares subscribed for or acquired by it in the Offering have not been subscribed for or acquired on a non-discretionary basis on behalf of, nor have they been subscribed for or acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer to the public other than their offer or resale in a Member State to qualified investors, in circumstances in which the prior consent of the Joint Global Coordinators has been obtained to each such proposed offer or resale.

The Company, the Selling Shareholders, the Managers and their respective affiliates, and others, will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements. Notwithstanding the above, a person who is not a qualified investor and who has notified the Managers of such fact in writing may, with the consent of the Joint Global Coordinators, be permitted to subscribe for or acquire Offer Shares in the Offering.

For the purposes of this provision, the expression an "**offer to the public**" in relation to the Offer Shares in any Member State means the communication in any form and by any means of sufficient information on the terms of the Offering and any Offer Shares to be offered so as to enable an investor to decide to acquire or subscribe for any Offer Shares, and the expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129.

NOTICE TO INVESTORS IN THE UNITED KINGDOM

This Prospectus is only being distributed to and is only directed at persons in the UK who (i) are "investment professionals" falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"), or (ii) who are high net worth entities, and other persons to whom it may lawfully be communicated, falling within Articles 49(2)(a) to (d) of the Order (all such persons together being referred to as "**Relevant Persons**"). This Prospectus must not be acted on or relied on by any person who is not a Relevant Person. The Offer Shares are only available to, and any investment or investment activity to which this Prospectus relates will only be available to and will only be engaged in with, Relevant Persons.

No Offer Shares have been offered or will be offered pursuant to the Offering to the public in the United Kingdom prior to the publication of a prospectus in relation to the Offer Shares which has been approved by the Financial Conduct Authority, except that the Offer Shares may be offered to the public in the United Kingdom at any time:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Joint Global Coordinators for any such offer; or

(c) in any other circumstances falling within Section 86 of the Financial Services and Markets Act 2000, as amended (the "**FSMA**"),

provided that no such offer of the Offer Shares shall require the Company, the Selling Shareholders or any Manager to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation and each person in the UK who initially subscribes for or acquires any Offer Shares or to whom any offer is made will be deemed to have represented, warranted and agreed to and with the Company, the Selling Shareholders and the Managers that it is a qualified investor within the meaning of the UK Prospectus Regulation.

In the case of any Offer Shares being offered to a financial intermediary, as that term is used in Article 5(1) of the UK Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the Offer Shares subscribed for or acquired by it in the Offering have not been subscribed for or acquired on a non-discretionary basis on behalf of, nor have they been subscribed for or acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer to the public other than their offer or resale in the UK to qualified investors, in circumstances in which the prior consent of the Joint Global Coordinators has been obtained to each such proposed offer or resale.

The Company, the Selling Shareholders, the Managers and their respective affiliates, and others, will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements. Notwithstanding the above, a person who is not a qualified investor and who has notified the Managers of such fact in writing may, with the consent of the Joint Global Coordinators, be permitted to subscribe for or acquire Offer Shares in the Offering.

For the purposes of this provision, the expression an "**offer to the public**" in relation to the Offer Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Offer Shares to be offered so as to enable an investor to decide to acquire or subscribe for any Offer Shares and the expression "**UK Prospectus Regulation**" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

NOTICE TO INVESTORS IN CANADA

The Offer Shares may be sold only to acquirors acquiring, or deemed to be acquiring, as principals that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Offer Shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide an acquiror with remedies for rescission or damages if this Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the acquiror within the time limit prescribed by the securities legislation of the acquiror's province or territory. The acquiror should refer to any applicable provisions of the securities legislation of the acquiror's province or territory for particulars of these rights or consult with a legal adviser.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Managers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this Offering.

INFORMATION FOR INVESTORS IN CERTAIN COUNTRIES

For information for investors in certain countries, see section "*Selling and Transfer Restrictions*".

INFORMATION TO DISTRIBUTORS IN THE EUROPEAN ECONOMIC AREA

Solely for the purposes of the product governance requirements contained within: (a) MiFID II; (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Offer Shares have been subject to a product approval process, which has determined that such Offer Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**").

Notwithstanding the Target Market Assessment, distributors should note that: the price of the Offer Shares may decline and investors could lose all or part of their investment; the Offer Shares offer no guaranteed income and no capital protection; and an investment in the Offer Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Managers will only procure investors who meet the criteria of professional clients and eligible counterparties. Consequently, no key information document required by Regulation (EU) No 1286/2014, as amended (the "**PRIIPs Regulation**"), for offering or selling the Offer Shares or otherwise making them available to retail investors in the EEA has been prepared.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase or acquire, or take any other action whatsoever with respect to the Offer Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Offer Shares (either by adopting the Target Market Assessment or redefining it under the MiFID II Product Governance Requirements) and determining appropriate distribution channels.

INFORMATION TO DISTRIBUTORS IN THE UNITED KINGDOM

Solely for the purposes of the product governance requirements of Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the UK Product Governance Requirements) may otherwise have with respect thereto, the Offer Shares have been subject to a product approval process, which has determined that such Offer Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in Chapter 3 of the FCA Handbook Conduct of Business Sourcebook ("**COBS**"); and (ii) eligible for distribution through all permitted distribution channels (the "**UK Target Market Assessment**").

Notwithstanding the UK Target Market Assessment, "distributors" (for the purposes of the UK Product Governance Requirements) should note that: the price of the Offer Shares may decline and investors could lose all or part of their investment; the Offer Shares offer no guaranteed income and no capital protection; and an investment in the Offer Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to any contractual, legal or regulatory selling restrictions in relation to the Offering. Furthermore, it is noted that, notwithstanding the UK Target Market Assessment, the Managers will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the UK Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Chapter 9A or 10A respectively of COBS; or (b) a recommendation to any investor or group of investors to invest in, or purchase or acquire, or take any other action whatsoever with respect to the Offer Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Offer Shares and determining appropriate distribution channels.

DEFINED TERMS

Capitalised terms used in this Prospectus shall have the meanings ascribed to them herein or in "*Glossary*".

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SUMMARY

Relating to the initial offering of New Offer Shares (as defined below) by HBX Group International plc to raise gross proceeds of approximately €725 million, and offering by the Selling Shareholders (as defined below) of 2,000,000 Existing Offer Shares (as defined below) to obtain gross sale proceeds of between €21,000,000 and €25,000,000, and admission to trading of all of the ordinary shares with a nominal value of €0.01 each in the share capital of the Company (the "Shares") on the Spanish Stock Exchanges (as defined below).

1. INTRODUCTION AND WARNINGS

THIS SUMMARY SHOULD BE READ AS AN INTRODUCTION TO THIS PROSPECTUS. ANY DECISION TO INVEST IN THE SHARES OF HBX GROUP INTERNATIONAL PLC (THE "COMPANY") SHOULD BE BASED ON A CONSIDERATION OF THIS PROSPECTUS AS A WHOLE BY THE INVESTOR. THE INVESTOR COULD LOSE ALL OR PART OF THE INVESTMENT IN THE SHARES. REFERENCES IN THIS PROSPECTUS TO THE "GROUP" OR "HBX GROUP" ARE TO (I) HBG LIMITED ("HBG LTD") AND ITS CONSOLIDATED SUBSIDIARIES FOR ANY PERIOD PRIOR TO THE IMPLEMENTATION OF THE PROPOSED REORGANISATION (AS DEFINED BELOW) AND (II) THE COMPANY AND ITS CONSOLIDATED SUBSIDIARIES FOR ANY PERIOD FOLLOWING THE IMPLEMENTATION OF THE PROPOSED REORGANISATION.

WHERE A CLAIM RELATING TO THE INFORMATION CONTAINED IN, OR INCORPORATED BY REFERENCE INTO, THIS PROSPECTUS IS BROUGHT BEFORE A COURT THE PLAINTIFF INVESTOR MIGHT, UNDER SPANISH LAW, HAVE TO BEAR THE COSTS OF TRANSLATING THIS PROSPECTUS AND ANY OTHER DOCUMENT INCORPORATED BY REFERENCE HEREIN BEFORE THE LEGAL PROCEEDINGS ARE INITIATED.

CIVIL LIABILITY ATTACHES ONLY TO THOSE PERSONS WHO HAVE TABLED THE SUMMARY, INCLUDING ANY TRANSLATION THEREOF, BUT ONLY IF THE SUMMARY IS MISLEADING, INACCURATE OR INCONSISTENT WHEN READ TOGETHER WITH THE OTHER PARTS OF THIS PROSPECTUS OR IF IT DOES NOT PROVIDE, WHEN READ TOGETHER WITH OTHER PARTS OF THIS PROSPECTUS, KEY INFORMATION IN ORDER TO AID INVESTORS WHEN CONSIDERING WHETHER OR NOT TO INVEST IN THE SHARES OF THE COMPANY.

The Company was incorporated for an indefinite period as a limited company in England and Wales on 20 December 2023 with the name HBX Group International Limited and subsequently re-registered as a public limited company under UK law and, in particular, under the UK Companies Act 2006 (the "**UK Companies Act**"). The Company is operating under the commercial name of "HBX Group". The Company is registered with number 15364642 with Companies House and its registered office is at 7th Floor Tower 42, 25 Old Broad Street, London EC2N 1HN, United Kingdom. Its telephone number is +44 7826910691 and its LEI number is 984500745985CA77CS69. The ISIN code GB00BNXJB679 has been allocated to the Shares.

This prospectus (the "**Prospectus**") has been approved by, and registered with, the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*, the "**CNMV**"), as competent authority under the Prospectus Regulation, on 30 January 2025. Such approval and registration relate to the initial offering (the "**Offering**") of the Initial Offer Shares (as defined below) and the subsequent admission to trading of the Shares on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges (the "**Spanish Stock Exchanges**") as a regulated market for the purposes of EU Directive 2014/65/EU on markets in financial instruments, as amended for trading through the AQS (as defined below). This Prospectus is available on the CNMV's website (www.cnmv.es) and on the Company's website at www.investors.hbxgroup.com.

The Company is offering the new offer shares to qualified investors (the "**New Offer Shares**") at a price per share (the "**Offering Price**") expected to be comprised within the non-binding offering price range of €10.50 and €12.50 (the "**Offering Price Range**"), and (x) Prometheus Aggregator S.à r.l. ("**Prometheus Aggregator**"), which is indirectly controlled by funds managed by Cinven, (y) Canada Pension Plan Investment Board ("**CPPIB**") and (z) Kiwi Feeder S.à r.l. ("**Kiwi Feeder**"), which is indirectly controlled by EQT VII (Kiwi Feeder, together with Prometheus Aggregator and CPPIB, the "**Selling Shareholders**") are offering 2,000,000 Shares in the Offering to obtain gross sale proceeds of between €21,000,000 and €25,000,000 (assuming an Offering Price at the lower and upper ends of the Offering Price Range, respectively) (the "**Existing Offer Shares**" and, together with the New Offer Shares, the "**Initial Offer Shares**"). Such number of New Offer Shares could range between 69,047,619 and 58,000,000 (based on an Offering Price (as defined below) at the lower and upper ends of the Offering Price Range (as defined below), respectively). Out of the 2,000,000 Existing Offer Shares, Prometheus Aggregator will offer between 818,273 and 827,823 Existing Offer Shares, CPPIB will offer between 818,273 and 827,823 Existing Offer Shares and Kiwi Feeder will offer between 363,454 and 344,354 Existing Offer Shares (assuming an Offering Price at the lower and upper ends of the Offering Price Range, respectively). For the avoidance of doubt, references throughout this prospectus to "Existing Offer Shares" are to the Shares held by the Selling Shareholders following the Proposed Reorganisation (as defined below).

In addition, the Selling Shareholders, acting severally and not jointly, will grant an option to BofA Securities Europe SA, as the stabilising manager (the "**Stabilising Manager**"), who can exercise it on behalf of the Managers (as defined below), to acquire up to between 10,657,141 and 9,000,000 additional Shares (representing 15% of the Initial Offer Shares at the lower and upper ends of the Offering Price Range, respectively) (the "**Over-allotment Shares**", together with the Initial Offer Shares, the "**Offer Shares**") at the Offering Price from the Selling Shareholders to cover over-allotments of the Shares, if any, and short positions resulting from stabilisation transactions (the "**Over-allotment Option**"). The Over-allotment Option is exercisable, in whole or in part, by the Stabilising Manager, acting on behalf of Morgan Stanley Europe SE ("**Morgan Stanley**"), BofA Securities Europe SA ("**BofA Securities**") and Citigroup Global Markets Limited ("**Citigroup**" and together with Morgan Stanley and BofA Securities, the "**Joint Global Coordinators**"), Banco Santander, S.A. ("**Banco Santander**"); BNP PARIBAS ("**BNP PARIBAS**"), Barclays Bank Ireland PLC ("**Barclays**"), Deutsche Bank ("**Deutsche Bank**") and UBS AG London Branch ("**UBS Investment Bank**", together with Banco Santander, BNP PARIBAS, Barclays and Deutsche Bank, the "**Joint Bookrunners**"), and Alantra Capital Markets, S.V., S.A. ("**Alantra**") and Banco Bilbao Vizcaya Argentaria, S.A. ("**BBVA**", together with Alantra, the "**Co-Lead Managers**" and together with the Joint Global Coordinators and the Joint Bookrunners, the "**Managers**") no later than 30 calendar days from the date on which the Shares are listed and commence trading on the Spanish Stock Exchanges through the Automated Quotation System (*Sistema de Interconexión Bursátil*) ("**AQS**"). Neither the Company's website nor any of its contents form part or are incorporated into this Prospectus, whether by reference or otherwise, except as otherwise provided herein. The CNMV has neither examined nor approved the Company's website nor any of its contents. Investors may contact the CNMV by telephone (+34) 900 535 015.

2. KEY INFORMATION ON THE ISSUER

2.1 Who is the issuer of the securities?

The legal name of the issuer is HBX Group International plc and its commercial name is "HBX Group". The Company was incorporated for an indefinite period as a limited company in England and Wales on 20 December 2023 with the name HBX Group International Limited and subsequently re-registered as a public limited company in accordance with section 755 of the UK Companies Act on 6 January 2025. The address of the Company's registered office is 7th Floor Tower 42, 25 Old Broad Street, London EC2N 1HN, United Kingdom. The Company's registered number is 15364642. Its LEI is 984500745985CA77CS69 and its telephone number is +44 7826910691.

As at the date of this Summary, the Company's sole shareholder is HNVR Topco Limited ("**HNVR Topco**"). As soon as reasonably practicable following the date of this Prospectus, and in any case prior to the publication of the Offering Price, HNVR Topco will transfer the entire issued share capital of the Company to Prometheus Aggregator for consideration of €0.01 and the assumption of HNVR Topco's undertaking to pay the Company the subscription price of the redeemable non-voting preference shares, pursuant to the Proposed Reorganisation, (as defined below).

As at the date of this Summary, the Company does not carry out any economic activity. The Company's Articles of Association do not restrict the Company's corporate purpose but it is expected to be that of a holding company following the Proposed Reorganisation. The Group's principal activity is the intermediation of hotel accommodation and complementary travel products (car rental, transfers and experiences) between travel suppliers and travel distributors. Additionally, through its Hoteltech product line, the Group assists hotels in optimising their direct online channel, creating booking engines and supporting with digital marketing. Through its fintech initiatives, HBX Group is optimising profit by reducing costs related to payment processing and increasing other income.

HBX Group will undertake certain transactions as part of a corporate reorganisation (the "**Proposed Reorganisation**") to be effected after registration of this Prospectus and execution of the Underwriting Agreement (as defined below), and prior to the listing of the Shares (including the Offer Shares) on the Spanish Stock Exchanges ("**Admission**"). Pursuant to the Proposed Reorganisation, the Company, certain companies within HBX Group, the shareholders of HBG Ltd, the holders of Shareholder Loan Notes in HNVR Topco and the holders of Preference Shares in HNVR Topco are parties to a reorganisation deed dated 18 December 2024 (the "**Reorganisation Deed**"), under which each of the parties has agreed to take certain actions as part of a corporate reorganisation pursuant to which the Company will become the parent company of HBX Group.

As of the date of this Summary, the Company's share capital is 57,100.01 and is divided into 1 ordinary share with a nominal value of €0.01, and 57,100 redeemable non-voting preference shares, each with a nominal value of €1.00, which are fully paid up. Following the completion of the Proposed Reorganisation, the Company's issued share capital will amount to €1,800,000 divided into 180,000,000 Shares, each with a par value of €0.01 and belonging to a single class.

For the purposes of the management reinvestment, the Company will issue between 4,370,294 and 4,111,829 Shares in exchange for cash at a price per Share equal to the Offering Price (based on an Offering Price at the lower and upper ends of the Offering Price Range, respectively), resulting in an issued share capital ranging from €1,843,702.94 to €1,841,118.29, divided into 184,370,294 and 184,111,829 Shares, respectively, immediately before the Offering. These newly issued Shares will not form part of the New Offer Shares.

The following table sets forth certain information with respect to the ownership (and voting rights) of the Shares (i) immediately prior to the Offering and assuming the Proposed Reorganisation has been completed; and (ii) upon completion of the Offering, assuming that all the Existing Offer Shares are sold in the Offering, full exercise/no exercise of the Over-allotment Option and that the number of New Offer Shares is between 69,047,619 and 58,000,000, which is the number of New Offer Shares required to raise gross proceeds of approximately €725 million, in each case, assuming an Offering Price at the lower and upper ends of the Offering Price Range, respectively.

	Immediately prior to the Offering[(1)]		**Upon completion of the Offering (assuming an Offering Price at the lower and upper ends of the Offering Price Range)**			
			Assuming no exercise of Over-allotment Option and sale/subscription of all the Offer Shares		**Assuming full exercise of Over-allotment Option and sale/subscription of all the Offer Shares**	
Shareholder	**Lower end**	**Upper end**	**Lower end**	**Upper end**	**Lower end**	**Upper end**
Cinven[(2)]	37.62%	37.99%	27.05%	28.55%	25.33%	27.01%
CPPIB[(3)]	37.62%	37.99%	27.05%	28.55%	25.33%	27.01%
Kiwi Feeder [(4)]	16.71%	15.80%	12.01%	11.87%	11.25%	11.23%
The Foundation[(5)]	1.52%	1.44%	1.11%	1.10%	1.11%	1.10%
Richard Solomons[(6)]	0.19%	0.20%	0.14%	0.15%	0.14%	0.15%
Nicolas Huss[(6)]	0.83%	0.74%	0.60%	0.56%	0.60%	0.56%
Certain members of the Executive Committee[(6)]	1.12%	1.06%	0.81%	0.80%	0.81%	0.80%
Other shareholders[(7)]	4.39%	4.77%	3.20%	3.63%	3.20%	3.63%
Public (other free float)	—	—	28.04%	24.78%	32.24%	28.50%
Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Free float[(8)]	—	—	33.15%	30.31%	37.36%	34.03%

Notes

(1) Assuming the Share-for-Share Exchange, the Management Selldown and the Management Reinvestment in the context of the Proposed Reorganisation have been completed.

*(2) Through Prometheus Aggregator S.à r.l., which is wholly-owned by Fifth Cinven Fund (No. 1) Limited Partnership, Fifth Cinven Fund (No. 2) Limited Partnership, Fifth Cinven Fund (No. 3) Limited Partnership, Fifth Cinven Fund (No. 4) Limited Partnership, Fifth Cinven Fund (No. 5) Limited Partnership, Fifth Cinven Fund (No. 6) Limited Partnership (together referred to as the "**Fifth Cinven Fund**"), Fifth Cinven Fund Co-Investment Partnership and Fifth Cinven Fund FCP-SIF. No investors directly or indirectly own a 25% or more equity interest in the Fifth Cinven Fund. The Fifth Cinven Fund is controlled by its general partner Cinven Capital Management (V) Limited Partnership Incorporated, which in turn is controlled by its general partner Cinven Capital Management (V) General Partner Limited.*

(3) CPPIB is a federal Crown corporation established pursuant to the Canada Pension Plan Investment Board Act, which is not controlled by any other person or entity.

(4) Kiwi Feeder is indirectly controlled by EQT VII, which is managed by EQT Fund Management S.à r.l., which is in turn controlled by EQT AB. EQT AB is not controlled by any other person or entity.

(5) Directly as well as through KHS Holding S.à r.l., which is a wholly-owned subsidiary of the Foundation.

(6) These individuals acquired their Shares as part of the Management Reinvestment. All the shares they previously held in HBG Ltd were acquired by them under the Shares Investment Opportunity.

(7) Relates to certain other individual and non-institutional shareholders, including certain former officers and senior employees of the Group who acquired their Shares as part of the Share-for-Share Exchange in the context of the Proposed Reorganisation or, in the case of two individuals who are not members of the Executive Committee, through the Management Reinvestment. All the shares they previously held in HBG Ltd were acquired by them under the Shares Investment Opportunity.

(8) Comprises the shareholdings of the Foundation, certain members of the Executive Committee, other shareholders and public (other free float) as set out in the table.

The Company expects that its Board of Directors (the "**Board**") will consist of the following seven members: (i) Mr. Richard Solomons (Chair); (ii) Mr. Nicolas Huss (Chief Executive Officer); (iii) Mr. Matthew Sabben-Clare (Proprietary Director); (iv) Mr. Jonah Enbar (Proprietary Director); (v) Ms. Sabine Hansen Peck (Independent Director); (vi) Ms. Sabine Bendiek (Independent Director); (vii) Ms. Carla Stent (Independent Director).

PricewaterhouseCoopers LLP, with registered office at 1 Embankment Place, London WC2N 6RH, United Kingdom, registered number in the Companies House OC303525. The *Instituto de Contabilidad y Auditoría de Cuentas* has resolved to register PwC in the Spanish Official Register of Account Auditors (*Registro Oficial de Auditores de Cuentas*), as a third country audit entity, under registration number ST154. The registration will be formalised following admission to trading of the Shares on a Spanish Stock Exchange.

2.2 What is the key financial information regarding the issuer?

As of the date of this Summary, the Company has not presented consolidated financial information. HBG Ltd and the Company believe that using the predecessor accounting method accurately represents the assets, liabilities, revenues, and operating results of the Group as if the Company had been the parent entity of the consolidated group for the past three financial years. Therefore, this method is considered by the Directors of the Company the most suitable accounting approach in accordance with the principles of International Accounting Standard 8, for preparing the consolidated financial information of the Group following the Proposed Reorganisation. HBG Ltd has assessed the Proposed Reorganisation and determined that it does not alter the economic substance of the Group.

As a result, as of the date of this Summary, (i) the information referred to in Annexes 1 and 11 of the Prospectus Delegated Regulation does not fully represent the Company's undertaking accurately, (ii) such inaccuracy affects the ability of investors to make an informed assessment as referred to in Article 6(1) of the Prospectus Regulation, and (iii) additional information relating to an entity other than the Company is needed for investors to make such an informed assessment.

The Company is an issuer of equity securities with a complex financial history for the purposes of Article 18 of the Prospectus Delegated Regulation. In order to accurately represent the Company's undertaking upon Admission and to allow investors to make an informed assessment in accordance with Article 6(1) of the Prospectus Regulation, the historical financial information included in this Prospectus derives, subject to rounding adjustments (i.e., without material adjustment), from the following sets of financial information together with the corresponding management report (in the case of the Special Purpose Consolidated Financial Information, as defined below) and each of their audit and assurance reports which are attached hereto as Annexes I, II and III, respectively:

- the audited historical information of HBG Ltd and its consolidated subsidiaries, which is presented in this Prospectus as of and for each of the years ended 30 September 2022, 2023, and 2024, which has been prepared in accordance with the Standards for Investment Reporting issued by the Financing Reporting Council in the United Kingdom, IFRS-EU and Regulation No 1606/2002 and for the requirements of the Prospectus Delegated Regulation (the "**Special Purpose Consolidated Financial Information**");
- the Company's audited individual financial information for the period from the Company's incorporation (20 December 2023) to 30 September 2024 as prepared under the historical cost convention, on a going concern basis and in accordance with the UK Companies Act 2006 and Financial Reporting Standard 101 Reduced Disclosure Framework ("**FRS 101**") (the "**Company Financial Information**"). FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined by Financial Reporting Standard 100 'Application of financial reporting requirements' ("**FRS 100**") which addresses the financial requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the UK (UK-adopted international accounting standards). For the period being presented and as at the financial statements approval date there are no differences between International Financial Reporting Standards ("**IFRS**") as adopted by the EU and UK-adopted international accounting standards; and
- the Company's unaudited pro forma statement of financial position as at 30 September 2024, that has been prepared in accordance with Annex 20 of the Prospectus Delegated Regulation and approved by the Board (the "**Pro Forma Financial Information**", and together with the Special Purpose Consolidated Financial Information and the Company Financial Information, the "**Financial Information**").

The key financial information below has been extracted from the Special Purpose Consolidated Financial Information.

Summary consolidated Statement of Profit or Loss for the periods indicated

	FY 2022	FY 2023	FY 2024
		(€ millions)	
Revenue from contracts with customers	434	656	693
Operating profit	44	235	260
Loss for the financial year attributable to the parent company	(192)	(75)	(24)
Basic and diluted loss per share (€)	(1.59)	(0.61)	(0.2)

Summary Balance Sheet Information

	As at 30 September		
	2022	2023	2024
		(€ millions)	
Total assets	3,332	3,452	3,434
Total equity	(1,258)	(1,353)	(1,399)
Net Debt[APM]	1,316	1,045	1,071

Summary Cash Flow Statement Information

	FY 2022	FY 2023	FY 2024
		(€ millions)	
Net cash inflow from operating activities	396	461	449
Net cash (outflow) from investing activities	(24)	(29)	(45)
Net cash (outflow) from financing activities	(358)	(258)	(396)

Unaudited Pro Forma Financial Information

With the purpose of illustrating the effects of the Proposed Reorganisation, the Offering and the cash outflows linked to Admission, which mainly derive from payments under certain incentive plans and fees associated with the Offering, the Company has prepared consolidated pro forma financial information as at 30 September 2024, which has been prepared in accordance with Annex 20 of the Prospectus Delegated Regulation.

The Pro Forma Financial Information presents a pro forma statement of financial position as at 30 September 2024. No pro forma income statement has been presented, although the main impacts have been described in the notes to the Pro Forma Financial Information.

The Pro Forma Financial Information included in this Prospectus is based on available information and certain assumptions and estimates that the Group believes are reasonable at the date of preparation of the Pro Forma Financial Information but may differ from actual amounts.

The Pro Forma Financial Information has been prepared by the Board for illustrative purposes as required by the Prospectus Regulation. The Pro Forma Financial Information were prepared using accounting policies which are consistent with those used in the preparation of the Special Purpose Consolidated Financial Information.

The Pro Forma Financial Information has not been prepared in accordance with the Regulation S-X of the U.S. Securities Act, or any generally accepted accounting standards. Neither the assumptions underlying the pro forma adjustments nor the Pro Forma Financial Information have been audited in accordance with any generally accepted auditing standards. The Group's future operating results may differ materially from the amounts set forth in the Pro Forma Financial Information due to various factors, including changes in operating results. Prospective investor should not rely on the Pro Forma Financial Information in making an investment decision.

The pro forma statement of financial position as 30 September 2024 included below has been prepared on the basis of the lower end of the Offering Price Range.

Pro Forma Statement of Financial Position 30 September 2024	**Company**	**HBG Ltd**	**Proposed Reorganisation**	**Management Selldown**	**Management Reinvestment**	**Primary Offering**	**Refinancing**	**Total**
				(€ millions)				
Non-current assets								
Goodwill	-	1,535	-	-	-	-	-	1,535
Other Intangible assets	-	517	-	-	-	-	-	517
Property, plant and equipment	-	10	-	-	-	-	-	10
Investment in an associate	-	32	-	-	-	-	-	32
Other financial assets	-	2	-	-	-	-	-	2
Deferred tax assets	-	20	-	-	-	-	-	20
Trade receivables and other assets	-	9	-	-	-	-	-	9
	-	2,125	-	-	-	-	-	2,125
Current assets								
Trade receivables and other assets	-	608	-	-	-	-	-	608
Income tax recoverable	-	7	-	-	-	-	-	7
Derivatives	-	8	-	-	-	-	-	8
Cash and short-term deposits	-	686		(58)	46	467	(601)	540
	-	1,309	-	(58)	46	467	(601)	1,163
Total assets	-	3,434	-	(58)	46	467	(601)	3,288
Current liabilities								
Trade payables and other liabilities	-	(1,351)	-	-	-	4	-	(1,347)
Income tax payable	-	(21)	-	-	-	-	-	(21)
Interest-bearing loans and lease liabilities	-	(82)	-	-	-	-	64	(18)
Derivatives	-	(4)	-	-	-	-	-	(4)
Provisions for liabilities	-	(28)	-	-	-	23	-	(5)
	-	(1,486)	-	-	-	27	64	(1,395)
Non-current liabilities								
Interest-bearing loans and lease liabilities	-	(1,681)	-	-	-	-	505	(1,176)
Loan notes and preference shares	-	(1,581)	1,581	-	-	-	-	-
Trade payables and other liabilities	-	(34)	-	-	-	-	-	(34)
Deferred tax liabilities	-	(43)	-	-	-	-	-	(43)
Provisions for liabilities	-	(8)	-	-	-	-	-	(8)
	-	(3,347)	1,581	-	-	-	505	(1,261)
Total liabilities	-	(4,833)	1,581	-	-	27	569	(2,656)
Net (liabilities)/assets	**-**	**(1,399)**	**1,581**	**(58)**	**46**	**494**	**(32)**	**632**
Share capital	-	1	1	-	-	1	-	3
Retained earnings	-	(1,525)	-	-	-	-	-	(1,525)
Profit or loss for the year	-	-	-	-	-	(216)	(32)	(248)
Other reserves	-	125	1,580	(58)	46	709	-	2,402
Total shareholders' equity	**-**	**(1,399)**	**1,581**	**(58)**	**46**	**494**	**(32)**	**632**

2.3 What are the key risks that are specific to the issuer?

The most material risk factors specific to the issuer are as follows:

- HBX Group's business is exposed to macroeconomic and geopolitical factors, which may adversely impact consumer spending on travel and the Group's primary source of revenue which depends on hotel bookings.

- The ability of HBX Group to maintain and grow its business may be negatively affected by competition from existing B2B travel distributors, large online marketplaces, direct channels or new participants that seek to enter the market, including aggressive pricing strategies.
- The Group is exposed to risks related to its relationships with suppliers of accommodation and complementary travel products.
- The Group may not be able to successfully implement its strategy.
- The Group's goodwill and other intangible assets, which represented approximately 60% of the Group's assets as at 30 September 2024, may be subject to impairment in the future.
- The Group reported losses of €24 million, €75 million and €192 million in FY 2024, FY 2023 and FY 2022, respectively and had negative equity of €1.4 billion, €1.4 billion and €1.3 billion as at 30 September 2024, 2023 and 2022, respectively.
- Certain payments linked to the Offering will result in significant cash outflows.
- Risks related to indebtedness and interest rate fluctuations.
- The Company's financial condition will undergo significant changes in connection with the Offering.
- Changes in applicable tax laws and regulations, in particular in relation to the taxation of digital services, could materially adversely affect the Group's financial position and results of operations.

3. KEY INFORMATION ON THE SECURITIES

3.1 What are the main features of the securities?

The Offer Shares, which comprise the Initial Offer Shares and, if the Over-allotment Option is exercised in whole or in part, the Over-allotment Shares (see "*1. Introduction and Warnings*" for more information), are ordinary shares of the Company, each with a par value of €0.01, all of the same class and series as the Company's Shares. The Offer Shares are denominated in euro.

The owners will be granted the same economic and voting rights as with respect to the existing ordinary shares of the Company, which are set forth in the UK Companies Act and in the Company's Articles of Association. There are not restrictions on the free transferability of the Company's ordinary shares in the Company's Articles of Association. The ISIN code allocated to the Shares is GB00BNXJB679. There will be no offering, or application for listing, of any other class of shares of the Company.

The Initial Offer Shares will be created pursuant to the UK Companies Act and rank *pari passu* in all respects with the previously existing ordinary shares of the Company including with respect to the right to vote and the right to receive all dividends and other distributions declared, made, or paid on the Company's share capital. Each Share of the Company carries the right to cast one vote at general shareholders' meetings of the Company. There are no restrictions on the voting and transfer rights of the Shares of the Company. In addition, the following rights are inherent to the condition of shareholder of the Company: pre-emptive rights in issues of new shares and bonds or other instruments convertible into or carrying the right to subscribe for new shares in consideration for cash contributions; right to exercise shareholder actions; and information rights. Holders of Shares will also be entitled to the rights and subject to the obligations set forth in the Company's Articles of Association. Upon liquidation of the Company, the holders of Shares will under general law be entitled to participate in any surplus assets in a winding up in proportion to their shareholdings.

As at the date of this Summary, no dividend policy has been approved by the Company. However, following Admission and subject to any applicable legal or statutory requirements and the availability of distributable profits and reserves, the Company is targeting a dividend pay-out ratio of 20% over the Group's consolidated profit after taxation for FY 2026 to FY 2029. The Group anticipates that the impacts of the cash outflows linked to Admission, which mainly derive from payments under certain incentive plans and fees associated with the Offering (the "**Cash Outflows**"), will result in the Group being loss making in FY 2025 and there can be no assurance that the Group will report profits in subsequent financial years, or if it does, that it will be able to sustain profitability on a continuing basis. The Company intends that any excess cash built up by the business will be used to either continue its M&A strategy or continue to decrease its total indebtedness or will be returned to shareholders most likely in the form of special dividends.

3.2 Where will the securities be traded?

The Company expects its Shares (including the Offer Shares) to be admitted to trading on the Spanish Stock Exchanges on or about 12 February 2025 with effective trading through the AQS commencing on or about 13 February 2025 under the ticker symbol "HBX". No application has been made or is currently intended to be made for the ordinary shares of the Company to be admitted to trading on any other stock exchange.

3.3 Is there a guarantee attached to the securities?

No. There is no guarantee attached to the securities.

3.4 What are the key risks that are specific to the securities?

The most material risk factors specific to the Company's ordinary shares are as follows:

- The Offering is dependent on the completion and the timing of the Proposed Reorganisation.
- Certain Selling Shareholders will retain significant interests in, and will continue to exert influence over, HBX Group following the Offering and their interests may differ from or conflict with those of other Shareholders.
- The Company is a holding company with no direct cash generating operations and relies on operating subsidiaries or external financing to provide it with funds necessary to, among other things, pay dividends. The Company will not be able to distribute dividends in FY 2025 and there can be no guarantee that the Company will be able to distribute dividends in the future.
- The issuance of additional debt or equity securities by the Company may dilute all other shareholdings.
- Not all rights available to shareholders under UK law may be available to shareholders.

4. KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC AND/OR THE ADMISSION TO TRADING ON A REGULATED MARKET

4.1 Under which conditions and timetable can I invest in this security?

This Summary and the Offering are only addressed to, and directed at, (a) institutional investors outside the United States (as defined in Regulation S under the U.S. Securities Act); (b) in the United States, QIBs (as defined in Rule 144A under the U.S. Securities Act) that are subscribing for or acquiring securities for their own account or for the account of another QIB; (c) in the United Kingdom, Relevant Persons (as defined in the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005); and (d) in any Member State of the European Economic Area, qualified investors (as defined in the Prospectus Regulation).

The Company and the Selling Shareholders expect that the indicative timetable for the Offering will be as follows:

Event	Estimated Date [(1)]
Approval and registration of this Prospectus with the CNMV	30 January 2025
Commencement of the bookbuilding period	Following approval and registration of this Prospectus with the CNMV
Finalisation of the bookbuilding period	10 February 2025
Setting of the number of Initial Offer Shares, Over-allotment Shares and the Offering Price	10 February 2025
Execution of the Underwriting Agreement	10 February 2025
Commencement of implementation of the remaining steps of the Proposed Reorganisation (no later than)	10 February 2025
Publication of an "inside information notice" (*comunicación de información privilegiada*) with the number of the New Offer Shares, Existing Offer Shares and the Offering Price	10 February 2025
Allocation of Initial Offer Shares to investors (Transaction Date) and publication of any other relevant information notice (*comunicación de otra información relevante*) (no later than)	11 February 2025
Completion of the Proposed Reorganisation (no later than)	12 February 2025
Initial registration of equity interests in respect of all of the Shares in dematerialised book-entry form (including the New Offer Shares) with Iberclear (Initial Registration Time)	12 February 2025
Verification of requirements for Admission by the CNMV (Verification Time), execution of the special stock exchange transaction (*operación bursatil especial*) of the Offering and approval of Admission by the Spanish Stock Exchanges (Operation and Admission Date)	12 February 2025
Start of trading and commencement of Stabilisation Period and of the Over-allotment Option exercise period (on or about)	13 February 2025
Settlement Date (on or about)	13 February 2025
End of Stabilisation Period and the Over-allotment Option (no later than)[(2)]	14 March 2025

Note:

(1) Each of the dates included in the above tentative calendar is subject to change without prior notice. Any change including without limitation, any extension or curtailment of the tentative calendar, will be made public by means of the publication of the corresponding "relevant information notice" (comunicación de otra información relevante) with the CNMV.

(2) The Over-allotment Option will be exercisable, in whole or in part, for a period of 30 calendar days from the date of commencement of trading of the Shares on the Spanish Stock Exchanges.

Assuming that the Share-for-Share Exchange, the Management Selldown and the Management Reinvestment in the context of the Proposed Reorganisation have been completed, the Company's existing shareholders' ownership in the Company upon completion of the Offering would represent (i) 71.96% and 75.22% of the total number of Shares and voting rights at the lower and upper ends of the Offering Price Range, respectively, if the Over-allotment Option is not exercised, and (ii) 67.76% and 71.50% of the Company's total share capital and voting rights at the lower and upper ends of the Offering Price Range, respectively, if the Over-allotment Option is exercised in full, with respect to the ownership percentage they held prior to the Offering.

The following table is for illustrative purposes only and sets forth the estimated expenses payable by the Company in relation to the offer of New Offer Shares, by the Selling Shareholders in relation to the offer of Existing Offer Shares, in each case excluding VAT, and by the Selling Shareholders in relation to the offer of Over-allotment Shares, which shall be added where applicable:

Estimated expenses	**Lower end[(5)]**	**Upper end[(5)]**
	€ millions	
Underwriting commissions New Offer Shares[(1)(2)]	19.9	19.9
Underwriting commissions Existing Offer Shares[(3)]	0.6	0.7
Underwriting commissions Over-allotment Shares[(4)]	3.1	3.1
Iberclear fee, Spanish Stock Exchanges fees and the CNMV fee[(2)]	0.4	0.6
Legal, financial advisory, audit and other expenses[(2)]	25.7	25.7
Total	**49.7**	**50.0**

Notes*:*

(1) Assuming payment of the maximum amount of the discretionary fee to the Managers (excluding VAT)

(2) Payable by the Company.

(3) Payable by the Selling Shareholders. Assuming that (i) 2,000,000 Existing Offer Shares are sold in the Offering at the lower and upper end of the Offering Price Range, respectively; and (ii) payment of the maximum amount of the discretionary fee to the Managers (excluding VAT) is paid.

(4) Payable by the Selling Shareholders. Assuming that (i) the Over-allotment Option has been exercised in full and (ii) that the Over-allotment Shares are sold in the Offering at the lower and upper end of the Offering Price Range, respectively.

(5) Refers to the lower or upper ends of the Offering Price Range, as applicable.

4.2 Who is the offeror and/or the person asking for admission to trading?

The Company and the Selling Shareholders are the offerors of the Offer Shares (see "*1. Introduction and Warnings*" of this Summary for more information) and the Company is the person asking for admission to trading for all the issued and outstanding Shares of the Company on the date of Admission. The Over-allotment Option will be exercisable, in whole or in part, by the Stabilising Manager, acting on behalf of the Managers, for a period of 30 calendar days from the date of Admission.

4.3 Why is this prospectus being produced?

This Prospectus constitutes a prospectus for the purposes of articles 3 and 4 of the Prospectus Regulation. This Prospectus has been approved by the CNMV, as competent authority under the Prospectus Regulation, Law 6/2023, of March 17, on Securities Markets and Investment Services (*Ley del Mercado de Valores y de los Servicios de Inversión*), and the relevant implementing measures in Spain. Such approval and registration relate only to the Offering and the Admission.

The Company and the Selling Shareholders believe that the Offering and the Admission are the natural next steps in the long-term development of the Group. The Offering is expected to provide the Company with a diversified base of international shareholders, access to a lower cost of capital and improved access to public capital markets (including for debt instruments) that could make it easier for the Company to obtain financing to be used for the future growth of the Company. In addition, the Company expects that the Offering will further enhance the Group's brand recognition and prestige as a result of being a listed company. The Existing Offer Shares will also provide an opportunity for the Selling Shareholders to recover part of their investment in the Company and will provide liquidity on the Spanish Stock Exchanges for the Shares held by the Company's shareholders.

The Company intends to use the gross proceeds from the issuance of the New Offer Shares, among other things, to settle in cash the amounts due under certain existing incentive plans and a one-off bonus, which will become payable as a result of the Offering. While the payment of certain amounts in relation to these plans have been provisioned in the Special Purpose Consolidated Financial Information for financial year 2024 (€23.3 million), the settlement of the full amounts payable under such plans and one-off bonus (including all related social security costs) will require the Group to pay approximately €208 million (assuming an Offering Price at the lower and upper end of the Offering Price Range, and including all related social security costs, which are expected to amount to approximately €10 million) in cash to their beneficiaries, thereby reducing the Group's liquidity. The Company expects that this will result in an impact on its consolidated profit and loss account in financial year 2025 of approximately €185 million, which will be recognised as non-underlying costs.

In addition, it is expected that the Company will use part of the gross proceeds from the New Offer Shares (between €58 million (at the lower end of the Offering Price Range) and €107 million (at the upper end of the Offering Price Range) to settle the Deferred Sale Consideration in respect of the sale by certain individuals and non-institutional shareholders of their shares in HBG Ltd to the Company in the context of the Proposed Reorganisation. The Company also expects to receive between €46 million (at the lower end of the Offering Price Range) and €51 million (at the upper end of the Offering Price Range) in cash from the amounts that will be reinvested by certain Directors and senior active employees of the Group who will sell all their shares in HBG Ltd to the Company in exchange for the Deferred Sale Consideration. This reinvestment will amount to between 20% and 75% of their after-tax proceeds (with an average reinvestment of over 50%) resulting from the payment of all applicable Historical LTIPs, the Exit Bonus, the Additional Incentive Bonus and the Deferred Sale Consideration and they will be subject to a lock-up in respect of the subscribed new Shares.

Moreover, the Company will need to pay fees and expenses of the Offering amounting to approximately €50 million, assuming that the discretionary commission to the Managers is paid in full (excluding any applicable VAT) as well as approximately €47 million in accrued interest on debt instruments to be refinanced. The Company also intends to pay the amounts outstanding under the Existing Facilities amounting to €537 million (including costs in an amount of €29 million) to be funded using the remaining part of the gross proceeds from the New Offer Shares as well as available cash.

The net proceeds raised by the Company in the Offering, deducting €50 million in fees and expenses related to the Offering (assuming the discretionary commission to the Managers is paid in full by the Company (excluding any applicable VAT)), will amount to €675 million.

The Company expects that, in addition to the gross proceeds from the New Offer Shares, it will need to use between €129 million (at the lower end of the Offering Price Range) and €173 million (at the upper end of the Offering Price Range) from available cash to fund the Cash Outflows, thereby affecting its liquidity.

The Company's issued share capital following the completion of the Offering will range from €2,534,179.13 to €2,421,118.29, divided into between 253,417,913 and 242,111,829 Shares (assuming an Offering Price at the lower and upper ends of the Offering Price Range, respectively), Assuming the Offering Price is set at the lower end of the Offering Price Range and the Over-allotment Option is exercised in full, the number of Offer Shares in the Offering represents 32.24% of the Company's share capital (28.50% if the Offering Price is set at the upper end of the Offering Price Range). Assuming no exercise of the Over-allotment Option, the number of Initial Offer Shares in the Offering represents 28.04% of the Company's share capital if the Offering Price is set at the lower end of the Offering Price Range and 24.78% if the Offering Price is set at the higher end of the Offering Price Range. If, for whatever reason, the minimum required threshold of distribution of shares for admission to trading on the Spanish Stock Exchanges through the AQS (which, in accordance with Spanish Royal Decree 1310/2005 of November 4, and subject to certain exceptions, involves reaching a free float of at least 25% of the shares admitted to trading) were not to be satisfied, the Company shall request a waiver from said obligation from the CNMV pursuant to article 9.7 of Spanish Royal Decree 1310/2005, of November 4.

The Selling Shareholders expect to raise gross proceeds of between €21,000,000 and €25,000,000 (assuming the Offering Price is set at the lower and upper ends of the Offering Price Range, respectively, the Existing Offer Shares are sold in full and no exercise of the Over-allotment Option; and €132,900,000 or €137,500,000, respectively, if the Existing Offer Shares are sold in full and the Over-allotment Option is exercised in full) from the sale of the Existing Offer Shares in the Offering.

The Company, HBG Ltd, the Selling Shareholders and the Managers are expected to enter into an underwriting agreement (the "**Underwriting Agreement**") with respect to the New Offer Shares being issued by the Company, the Existing Offer Shares being sold by the Selling Shareholders and the Over-allotment Shares (if any) being sold by the Selling Shareholders upon the finalisation of the bookbuilding period (expected to be on or about 10 February 2025). Subject to the satisfaction of certain conditions and on the terms set out in the Underwriting Agreement, each Manager will agree, severally but not jointly, nor jointly and severally, to procure acquirors for, or, failing which, to subscribe for or acquire (as the case may be) such percentage of the total number of Initial Offer Shares as is set forth in the Underwriting Agreement pursuant to its respective quota. There are no material arrangements or conflicting interests to the Offering and/or Admission.

INTRODUCTION

As at 30 September 2024, the Group had €1,528 million outstanding in Shareholder Loan Notes and accrued interest to its shareholders. Interest charged on the Shareholder Loan Notes during FY 2024 totalled €139 million. These Shareholder Loan Notes are divided into several classes but all have substantially the same terms and conditions. Interest is charged on the Shareholder Loan Notes at a rate of 10%. This interest is not paid on a regular basis but is rolled up into the loans until they fall due for repayment. For more information, see sections "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Borrowings—Senior Debt—Shareholder Loan notes*". These financial liabilities, together with the €27 million of Preference Shares' cumulative dividend accumulated, generated €156 million of the Group's total interest costs for FY 2024 (€151 million and €137 million for FY 2023 and FY 2022, respectively), which had a negative impact on the Groups' financial results during FY 2022, FY 2023 and FY 2024, as further explained in sections "*Risk Factors—Risks relating to the Group and its Business—Financial Risks—The Group reported losses of €24 million, €75 million and €192 million in FY 2024, FY 2023 and FY 2022, respectively and had negative equity of €1.4 billion, €1.4 billion and €1.3 billion as at 30 September 2024, 2023 and 2022, respectively*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Description of Key Line Items*".

As further explained in "*Proposed Reorganisation*", after registration of the Prospectus and execution of the Underwriting Agreement and before the time of the initial registration in respect of all of the Shares (including the New Offer Shares) as equity interests in dematerialised book-entry form with Iberclear (the "**Initial Registration Time**"), the holders of the Shareholder Loan Notes will contribute their Shareholder Loan Notes to HBG Ltd in exchange for certain newly-issued shares in HBG Ltd and the Preference Shares will be redeemed and the holders of such Preference Shares will use the redemption proceeds to subscribe for certain newly-issued shares in HBG Ltd. Subsequently, such shares in HBG Ltd will be exchanged for Shares. In addition, concurrently with the Offering, the Group will refinance all its existing indebtedness incurred under the Existing Senior Facilities Agreement (see section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Borrowings—Senior debt—Existing Senior Facilities Agreement*") and cancel the facilities available under the Existing Senior Facilities Agreement (the "**Refinancing**"). The Group believes that the reduction in interest costs following the contribution of the Shareholder Loan Notes and the redemption of the Preference Shares, together with the Refinancing, will have a significant positive effect on its financial results going forward since the Shareholder Loan Notes and Preference Shares will be repaid or redeemed as part of the Proposed Reorganisation (in particular, as further explained in section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Comparability of Results—Proposed Reorganisation*", the Proposed Reorganisation will primarily have an impact on the Group's "Interest on Shareholder Loan Notes" and "Senior debt and other finance costs" line items). However, the Group anticipates that the impacts of the cash outflows linked to Admission, which mainly derive from payments under certain incentive plans (see section "*Risk Factors—Risks relating to the Group and its Business—Financial Risks—Certain payments linked to the Offering will result in significant cash outflows*") and fees and costs associated with the Offering (in particular, the Company intends to use these gross proceeds for (i) the payment of approximately €208 million (assuming an Offering Price at the lower and upper end of the Offering Price Range, and including all related social security costs, which are expected to amount to approximately €10 million) under the Additional Incentive Bonus, the Exit Bonus, the €1 million exit bonus described in "*Management and Board of Directors—Compensation—Executive Committee compensation*", the Historical LTIPs, the EIP and the Roiback LTIPs; (ii) the payment of between €58 million and €107 million to settle the Deferred Sale Consideration in respect of the Management Selldown; (iii) the payment of fees and expenses of the Offering amounting to €50 million (assuming the discretionary commission to the Managers is paid in full by the Company (excluding any applicable VAT)) as well as the payment of €47 million in accrued interest on debt instruments to be refinanced; and (iv) payments of the amounts due in the context of the Refinancing comprising the repayment of amounts outstanding under the Existing Facilities amounting to €537 million to be funded using the remaining part of the gross proceeds from the New Offer Shares as well as available cash) ((i) through (iv), collectively, the "**Cash Outflows**"), will result in the Group being loss making in FY 2025 and there can be no assurance that the Group will report profits in subsequent financial years, or if it does, that it will be able to sustain profitability on a continuing basis.

As further described in section "*Proposed Reorganisation*", pursuant to the Proposed Reorganisation, the Company, certain companies within HBX Group, the shareholders of HBG Ltd, the holders of Shareholder Loan Notes in HNVR Topco and the holders of Preference Shares in HNVR Topco Limited ("**HNVR Topco**") entered into, or, in relation to certain individual shareholders of HBG Ltd, subsequently adhered to, the Reorganisation Deed (as defined below), under which, each of the parties have agreed to take certain actions as part of a corporate reorganisation to be effected after registration of this Prospectus and execution of the Underwriting Agreement, and before the Initial Registration Time.

For legal, regulatory and operational reasons, the Company has decided to limit the sale of Shares in the Offering to the Selling Shareholders (see section "*Principal and Selling Shareholders*").

In order to allow certain Directors, officers, directors of HBG Ltd, members of the Executive Committee and active and former senior employees of HBX Group as well as other non-institutional shareholders who acquired their shares in HBG Ltd under the Shares Investment Opportunity (see section "*Related Party Transactions—Shares Investment Opportunity*") to benefit from the Offering and sell down their shares in HBG Ltd, the Reorganisation Deed enables these persons to transfer their shares in HBG Ltd to the Company before the Initial Registration Time for a consideration calculated by reference to the Offering Price (approximately €58 million and €107 million, assuming an Offering Price at the lower and upper end of the Offering Price Range, respectively) which will be left outstanding until after Admission, to be paid by the Company using proceeds from the Offering (the "**Deferred Sale Consideration**"). See section "*Proposed Reorganisaton—Pre-Admission steps*".

To that end, the Company:

- has agreed a mechanism under the Reorganisation Deed that mirrors a structure, in which the active and former managers had exchanged all or part of their shares in HBG Ltd for Shares and subsequently participated in the Offering by selling Shares as additional selling shareholders; and
- has defined the size of the primary tranche of the Offering in order to ensure that (i) the gross proceeds from the sale of the New Offer Shares are sufficient to cover the Company's payment obligations under the Deferred Sale Consideration and (ii) it still achieves, together with the Refinancing, its post-Offering target of Adjusted Net Debt to Adjusted EBITDA^{APM} of approximately 2.5x or to 1.9x excluding working capital adjustments to Adjusted Net Debt^{APM}. See section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures*" for an explanation and reconciliation of Adjusted Net Debt to Adjusted EBITDA^{APM}.

Therefore, the mechanism envisaged to facilitate the sell-down of HBG Ltd shares described above is essentially a secondary sale of certain individuals and non-institutional shareholders facilitated by the Company through the raising of primary proceeds in the Offering specifically aimed at paying the Deferred Sale Consideration approximately €58 million and €107 million, assuming an Offering Price at the lower and upper end of the Offering Price Range, respectively).

While certain individuals and non-institutional shareholders will be able to sell to the Company 100% of the shares they hold in HBG Ltd in exchange for Deferred Sale Consideration, the remaining individuals and non-institutional shareholders will only be able to sell a number of shares in HBG Ltd to the Company that is *pro rata* to the number of Existing Offer Shares to be sold by Prometheus Aggregator and CPPIB in the Offering over the aggregate number of Shares held by such Selling Shareholders immediately prior to such sale. The remainder of their HBG Ltd shares will then be exchanged for Shares. See section "*Proposed Reorganisaton—Pre-Admission steps*".

Additionally, the Chair of the Board, seven members of the Executive Committee (including the Chief Executive Officer) and two senior managers will reinvest in the Company before the Initial Registration Time by subscribing for Shares (newly issued at this stage) at the Offering Price against an undertaking to pay the subscription price following Admission. This reinvestment will amount to between 20% and 75% of their after-tax proceeds (with an average reinvestment of over 50%) resulting from the payment of all applicable Historical LTIPs, the Exit Bonus, the Additional Incentive Bonus and the Deferred Sale Consideration (see section "*Proposed Reorganisation—Pre-Admission steps*") and they will be subject to a lock-up in respect of the subscribed new Shares. See section "*Plan of Distribution—Lock-up—Directors and Executive Committee lock-up*". These newly issued Shares do not form part of the New Offer Shares.

The table below sets forth a detailed description of the proceeds that are expected to be received by the Chair of the Board and the members of the Executive Committee (including the Chief Executive Officer) as a result of the payment of all applicable Historical LTIPs, the Exit Bonus, the Additional Incentive Bonus and the Deferred Sale Consideration (both on a gross and after-tax basis) as well as the amounts they will reinvest for newly-issued Shares before the Initial Registration Time:

	Deferred Sale Consideration		Historical LTIPs		Exit Bonus	Additional Incentive Bonus	Gross proceeds from Deferred Sale Consideration, Historical LTIPs, Exit Bonus and Additional Incentive Bonus		After-tax proceeds from Deferred Sale Consideration, Historical LTIPs, Exit Bonus and Additional Incentive Bonus(1)		Amount to be reinvested	
	Lower end(2)	Upper end(2)	Lower end(2)	Upper end(2)			Lower end(2)	Upper end(2)	Lower end(2)	Upper end(2)	Lower end(2)	Upper end(2)
							(in millions) (unaudited)					
Richard Solomons(3)	€1.6	€3.7	€2	€1.4	€1	€5.7	€10.3	€11.8	€4.9	€6.2	€3.7	€4.7
Nicolas Huss(4)	€17.5	€23.4	—	—	—	€32.8	€50.3	€56.2	€21.3	€22.8	€16	€17.1
Executive Committee members(5)	€8.7	€20	€14.1	€12	—	€43.9	€66.7	€75.8(6)	€35.8	€40.4	€21.6	€24.3

Notes:

(1) Estimated amounts calculated on the basis of the circumstances and legislation in force at the date of approval of this Prospectus. Included for illustrative purposes only.

(2) Refers to the lower and upper end of the Offering Price Range, respectively.

(3) Richard Solomons is the Chair and non-executive Director.

(4) Nicolas Huss is the Chief Executive Officer and member of the Executive Committee.

(5) The current remaining members of the Executive Committee excluding the Chief Executive Officer.

(6) €0.1 million difference due to rounding.

The tables below set out (i) the Group's capitalisation and indebtedness on an actual basis as at 30 November 2024 derived from HBG Ltd's consolidated unaudited management accounts, (ii) the adjustments to reflect the effects of the Share-for-Share Exchange and the Management Selldown, (iii) the adjustments to reflect the Management Reinvestment; (iv) the adjustments to reflect the gross primary proceeds of the Offering, (v) the adjustments to reflect all the payments to be made using the gross primary proceeds of the Offering (i.e., the payments of the Historical LTIPs, the Roiback LTIPs, the EIP, the Additional Incentive Bonus, the Exit Bonus, the payment to settle the Deferred Sale Consideration, the fees and expenses of the Offering, the accrued interest on debt instruments to be refinanced and the Refinancing), and (vi) the Group's capitalisation and indebtedness, reflecting the adjustments in (ii) to (v) above. These adjustments have been prepared in accordance with the accounting policies that are applicable to the Group. The information in the tables below is consistent with the accounting policies applicable to the Group and should be read in conjunction with, and is qualified by reference to, the sections titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Proposed Reorganisation*" and the Financial Information included in this Prospectus.

Capitalisation

The table below sets out the capitalisation of the Group as at 30 November 2024 on an actual basis and as adjusted:

	As at 30 November 2024									
	Actual[(1)]	**Adjustments for the Share-for-Share Exchange and the Management Selldown[(2)]**		**Adjustments for the Management Reinvestment[(3)]**		**Adjustments for the gross primary proceeds of the Offering[(4)]**	**Adjustments for the payments to be made using the gross primary proceeds of the Offering and available cash [(5)]**		**As adjusted for the Share-for-Share Exchange and the Management Selldown, the Management Reinvestment, the gross primary proceeds of the Offering and the payments to be made using the gross primary proceeds of the Offering and available cash**	
		Lower end[(6)]	**Upper end[(6)]**	**Lower end[(6)]**	**Upper end[(6)]**		**Lower end[(6)]**	**Upper end[(6)]**	**Lower end[(6)]**	**Upper end[(6)]**
						(€ millions) (unaudited)				
Total current debt	**37**	—	—	—	—	—	**(15)**	**(15)**	**22**	**22**
Guaranteed	—	—	—	—	—	—	—	—	—	—
Secured	15	—	—	—	—	—	(15)	(15)	—	—
Unguaranteed/unsecured	22	—	—	—	—	—	—	—	22	22
Total non-current debt[(7)]	**3,290**	**(1,608)**	**(1,608)**	—	—	—	**(507)**	**(507)**	**1,175**	**1,175**
Guaranteed	—	—	—	—	—	—	—	—	—	—
Secured	1,678	—	—	—	—	—	(507)	(507)	1,171	1,171
Unguaranteed/unsecured	1,612	(1,608)	(1,608)	—	—	—	—	—	4	4
Shareholders' equity	**(1,355)**	**1,550**	**1,501**	**46**	**51**	**725**	**(259)**	**(259)**	**707**	**663**
Share capital	1	1	1	—	—	1	—	—	3	3
Legal reserve	—	—	—	—	—	—	—	—	—	—
Other reserves[(8)]	(1,356)	1,549	1,500	46	51	724	(259)	(259)	704	660
Total	**1,972**	**(58)**	**(107)**	**46**	**51**	**725**	**(781)**	**(781)**	**1,904**	**1,860**

Notes*:*

(1) *Information extracted from HBG Ltd's consolidated unaudited management accounts as at 30 November 2024. Opening position at 30 November 2024 is based on the consolidated financial statements of HBG Ltd. Following completion of the Proposed Reorganisation, the Company will become the parent company of the Group and, therefore, the end position represents the consolidation at the level of the Company.*

(2) *Assuming the completion of the Share-for-Share Exchange pursuant to the Proposed Reorganisation (see "Proposed Reorganisation"), including (i) the contribution of the Shareholder Loan Notes by their holders for newly-issued shares in HBG Ltd and the redemption of the Preference Shares and the subsequent subscription by the holders of the Preference Shares for newly-issued shares in HBG Ltd and the subsequent exchange of all such newly-issued shares in HBG Ltd for Shares (based on the carrying value of the Shareholder Loan Notes and Preference Shares at 30 November 2024) as well as the exchange by the other shareholders of HBG Ltd of their shares in HBG Ltd for newly-issued Shares (resulting in an aggregate of 180 million newly-issued Shares) and (ii) the payment of between €58 million and €107 million (assuming an Offering Price at the lower and upper end of the Offering Price Range, respectively) to settle the Deferred Sale Consideration payable in relation to the Management Selldown. The Management Selldown impacts other reserves as it represents a payment at market value, whereas the Share-for-Share Exchange is performed at book value. Differential between lower end adjustment included in the Pro Forma Financial Information relates to an increase in the book value of shareholder loan notes and preference shares of €27 million representing accrued interest for the two months ending 30 November 2024.*

(3) *Assuming the reinvestment in cash by the Chair of the Board, seven members of the Executive Committee (including the Chief Executive Officer) and two senior managers by subscribing for newly issued Shares in an amount equal to between €46 million and €51 million (assuming an Offering Price at the lower and upper end of the Offering Price Range, respectively).*

(4) *Assuming gross sale proceeds for the Company in the Offering of €725 million, of which €1 million is recognised in the share capital account and €724 million as share premium.*

(5) *Assuming the amounts due under the Refinancing comprising the repayment of amounts outstanding under the Existing Facilities amounting to €522 million, representing the current principal amount of €1,708 million to be repaid plus accrued interest at 30 November of €15 million, less capitalised fees and debt modifications to be released to the profit and loss account on extinguishment of the existing debt totalling €30 million, minus proceeds from the new Senior Facilities Agreement totalling €1,200 million less fees of €29 million. The adjustment of €259 million to reserves relates to amounts paid in relation to incentives of €208 million (assuming an Offering Price at the lower and upper end of the Offering Price Range, and including all related social security costs, which are expected to amount to approximately €10 million), costs related to the Offering totalling €50 million, capitalised fees and debt modifications released on extinguishment of the existing debt totalling €30 million, less amounts accrued in relation to costs of the Offering and incentive plans at 30 November 2024 of €6 million and €23 million respectively. Differences between the adjustments included in this table and those in the Pro Forma Financial Information against secured debt relate to amortisation of capitalised fees of €2 million between for the two months ending 30 November 2024 and the movement on the interest accrual on secured debt from €64 million at 30 September 2024 to €15 million at 30 November 2024, following an interest repayment made in October 2024 and subsequent accrual of interest to 30 November 2024. Differences between the adjustments included in this table and those in the Pro Forma Financial Information in relation to reserves relate to a reduction in the cost of extinguishment of debt due to amortisation of capitalised fees of €2 million for the two months ending 30 November 2024, and a €2 million increase in the accrual for costs related to the Offering between the two periods.*

(6) *Refers to an Offering Price at the lower or upper ends of the Offering Price Range.*

(7) *See section "Management's Discussion and Analysis of Financial Condition and Results of Operations—Borrowings" for a description of the guarantees and types of assets used to secure the Group's debt.*

(8) *Other reserves at 30 November 2024 comprise accumulated losses at 1 October 2023 of €1,501 million (30 September 2024 per Pro Forma Financial Information : €1,525 million), share premium account of €136 million (30 September 2024: €136 million) and hedging and translation reserves totalling €9 million (30 September 2024: -€11 million), as included in "other components of equity" in the consolidated statement of financial position in the Special Purpose Consolidated Financial Information.*

Indebtedness

The table below sets out the net indebtedness of the Group as at 30 November 2024 on actual basis and as adjusted:

		As at 30 November 2024									
		Actual[1]	**Adjustments for the Share-for-Share Exchange and the Management Selldown[2]**		**Adjustments for the Management Reinvestment[3]**		**Adjustments for the gross primary proceeds of the Offering[4]**	**Adjustments for the payments to be made using the gross primary proceeds of the Offering and available cash [5]**		**As adjusted for the Share-for-Share Exchange and the Management Selldown, the Management Reinvestment, the gross primary proceeds of the Offering and the payments to be made using the gross primary proceeds of the Offering and available cash**	
			Lower end[6]	**Upper end[6]**	**Lower end[6]**	**Upper end[6]**		**Lower end[6]**	**Upper end[6]**	**Lower end[6]**	**Upper end[6]**
							(€ millions) (unaudited)				
A.	Cash	462	(58)	(107)	46	51	725	(842)	(842)	333	289
B.	Cash equivalents[7]	—	—	—	—	—	—	—	—	—	—
C.	Other current financial assets	7	—	—	—	—	—	—	—	7	7
D.	**Liquidity (A) + (B) + (C)[8]**	**469**	**(58)**	**(107)**	**46**	**51**	**725**	**(842)**	**(842)**	**340**	**296**
E.	Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	22	—	—	—	—	—	—	—	22	22
F.	Current portion of non-current financial debt	15	—	—	—	—	—	(15)	(15)	—	—
G.	**Current financial indebtedness (E) + (F)**	**37**	**—**	**—**	—	—	**—**	**(15)**	**(15)**	**22**	**22**
H.	**Net current financial indebtedness (G) – (D)**	**(432)**	**58**	**107**	**(46)**	**(51)**	**(725)**	**827**	**827**	**(318)**	**(274)**
I.	Non-current financial debt (excluding current portion and debt instruments)	1,682	—	—	—	—	—	(507)	(507)	1,175	1,175
J.	Debt instruments	1,608	(1,608)	(1,608)	—	—	—	—	—	—	—
K.	Non-current trade and other payables	—	—	—	—	—	—	—	—	—	—
L.	**Non-current financial indebtedness (I) + (J) + (K)**	**3,290**	**(1,608)**	**(1,608)**	**—**	**—**	**—**	**(507)**	**(507)**	**1,175**	**1,175**
M.	**Total financial indebtedness (H) + (L)**	**2,858**	**(1,550)**	**(1,501)**	**(46)**	**(51)**	**(725)**	**320**	**320**	**857**	**901**

Notes*:*

(1) *Information extracted from HBG Ltd's consolidated unaudited management accounts as at 30 November 2024. Opening position at 30 November 2024 is based on the consolidated financial statements of HBG Ltd. Following completion of the Proposed Reorganisation, the Company will become the parent company of the Group and, therefore, the end position represents the consolidation at the level of the Company.*

(2) *Assuming the completion of the Share-for-Share Exchange pursuant to the Proposed Reorganisation (see "Proposed Reorganisation"), including (i) the contribution of the Shareholder Loan Notes by their holders for newly-issued shares in HBG Ltd and the redemption of the Preference Shares and the subsequent subscription by the holders of the Preference Shares for newly-issued shares in HBG Ltd and the subsequent exchange of all such newly-issued shares in HBG Ltd for Shares (based on the carrying value of the Shareholder Loan Notes and Preference Shares at 30 November 2024) as well as the exchange by the other shareholders of HBG Ltd of their shares in HBG Ltd for newly-issued Shares (resulting in an aggregate of 180 million newly-issued Shares) and (ii) the payment of between €58 million and €107 million (assuming an Offering Price at the lower and upper end of the Offering Price Range, respectively) to settle the Deferred Sale Consideration payable in relation to the Management Selldown. Differential between lower end adjustment included in the Pro Forma Financial Information relates to an increase in the book value of shareholder loan notes and preference shares of €27 million representing accrued interest for the two months ending 30 November 2024.*

(3) *Assuming the reinvestment in cash by the Chair of the Board, seven members of the Executive Committee (including the Chief Executive Officer) and two senior managers by subscribing for newly issued Shares in an amount equal to between €46 million and €51 million (assuming an Offering Price at the lower and upper end of the Offering Price Range, respectively).*

(4) *Assuming gross sale proceeds for the Company in the Offering of €725 million.*

(5) *Assuming the payment of €208 million (assuming an Offering Price at the lower and upper end of the Offering Price Range, and including all related social security costs, which are expected to amount to approximately €10 million) under the Additional Incentive Bonus (see section "Management and Board of Directors—Incentive Plans—Extraordinary incentives and awards"), the Historical LTIPs (see section "Management and Board of Directors—Incentive Plans—Historical incentive plans to be liquidated upon Admission"), the Exit Bonus (see section "Management and Board of Directors—Compensation—Board Compensation—Compensation of non-executive Directors for the performance of their general role as Directors"), the €1 million exit bonus described in "Management and Board of Directors—Compensation—Executive Committee compensation", the EIP and the Roiback LTIPs (see section "Business—Employees & Culture"); the payment of fees and expenses of the Offering amounting to approximately €50 million (assuming the discretionary commission to the Managers for the New Offer Shares is paid in full by the Company (excluding any applicable VAT)); and the amounts due under the Refinancing amounting to €537 million, comprising repayment of the principal amount of €1,708 million,) less proceeds from the new Facility of €1,171 million after netting costs in an amount of €29 million), to be funded using the remaining gross proceeds from the New Offer Shares as well as available cash, plus approximately €47 million in accrued interest on debt instruments to be refinanced (based on the accrual at the date of refinancing). The difference between the cash movements at the lower end compared to the Pro Forma of €17 million are due to the Pro Forma Financial Information being based on 30 September 2024 interest accrual position of €64 million, whereas the Indebtedness table above shows the anticipated cash outflow to be made at the point of refinancing of €47 million. Differences between the movement in the current portion of non-current financial debt in the Indebtedness table compared to the Pro Forma of €49 million relate to the movement in the accrued interest from €64 million at 30 September 2024 to €15 million at 30 November 2024, following an interest repayment made in October 2024 and subsequent accrual of interest to 30 November 2024. Differences between the adjustment included in the Pro Forma Financial Information against secured debt relate to amortisation of capitalised fees of €2 million for the two months ending 30 November 2024.*

(6) *Refers to an Offering Price at the lower or upper ends of the Offering Price Range.*

(7) *Cash at bank and in hand, short-term deposits with an original maturity of less than three months and bank overdrafts*

(8) *At 30 November 2024, the main sources of liquidity of the Group were comprised by cash in bank (€462 million), the undrawn revolving credit facility from lenders of €157 million under the Existing Facilities Agreement and €116 million of other undrawn committed credit facilities). Cash and cash equivalents include €40 million that is held in specific bank accounts of HBX Group as guarantees to third parties to support bilateral lines of credit as at 30 November 2024. These deposits are highly liquid and can be recovered on demand.*

RISK FACTORS

Any investment in the Offer Shares is subject to a number of risks. Prior to investing in the Offer Shares, prospective investors should carefully consider the risks and uncertainties described below, together with all other information contained in this Prospectus. Prospective investors should carefully read and review the entire Prospectus and should form their own views before making an investment decision with respect to any Offer Shares. Furthermore, before making an investment decision with respect to any Offer Shares, prospective investors should consult their own professional adviser and should consider carefully whether an investment in the Offer Shares is suitable for them in the light of the information in this Prospectus and their personal circumstances.

Prospective investors should note that the risks relating to the Group, its industry and the Offer Shares described in this section of this Prospectus are the risks that the Company believes to be the most material to an assessment by a prospective investor of whether to consider an investment in the Offer Shares. Because the risks to which the Group is exposed relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider, in addition to the information about the principal key risks summarised in the section of this Prospectus headed "Summary", the risks and uncertainties described below, which the Company considers to be material risks and uncertainties of the Group's business, industry and the Shares. However, they are not the only risks and uncertainties relating to the Group and the Shares. Additional risks and uncertainties relating to the Group that are not currently known to the Group, or that the Group currently deems immaterial or insufficiently specific to the Shares or the Group for inclusion in this Prospectus, may individually or cumulatively also have a significant negative impact on the Group's business, results of operations, financial condition and/or prospects and may also cause the price of the Shares to decline and cause investors to lose all or part of their investment in the future.

An investment in the Offer Shares involves complex financial risks and is suitable only for investors who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom.

This Prospectus also contains forward-looking statements that involve risks and uncertainties. Actual results could differ materially from those anticipated in such forward-looking statements as a result of certain factors, including the risks faced by the Group, described below (see sections "Important Information" and "Presentation of Financial Information and Other Important Notices—Forward-Looking Statements" in particular).

The Group may face a number of the risk factors described below simultaneously and some risks described below may be interdependent, indicated in cross-references where appropriate. Although the most material risk factors have been presented first within each category, the order in which the remaining risks or the categories themselves are presented is not an indication of the likelihood of the risks actually materialising, of the potential significance of the risks or of the scope of any potential negative impact to the Group's business, results of operations, financial condition and prospects. While the risk factors below have been divided into categories, some risk factors could belong in more than one category and prospective investors should carefully consider all of the risk factors set out in this section.

(I) RISKS RELATING TO THE GROUP AND ITS BUSINESS

A. INDUSTRY RELATED RISKS

A.1 *HBX Group's business is exposed to macroeconomic and geopolitical factors, which may adversely impact consumer spending on travel and the Group's primary source of revenue which depends on hotel bookings.*

HBX Group's financial results and prospects are almost entirely dependent on the sale of travel products, such as hotel accommodation and complementary travel products, which depend on discretionary spending levels. In addition, the majority of the Group's revenue is derived from hotel bookings, with its Accommodation product line accounting for 88%, 88% and 86% of its revenue in FY 2024, FY 2023 and FY 2022, respectively. As such, the Group inherently faces the volatility risk of this sector to external factors, which could have an impact on the operations of the whole Group.

Demand for travel products often declines during periods of perceived or actual adverse economic conditions and times of political or economic uncertainty as end consumers engage in less discretionary spending, are concerned about unemployment or inflation, have reduced access to credit, or experience other concerns or effects that reduce their ability or willingness to travel. A weak or uncertain macroeconomic environment, high or increasing inflation (including in relation to energy prices), recession, increasing unemployment rates or increases in interest rates, direct or indirect taxes, stagnant or declining wages or the cost of living, or the perception that any of the foregoing could occur, could have an adverse impact on end consumers' disposable income or spending and therefore could cause a significant reduction in demand and/or result in lower pricing trends for travel and tourism as end consumers may reduce or eliminate their spending on travel or opt for alternative lower-cost substitutes. Historically, lower occupancy rates have resulted in accommodation providers increasing their distribution of accommodation reservations through B2B travel marketplaces, such as the Group, or other B2B travel distributors. However, during periods of economic and political uncertainty, HBX Group has experienced volatility in transaction growth rates, increased cancellation rates, and weaker pricing trends, which the Group believes were due at least in part to these macroeconomic conditions and concerns. Lower pricing trends in the Group's business generally have a negative effect on HBX Group's Accommodation product line in terms of Take Rate^{APM} and on its revenues and results of operations. See section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures—Take Rate^{APM}*" for an explanation and reconciliation of Take Rate^{APM}.

Moreover, there are multiple global factors over which the Group has no control, including pandemics or other health emergencies, war or military conflicts, such as the Russia-Ukraine or Middle East conflicts, but which could impact the Group's end consumers' willingness to travel and, depending on the scope and duration, cause a significant decline in travel volumes. See "*—The Group's business could be adversely affected by pandemics and other factors beyond the Group's control, such as natural or man-made disasters, acts of war, terrorist attacks and others*" below.

The uncertainty of macroeconomic factors and their impact on consumer behaviour, which may differ across regions, makes it more difficult to forecast industry and consumer trends and the timing and degree of their impact on the Group's markets and business, which in turn could adversely affect HBX Group's ability to effectively manage its business and adversely affect its results of operations. Any deterioration of global economic conditions, such as a recession in major economies, would have an adverse impact on the global travel industry. While, historically, deterioration in certain markets due to macroeconomic conditions has sometimes been offset by stronger outbound/inbound traveller flow from other geographies, particularly when currencies depreciate, any significant deterioration of global economic conditions could result in a decline in volumes of hotel rooms or complementary travel products and may also limit the ability of travel suppliers to increase prices of hotel rooms or complementary travel products, which, in turn, would have an adverse impact on the Group's business.

Any of the above could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

A.2 *Changes in travel patterns and travellers' preferences could adversely affect the Group.*

As the Group's core business is the distribution of hotel rooms through its proprietary cloud-native travel tech platform, any change in travel patterns or travellers' preferences regarding hotel accommodation may adversely affect the Group's business. For example, alternative accommodation businesses, such as "home stay" accommodation offerings or vacation rentals (including Airbnb and Expedia Group, primarily through Vrbo), which represented approximately 25% of the total size of the global lodging market (in terms of total transaction value or "**TTV**" (see section "*Glossary*") during 2023 (*source: Company Industry Sources*), are increasingly competing with hotels for end consumers. In the event the share of such alternative accommodation offerings in the global accommodation market were to grow significantly due to end consumers' increasingly choosing such accommodation options over hotel rooms, this could adversely affect the Group's business as the Group does not currently offer "home stay" or other private rental accommodation through its travel tech platform.

Changes in traveller behaviour, including a shift towards booking hotel rooms directly through hotel websites or using global large online marketplaces, such as Expedia or Booking, that primarily source their inventory directly from hotels, could also have an adverse impact on the Group's business. Changes in travel patterns may also occur as a result of end consumers' environmental concerns. See "—*Environmental Risks—Climate change may have an adverse impact on the Group's business*" below. If the Group were to fail to predict or respond to any such shifts in travel patterns or changing preferences, this could adversely affect the Group's business.

HBX Group is exposed to changes within specific travel markets, as it has a strong supplier footprint in Europe, where 53% of the Group's Accommodation TTV^{APM} (in terms of location of hotels) was generated during FY 2024, with 13% of the Group's Accommodation TTV^{APM} deriving from Spain, 7% from Italy and 5% from the United Kingdom, while the United States accounted for 16%. Additionally, in FY 2024, 47% of the Group's Accommodation TTV^{APM} derived from distribution partners in Europe, with 15% of the Group's Accommodation TTV^{APM} being generated from distribution partners in UK, 11% from distribution partners in Spain and 5% derived from distribution partners in Germany, while the United States accounted for 20%. See section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures—TTV^{APM}*" for an explanation and reconciliation of TTV^{APM}. If trends or changes in travel patterns or end consumers' preferences were to affect particularly those markets in which the Group generates a significant part of its business, this could have an adverse effect on the Group's business.

Any of the above could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

A.3 ***The Group's business could be adversely affected by pandemics and other factors beyond the Group's control, such as natural or man-made disasters, acts of war, terrorist attacks and others.***

Beginning in early 2020, the Covid-19 pandemic and efforts to contain it significantly restricted global economic activity, particularly affecting the travel industry, as governments around the world implemented various measures such as travel restrictions, social distancing measures, curfews, post-travel quarantine requirements, "shelter-in-place" orders, border closures, businesses closures, mask and vaccination mandates and other measures.

The World Bank reported that the Covid-19 pandemic resulted in a loss of 20% of all tourism jobs (62 million) and a U.S.$1.3 trillion decline in export revenue worldwide, leading to a 50% reduction in the industry's contribution to global GDP in 2020. Additionally, according to UN Tourism, international tourist arrivals worldwide fell by 70% from 2019 to 2021, 34% from 2019 to 2022, and 13% from 2019 to 2023. This material adverse impact on the travel and tourism industry also had a material adverse effect on the Group's business and financial performance. For example, while travel and tourism strongly rebounded in 2022 in certain regions, such as the Americas and Europe, FY 2022 was still heavily impacted by Covid-19 in other regions, such as Asia. As a consequence, all of the Group's main financial metrics, such as TTV^{APM}, Adjusted $EBITDA^{APM}$ and cash were adversely affected and had not yet returned to pre-Covid-19 levels. See section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures*" for an explanation and reconciliation of TTV^{APM}.

While the travel industry as a whole has almost completely recovered from Covid-19, with 790 million international travellers during the first seven months of 2024 (i.e., approximately 11% more than in 2023 and only 4% below pre-Covid levels from 2019), according to World Tourism Barometer by UN Tourism, any significant recurrence of Covid-19 due to, for example, new vaccine-resistant variants, or the outbreak of other epidemics or pandemics could cause governments to impose restrictive measures on travel, business and social interactions, adversely affect economic growth and result in a decrease in per capita income and disposable income, higher unemployment or a decline in consumer confidence, all of which could significantly reduce discretionary spending on travel and overall travel volumes. This, in turn, could negatively affect demand for travel products and services, as well as the business and financial condition of the Group's suppliers and distribution partners.

In addition, the global travel industry is highly susceptible to other factors that are entirely outside the Group's control. These include travel-related accidents, such as airplane crashes (whether caused by human or technical defaults or otherwise), incidents of actual or threatened acts of terrorism, political instability (such as anti-government protests), changes in macroeconomic or geopolitical conditions (see "*—HBX Group's business is exposed to macroeconomic and geopolitical factors, which may adversely impact consumer spending on travel and the Group's primary source of revenue which depends on hotel bookings.*" above), changes to visa and immigration requirements or border control policies, bans on travel to and from certain countries, travel strikes or labour unrest, labour shortages, war or military conflict, such as the Russia-Ukraine or Middle East conflicts and concerns about their potential escalation or spread, or other events whereby travellers become concerned about safety issues, including as a result of unusual weather patterns or natural disasters (such as hurricanes, tsunamis, earthquakes or volcanic ash clouds) (see "*—Environmental Risks—Climate change may have an adverse impact on the Group's business*" below), or other human or natural disasters (such as those that may result in exposure to radiation). Any of these factors may disrupt or restrict travel, limit the ability or willingness of travellers to visit certain locations, or otherwise result in a decline in demand for travel offerings, which may adversely affect the Group's business and results of operations. Moreover, due to the seasonal nature of the travel industry, the occurrence of any of the events described above during the peak summer or holiday travel seasons, or when travellers are considering booking their summer vacations, could exacerbate or disproportionately magnify the adverse effects of any such event.

Also, there is growing public discontent with "overtourism", where local communities are increasingly pushing back against the negative impacts of excessive visitor numbers. Certain jurisdictions, regions and cities have instituted regulations intended to address the issues of "overtourism", including by restricting accommodation offerings in city centres or near popular tourist destinations, such as by restricting construction of new hotels in local cities, introducing quota or registration systems, or increasing visitor fees or taxes. Such restrictions could also include limiting the number of tourists permitted to visit and stay near popular areas during peak seasons or as a general matter. While local communities and municipal governments have so far mainly focused on the impact of short-term rentals and cruise ships on popular tourist destinations rather than the hotel sector, any restrictions on visitor numbers generally or the imposition of, or increase in, visitor fees or taxes could adversely affect the Group's business. For example, the Group may experience constraints on the number of room nights actually available via its travel tech platform or could experience a decrease in demand from distribution partners if end consumers cannot book the travel experiences they would like during their trip or if certain destinations become less attractive due to overtourism, leading end consumers to avoid such locations altogether.

Any of the above could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

B. BUSINESS RELATED RISKS

B.1 *The ability of HBX Group to maintain and grow its business may be negatively affected by competition from existing B2B travel distributors, large online marketplaces, direct channels or new participants that seek to enter the market, including aggressive pricing strategies.*

Within the highly competitive travel industry, the Group faces direct competition from both established and emerging B2B travel distributors, B2C travel distributors, including online marketplaces, suppliers' direct channels and technology-focused companies that expand their businesses into the travel market.

HBX Group's key competitors in the B2B accommodation space are Expedia's B2B business (5.9% market share), Web Travel Group (formerly Webbeds, recently de-merged from WebJet) ("**Web Travel Group**") (0.8% market share) and TBO Group (0.5% market share for its hotel & ancillary segment), which, together with HBX Group (2.4% market share), accounted for approximately 10% of the hotel intermediary market (in terms of TTV in 2023) (*source: Company Industry Sources*).

Larger B2B travel distributors typically focus on strengthening their presence in particular regions such as Asia-Pacific and the Middle East to build strong relationships with local travel suppliers. Smaller distributors often try to differentiate themselves through high-touch service in certain regions. These established relationships with distribution partners or suppliers can create barriers for HBX Group in entering certain markets, requiring the Group to expand its on-the-ground commercial teams to forge and maintain partnerships. Additionally, market consolidation among B2B distributors, where, for example, larger companies acquire smaller ones, could intensify competition for the Group and lead to potential loss of market share. The Group's results of operations could be adversely impacted if any of such key competitors of the Group increases their product offering or value proposition in such a way that enables them to compete more effectively with the Group. For example, other B2B travel distributors or B2C travel distributors, including online marketplaces, may offer hotels and other travel players more favourable terms than HBX Group (including as a result of accepting lower operating margins), contract travel products from suppliers on an exclusive basis or have superior technological capabilities or credentials to connect suppliers and distribution partners.

The Group's business may also be affected if online marketplaces (such as online travel agencies and new technology-focused entrants), which accounted for approximately 58% of global hotel intermediary sales in terms of TTV in 2023 (*source: Company Industry Sources*), were to enter, or significantly extend their existing business proposition in the B2B travel ecosystem in such a way that enables them to compete more effectively with the Group. Such online marketplaces may offer hotels and other travel players more favourable terms than HBX Group (including as a result of accepting lower take rates), contract travel products from suppliers on an exclusive basis or have superior technological capabilities or credentials to connect suppliers and distribution partners. For example, both pre-Covid-19 and during the Covid-19 pandemic, Booking.com, Expedia and Trip.com, experienced increased market share due to their online presence, domestic products and limited competition from distributors that closed or suspended their operations during the Covid-19 pandemic. Technology-focused companies (including Google, Amazon and Alibaba, among others), have also periodically undertaken efforts to expand their offerings into the travel market. Search engines and travel metasearch websites, which aggregate travel search results for a specific itinerary across supplier, travel adviser and other websites, increasingly are looking to add direct or assisted booking functionality to their offering. To the extent that such companies or websites direct end consumers to travel suppliers' own websites or source their inventory directly from travel suppliers or from other B2B travel distributors, this could have a material adverse impact on the Group's business and financial performance to the extent that such companies are successful in disintermediating travel distribution through their own offerings or capabilities.

The Group is also exposed to competition from hotels and other travel suppliers to the extent they offer accommodation and other travel products through their direct booking channels. Particularly, large hotel chains have been steadily focusing on increasing online demand on their own websites and mobile applications, which includes offering more favourable terms to end consumers who transact directly with them through favourable rates and rewards programmes for direct bookings. It is estimated that bookings sold via direct channels represented between approximately 65% and 70% of the bookings of global hotel chains (which themselves accounted for approximately 36% of total hotel sales in terms of TTV in 2023), and between approximately 40% and 45% of the bookings of regional hotel chains (which themselves accounted for approximately 26% of total hotel sales in terms of TTV in 2023) (*source: Company Industry Sources*). Any significant increase in hotel rooms sold through direct channels, including as a result of hotels offering more attractive loyalty or rewards programmes, could have a material adverse effect on the Group's Accommodation product line, which could adversely affect the Group's business, prospects, financial condition and results of operations.

There is also a general trend in the travel industry for participants to expand their value chains into adjacent product areas. If travel companies that are currently focused on the distribution of complementary travel products were to add accommodation to their product offering or if B2B travel distributors currently focused on accommodation were to add complementary travel products to their offering, this could adversely affect the Group's revenue, gross profit and market share.

The travel industry's competitive landscape has intensified, particularly after the Covid-19 pandemic, leading to aggressive pricing strategies among competitors, which have become increasingly relevant in the B2B travel market as a key lever to drive volume and market share growth. In FY 2024, a number of the Group's key B2B competitors reduced their margins in order to gain market share, and the Group expects this pressure to continue into FY 2025. Pricing initiatives and aggressive commission strategies taken by competitors could result in HBX Group lowering its prices to stay competitive, facing margin erosion and negatively impacting revenue, gross profit, and HBX Group's overall financial condition.

Some competitors with longer operating histories, larger client bases, greater brand recognition, broader product portfolios, greater access to travel inventories or significantly greater financial, marketing, personnel, technical and other resources are also able to compete with the Group and put pressure on prices, potentially resulting in decreased take rates and reduced revenues in the Group's Accommodation product line. As a result, it is increasingly important for the Group to be able to offer competitive pricing through discounts, loyalty programmes, and flexible cancellation policies or otherwise, as needed. These initiatives have resulted and, in the future, may result in lower revenues generated by the Group. Moreover, the Group's failure to compete effectively on price, efficiency, reliability, security, customer support or other factors upon which its competitors seek to gain market share could erode the Group's market share and have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

In addition, the Group's business also depends on the success of both its travel suppliers and distribution partners, which are also subject to competition and adverse factors affecting them. A loss of market share by accommodation suppliers, particularly regional chains and independents, to global chains or alternative accommodation providers could negatively impact the Group. On the distribution partner side, B2C travel distributors, such as travel advisers and tour operators, face intense competition from online marketplaces and new entrants from technology-based companies, such as Google. These competitors can leverage advanced AI technologies and substantial resources, potentially diminishing the market share of the Group's distribution partners. Additionally, both suppliers and distribution partners are exposed to external factors beyond their control that can negatively affect their businesses. Consequently, any adverse impacts on the Group's suppliers or distribution partners can materially harm the Group's business, prospects, financial condition, and results of operations.

B.2 ***The Group is exposed to risks related to the Group's complementary travel products and services.***

The Group offers highly complementary travel products, such as transfer services, car rentals and travel experiences through its travel tech platform as well as innovative end-to-end tech-driven solutions for both travel suppliers and distribution partners in the fields of hoteltech and is working on expanding its offering in the fintech and insurance space. As a result, the Group is exposed to risks inherent in these product lines. The Group's Mobility & Experiences product line represented 8%, 9% and 9% of the Group's revenue in FY 2024, FY 2023 and FY 2022, respectively; and its Hoteltech product line represented 4% in each of FY 2024, FY 2023 and FY 2022. The Group's Fintech & Insurance product line was launched in January 2023 and represented less than 1% of the Group's revenue in FY 2024.

Mobility & Experiences. The market for complementary travel products is highly fragmented, requiring the Group to source a diverse range of offerings from numerous suppliers across multiple markets. To provide a comprehensive inventory on its travel tech platform, the Group needs to establish and maintain relationships with various types of suppliers, from large international companies to small local businesses, such as car rental firms, transfer providers, and theme park operators, through the adoption of different approaches to negotiating agreements depending on the characteristics of each supplier and category of travel product as well as taking into account the relevant requirements, dynamics and practices of local markets. The Group is exposed to different pricing mechanics that may affect the markets of specific product categories or local markets generally. These pricing mechanics may change as a result of an increase in the number of suppliers offering these products in specific markets or competition affecting suppliers, such as competition for car rental services from ride-sharing apps. The Group is also required to anticipate future demand for the type of travel products it offers and for the destinations where such travel products are sought out by its distribution partners. As a result, the Group's success in its Mobility & Experiences product line is linked to its ability to source different travel products from suppliers at attractive prices to meet the demand of its distribution partners. While the Group's broad inventory of travel products sourced from different suppliers in different destinations across the world mitigates the overall risk to its Mobility & Experiences product line, if any of the above risks were to materialise and affect a specific product category more generally or affect a number of different markets, this could have an adverse impact on its business and on the Group's relationship with its distribution partners or its reputation.

Fintech & Insurance. In order to develop and sell innovative end-to-end payment, financial and insurance solutions to distribution partners and suppliers, the Group has entered into strategic partnerships with third parties on whose performance the Group is reliant. This includes agreements with Battleface which acts as the Group's Insurtech partner to provide the Group with the insurance products to resell and with Mastercard as partner in the Group's virtual credit card ("**VCC**") issuing programme. See "*—Risks Related to Technology—The Group's business relies on a global supply chain of third party service providers*" below. As the Group expands its offering in this area (see "*—The Group is subject to payments-related risks*" below), it may also become subject to additional laws and regulations. The Group faces competition in its Fintech & Insurance product line from specialised financial services companies that may target travel sector participants with their marketing strategies. As a result, distribution partners and suppliers might prefer to purchase fintech solutions directly from their existing banking and insurance providers instead of the Group. If HBX Group fails to develop and sell effective payment, financial, and insurance solutions, it could have a material adverse effect on its business.

Hoteltech. Through this product line the Group assists hotels with optimising their direct online distribution channel. The market for hoteltech is currently undergoing consolidation and there is a risk that larger market participants (including Travelclick, Sabre, Mirai, Paraty, Guestcentric/D-edge, Vertical Booking and Avvio) gain market share more quickly than the Group. In addition, there is a risk that if the direct vs indirect distribution channel sales dynamic in accommodation shifts more toward direct channel sales and significant volumes of rooms that were previously distributed via the Group's travel tech platform were subsequently sold through hotels' direct channels, this could result in a cannibalisation effect with the Group's Accommodation product line. While, as at the date of this Prospectus, due to the growth dynamics of the direct and the indirect distribution channels, with the share of direct distribution through direct channels having consistently decreased over the last ten years except during the Covid-19 pandemic (*source: Company Industry Sources*), and the relatively low volume of the Group's Hoteltech product line, the Group considers the risk of cannibalisation to be moderate, there can be no assurance that such risk will not increase in the future.

Any of the above could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

B.3 ***The Group is subject to payments-related risks.***

HBX Group handles significant amounts of payment flows comprising incoming payments from distribution partners and outgoing payments to suppliers totalling more than €14 billion in the aggregate during FY 2024.

The Group relies on agreements with third-party service providers to process its distribution partner credit and debit card transactions and for the facilitation of distribution partner bookings of accommodation and complementary travel products from HBX Group's travel suppliers. If these service providers fail to meet HBX Group's expectations, become subject to errors or vulnerabilities, are compromised, experience outages, fail to comply with applicable laws and regulations or suffer fraud or theft, it could adversely affect the Group. While the Group employs a multi-supplier strategy by partnering with large renowned international banks that allows for the replacement of any of these suppliers experiencing any of such issues, it lacks specific insurance coverage for these risks and, therefore, any of them could cause HBX Group to lose its ability to process payments, and its business and operating results could be adversely affected.

The payment card networks have also adopted rules and regulations that apply to all merchants who process and accept payment cards and include payment card association operating rules, the Payment Card Industry Data Security Standards. The payment card networks could adopt new operating rules or interpret or reinterpret existing rules that HBX Group or its payment processors might find difficult or even impossible to comply with, or costly to implement. Non-compliance of such rules and requirements or breaches of data security could result in HBX Group losing the ability to accept credit and debit card payments, incurring liabilities to card-issuing banks, and facing fines and higher transaction fees, all of which could significantly harm the Group's business operations and financial results.

HBX Group's results of operations and financial positions have been negatively affected due to fraudulent bookings made with credit and debit cards. HBX Group may be held responsible for accepting fraudulent bookings on its travel tech platform or disputed payments from distribution partners, which leads to reversals of payments or "chargebacks". Payment card networks have strict rules regarding acceptable chargeback ratios, prompting HBX Group to set aside funds to cover potential losses from these chargebacks. The rise of new payment methods and technology, combined with global expansion into markets prone to fraud, complicates the Group's ability to detect and prevent fraudulent activities. If the Group fails to address these issues, it could face significant fines, increased transaction fees, or even lose access to payment networks, severely impacting its operations. During FY 2024, FY 2023 and FY 2022, fraudulent bookings had a negative impact of €1.7 million, €2.2 million and €0.3 million on the Group's revenue, respectively. Additionally, HBX Group is at risk of fraudulent supplier schemes during the onboarding process, which could lead to fraudulent bookings or unauthorised access to personal or confidential information of users of HBX Group's websites and mobile applications, all of which could harm HBX Group's reputation and erode the trust of its distribution partners in its services.

Any of the above could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

C. RISKS RELATED TO DISTRIBUTION PARTNERS AND SUPPLIERS

C.1 *The Group is exposed to risks related to its relationships with suppliers of accommodation and complementary travel products.*

HBX Group relies on suppliers, such as hotels and providers of transfer services, car rentals and travel experiences, for its inventory of accommodation and complementary travel products to be offered to its distribution partners through its travel tech platform.

As a consequence of the high fragmentation of the accommodation market, the Group's success is directly linked to its ability to maintain and expand its commercial relationships with hotels. The Group sources its accommodation inventory from hotels through direct contracts (accounting for over 85% of the Group's Accommodation TTV^{APM} during FY 2024, FY 2023 and FY 2022, respectively) or via Third Party Suppliers, such as other B2B travel distributors (accounting for less than 15% of the Group's Accommodation TTV^{APM} during FY 2024, FY 2023 and FY 2022, respectively). See section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures—TTV^{APM}*" for an explanation and reconciliation of TTV^{APM}.

The Group typically negotiates allotment sizes with directly contracted hotels establishing commitments regarding room allotments. This includes free volume sale commitments, where the Group sells rooms until the hotel indicates they are fully booked. As a result, certain hotels in the Group's portfolio are not required to make available any specific quantity of hotel rooms, for any specific dates or in any geographic area and during periods of higher occupancy rates (such as the period between 1 July and 30 September, which, in recent years, has accounted for approximately 35% of the Group's Accommodation TTV^{APM} during such period), hotels may decrease their distribution of hotel rooms through B2B travel marketplaces, such as HBX Group. Therefore, there is a risk that, particularly in the case of popular hotels and during peak travel periods, the Group may be unable to meet distribution partner demand, negatively impacting its business.

For certain suppliers, in particular suppliers from regional chains and independents but also for global chains, HBX Group negotiates Supplier Preferential Agreements ("**SPAs**"), where a specific number of rooms are reserved for the Group to sell. During FY 2024, SPAs represented 21% of the Group's Accommodation TTV^{APM}. If the Group is unable to sell the agreed quantity of rooms they can either be returned at no cost, or, alternatively depending on the contract, if certain monitoring and contractual protection mechanisms contained in the relevant contracts cannot be triggered (including the hotel agreeing to roll over the excess allotment size), the Group would need to pay the supplier for any such unsold rooms. While no material inventory risk under SPAs has materialised in the past, including during the Covid-19 pandemic, in the event the Group's monitoring and contractual protection mechanisms for SPAs were to prove ineffective in the future, this could adversely affect the Group's business. See section "*Business—The Group's Business—Accommodation—Suppliers—Supplier Preferential Agreements*".

Agreements with hotels are typically for one year or one season, particularly in destinations with distinct tourist seasons such as the Mediterranean Islands. There is also an "evergreen" model, which is generally applicable to hotels connected through integrations or channel managers, where there is no fixed contract end date, and rates are continuously pushed to HBX Group's system. No assurance can be given that HBX Group will be successful in renewing existing agreements with hotels. In addition, a number of HBX Group's contracts with suppliers are terminable by the supplier on short notice, and, as such, the Group may not have the benefit of contractual protection or sufficient advance notice to plan for any resulting reduction in the supply of hotel rooms or other travel products required for its operations. The partial or complete withdrawal from the Group's travel tech platform of the supply hotels particularly popular with end consumers (and, hence, sought out by HBX Group's distribution partners) for a sustained period of time could also have an adverse effect on the Group's business, market share, and results of operations, and could require the Group to increase the proportion of hotel rooms sourced from Third Party Suppliers, which could negatively affect its Take Rate^{APM}, as take rates for hotel rooms sourced through Third Party Suppliers are generally lower than those for rooms from directly-contracted hotels. See section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures—Take Rate^{APM}*" for an explanation and reconciliation of Take Rate^{APM}. In addition, if HBX Group's competitors were to offer significantly better terms to hotels, the Group may be required to match those terms, which could adversely affect its margins.

In order for the Group to complement its offering of hotel rooms to its base of distribution partners, HBX Group enters into agreements with Third Party Suppliers, which include other B2B travel distributors and which compete with the Group on both distribution partners and suppliers. This enables access to hotels where the Group considers direct contracting to be inefficient or impractical due to low-volume. The Group's business, prospects, financial condition and results of operations could be materially adversely impacted if Third Party Suppliers reduce or restrict the amount of rooms that the Group can source from them, increase prices or otherwise restrict or terminate their relationship with the Group, if the accommodation inventory of Third Party Suppliers declines, if Third Party Suppliers are unable to offer popular hotels or hotels in certain in-demand regions or during times of high demand or if the information provided by Third Party Suppliers (such as description and features of hotel rooms) is misleading or inaccurate.

Through its Mobility & Experiences product line, the Group also offers complementary travel products, such as transfers, car rentals and travel activities to its distribution partners via its travel tech platform. The market for travel suppliers providing complementary travel products is highly fragmented, which makes contracting travel suppliers more cumbersome for the Group. In addition, many of these suppliers are smaller companies and, as a result, are at higher risk of suffering financial difficulties or bankruptcy, which requires the Group to seek to replace suppliers that go out of business more frequently than in the case of hotels.

No assurances can be given that travel suppliers will elect (or continue to elect) to participate in HBX Group's travel tech platform, that HBX Group will be successful in maintaining existing agreements on favourable terms or at all, that HBX Group's margins for distributing hotel rooms or other travel products will not be reduced or that HBX Group's access to inventory from its travel suppliers will not be reduced in the future, including as a result of hotels or other suppliers entering into exclusivity agreements with the Group's direct competitors.

Any of these actions, or other similar actions and events, could reduce the Group's revenue and margins which, in turn, could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

C.2 ***The success of the Group's business is dependent on its ability to retain existing distribution partners and attract new distribution partners.***

The Group's business relies on retaining existing distribution partners and the Group's growth depends on its ability to attract further business from existing distribution partners and to attract new ones, while increasing its share of wallet. The Group's B2B distribution partners comprise B2C travel distributors, such as tour operators, online marketplaces, travel advisers, airlines and operators of loyalty programmes (including loyalty programmes for banks, credit card issuers, retail consumer goods companies and airlines) as well as other B2B travel distributors. In FY 2024, 65% (63% and 59% in FY 2023 and FY 2022, respectively) of the Group's Accommodation TTV^{APM} derived from travel distributors which the Group classifies as "high-value distributors". See section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures—TTV^{APM}*" for an explanation and reconciliation of TTV^{APM}. These are tour operators, travel advisers, airlines and operators of loyalty programmes, whose end consumers tend to book longer hotel stays, book earlier and spend more per room, thus increasing overall TTV for hotels. If the Group were to fail to maintain relationships with existing high-value distributors or attract new high-value distributors or if the share of high-value distributors of the Group's overall distribution partner base were to decline, this could adversely affect the Group's business and financial condition.

While the Group's distribution partner turnover (or churn) is currently low, amounting to less than 1% for FY 2024, the Group may experience a higher-than-expected churn in its distribution partner base or may be unable to attract new distribution partners or increase its share of wallet due to competition, perceived unattractiveness of the Group's inventory of accommodation and complementary travel products, and the worsening usability, security and reliability of the Group's travel tech platform, any of which could reduce the Group's revenues and could have a material adverse effect on the Group's business, prospects, financial condition and results of operations. See section "*Business—The Group's Business—Accommodation—Distribution partners—Distribution partners turnover (churn)*" for a definition of distribution partner turnover (churn). Although distribution partner turnover (churn) is low, a number of HBX Group's contracts with distribution partners are terminable by the distribution partner on short notice, including for the convenience of distribution partners, and, as such, the Group may not have the benefit of contractual protection or sufficient advance notice to plan for any resulting reduction in the demand for its services.

Distribution partners may also improve their bargaining position with B2B travel marketplaces, such as the Group, or other B2B travel distributors, through consolidation or forming consortia, which may allow them to negotiate more favourable contractual terms or lower prices. Any change in the level of commissions that HBX Group can achieve, or in rebates or other incentives that it is required to grant could significantly impact the Group's operating margin.

If the Group's distribution partners were to reduce use of the Group's travel tech platform, for example, in terms of the number of distribution partners and volume of transactions, this could result in a reduction in the level of hotel rooms and other travel products bought over HBX Group's travel tech platform and consequently a decrease of HBX Group's revenue, which could have material adverse effect on the Group's business, prospects, financial condition and results of operations.

C.3 *The Group is exposed to risks from its sourcing transformation.*

HBX Group has been working on transforming its sourcing organisation since July 2024 and expects to complete the transformation in the first half of 2025. Sourcing is a group function dedicated to identifying, evaluating, negotiating and contracting with accommodation suppliers to establish mutually beneficial partnerships. Its primary focus is ensuring that HBX Group can access reliable and competitive accommodation suppliers that align with its operational needs and strategic goals.

To that end, HBX Group is implementing a new Target Operating Model ("**TOM**") to align its sourcing function to its strategic goals, enabling improved efficiency, agility and effectiveness. The TOM will focus on organisational structures and processes, enabling technology, roles, capabilities and culture to underpin its growth strategy and optimise performance to deliver value effectively and efficiently. The implementation of the TOM exposes the Group to a number of risks that could impact its operational effectiveness and market position. These risks include potential resistance to change from employees, which can lead to decreased morale and productivity, disruptions in supplier relationships during the transition, loss of sales and difficulties in successfully implementing new sourcing strategies. The anticipated benefits from the sourcing transformation include increased productivity, improved supplier performance and cost reductions.

Additionally, inadequate training and support for sourcing teams can impede the successful adoption of new processes and technologies, ultimately affecting HBX Group's ability to achieve its strategic goals. Previous sourcing transformation programmes undertaken before FY 2022 resulted in reduced supplier satisfaction, temporary increases in churn and decreases in revenue. This was due to inconsistent implementation and negotiation of commercial terms and variable account management arising from the shifting focus and attention of sourcing personnel.

Any of the above could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

D. RISKS RELATED TO HBX GROUP'S STRATEGY

D.1 *The Group may not be able to successfully implement its strategy.*

HBX Group's success largely hinges on its ability to effectively implement its business strategy, which focuses on three key areas: (i) growing in its Accommodation product line by adding new properties and distribution partners to the marketplace and growing the share of inventory with existing suppliers and distribution partners; (ii) expanding the ecosystem by adding new partners and features to its platform and cross-selling into other travel services; and (iii) driving profitability by leveraging best-in-class technology and pricing capabilities. In parallel, HBX Group aims to continue exploring partnerships and joint ventures to support the expansion of the ecosystem and maintaining flexibility to pursue M&A opportunities.

HBX Group may not be able to realise the benefits it expects to achieve from these strategic initiatives or its efforts may negatively impact its business and operations due to a variety of factors, including, but not limited to, unexpected delays, operational or technological challenges, or higher than expected costs or expenses. In addition, potential regulatory constraints may hinder the successful implementation of the HBX Group strategy (see "*—Legal and Regulatory related Risks*" below).

With regard to the Group's aim to grow its Accommodation product line with existing distribution partners, the strategic initiatives developed by HBX Group to increase penetration in selected markets and increase "share of wallet" with current distribution partners may not achieve the expected results in the Group's business plan, including due to the Group's inability to improve its accommodation inventory through expanding its portfolio of directly contracted hotels, or optimising SPAs or contractual terms with Third Party Suppliers. HBX Group may also face difficulties in its plans to strategically target certain geographical markets to unlock future growth, due to strong existing relationships between suppliers and incumbent B2B travel distributors or if its go-to-market strategy were to prove ineffective. See also "*—Risks Related to the Group's Global Operations—The Group is exposed to risks related to its global operations*" below.

With regard to the Group's strategy to accelerate its ecosystem play to build industry-leading dynamic packaging capabilities, HBX Group may not achieve the expected benefits from its partnership with PerfectStay or its expansion into luxury due to, for example, development delays, unforeseen deployment complexities or unbudgeted costs encountered in the launch or adoption of B2B2C dynamic packaging or in its partnership with The Luxurist. The Group may also be unsuccessful in combining different travel products beyond accommodation due to its inability to onboard and manage long-tail travel products in a scalable and efficient way or fail to increase the cross-selling of travel products due to inefficient internal processes, failure of packaging solutions or changes in travel patterns or if the Group's competitors were to develop more innovative and efficient ways of combining travel products for distribution partners.

HBX Group is also exposed to specific risks in connection with the continuing roll-out of its Fintech & Insurance product line launched in January 2023. As at the date of this Prospectus, HBX Group is offering six payment and insurance products, three of which are fully operational and three of which are at an early stage or pilot phase. See section "*Business—The Group's Business—Complementary travel products—Fintech & Insurance*". Its limited track record in providing these types of services may deter HBX Group's from scaling its offering at the expected pace. Consequently, the capital expenditures required may also be significantly greater than currently anticipated, which could have a negative impact on the Group's financial results. Additionally, HBX Group cannot exclude that incumbents in any adjacent service or markets may seek to bring legal action (or to encourage actions to be brought) against new entrants, including for alleged antitrust or regulatory infringements. Even if such claims are found to be without merit, they may delay the Group's expansion activities and/or require the Group to incur higher costs than anticipated. See also "*—Business related Risks—The Group is subject to payments-related risks*" above.

Moreover, there can be no assurance that HBX Group will be successful in developing new levers of growth such as data analytics, gen-AI enabled solutions and "Data as a Service" tech. There is a risk that HBX Group may face reduced revenue streams and limited access to new market segments if it fails to implement these capabilities. The inability to leverage scale, data and AI to enhance its pricing and content curation capabilities can result in financial inefficiencies and failed investments, undermining the Group's credibility and operational effectiveness.

Lastly, HBX Group may not be successful in identifying, executing or implementing M&A opportunities. Investments and acquisitions expose the Group to risks associated with valuation and undisclosed liabilities (for example, negotiating a fair price for the business based on inherently limited diligence). There is also a risk that not all material risks in connection with any such acquisition will be identified in the due diligence process and HBX Group may encounter unforeseen liabilities or ongoing costs related to acquired businesses. While HBX Group seeks to ensure that acquisition agreements contain indemnities in its favour, there is a risk that such indemnities may not be enforceable, may expire, may be limited in amount or may give rise to disputes between HBX Group and the relevant seller regarding the enforceability or scope of such an indemnity. If any acquired liabilities are not adequately covered by an applicable and enforceable indemnity, guarantee, insurance coverage or other similar arrangement with a creditworthy counterparty, the Group will be exposed to such liabilities, which, if they materialise, could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

In addition, HBX Group from time to time disposes of non-strategic assets and as part of such disposals has in the past and may in the future retain certain liabilities or agree to indemnify buyers for certain matters. The magnitude of any such retained liability or indemnification obligation may be difficult to quantify at the time of the transaction and ultimately may be material. Also, as is typical in divestiture transactions, third parties may be unwilling to release HBX Group from guarantees or other credit support provided prior to the sale of the divested assets. As a result, after a sale, HBX Group may remain secondarily liable for the obligations guaranteed or supported to the extent that the buyer of the assets fails to perform these obligations.

Joint ventures and partnerships introduce additional risks, including potential cultural and operational misalignment, regulatory compliance issues and governance and control challenges. Additionally, the success of joint ventures often relies on effective cooperation with partners, who may have interests or objectives that differ from those of the Group. Any of these factors may result in delays, increases in costs and expenses, disputes and/or proceedings, or other adverse consequences for the Group, which could have a material adverse effect on its business. Furthermore, the integration of such business opportunities into the Group's existing business model requires significant time and resources, and HBX Group may not manage these processes successfully. For example, in 2017, HBX Group acquired GTA and Tourico, which resulted in a complex and lengthy integration process to align the systems and processes of the acquired businesses with those of the Group, causing certain business disruptions and higher churn rates for distribution partners and suppliers before the integration process was completed.

Any failure to implement the Group's business strategies in a timely and effective manner could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

E. RISKS RELATED TO TECHNOLOGY

E.1 ***Business interruption or failure of the Group's technology, including as a result of cyberattacks, may impact the availability of the Group's products and services, which may damage its reputation and harm its future financial results.***

The Group's ability to connect travel suppliers and distribution partners and to effectively operate its business depends to a great extent on the reliability and security of the information technology systems it uses. HBX Group uses both internally-developed systems and a wide variety of third-party systems to operate its business, including transaction processing, order management, and financial and accounting systems. During FY 2024, FY 2023 and FY 2022, the Group incurred Opex of €22 million, €17 million and €11 million, respectively, for cloud services and software licencing costs. Between April 2023 and March 2024, the Group migrated its core transaction platforms to a fully virtual environment hosted by Amazon Web Services ("**AWS**"), highlighting its dependence on third-party providers for essential business functions and service delivery.

Technological transformations, re-platforming, or significant system upgrades may lead to business disruptions. For example, HBX Group estimates that its strategic platform transition that was completed in FY 2024 had an interim impact of €15 million on gross profit during FY 2024, mainly as a result of migrating legacy systems to the new platform. While HBX Group successfully navigated these transitional challenges, achieving its financial targets for FY 2024 and making significant progress toward enhancing growth, scalability, and resilience, there can be no assurance that any future significant transformations or upgrades may not have a material adverse effect on the Group's business. HBX Group plans to upgrade and migrate from its existing SAP and Oracle-based financial systems to SAP S/4HANA during 2025 and 2026. Implementing the SAP S/4HANA system or similar technological upgrades poses risks such as business disruptions, data migration complexities and potential system vulnerabilities. These challenges could result in financial misstatements, compliance issues, delays in reporting or increased exposure to cyberattacks, adversely affecting the Group's operations and financial condition. While HBX Group has systems in place to monitor and manage any such risks, not all risks can be mitigated or managed effectively, and some future business disruptions may occur.

HBX Group uses computer hardware for operating its travel tech platform, hosted in facilities worldwide. However, its disaster recovery planning may not cover all possible scenarios. Additionally, third-party providers of infrastructure, connectivity, or cloud hosting may lack comprehensive disaster recovery plans in every region where the Group operates. In any case, implementing effective recovery measures can be costly, potentially reducing profit margins, and may not guarantee a decrease in unscheduled downtime.

Furthermore, these information technology systems are susceptible to disruption from human error, misconduct, or catastrophic events. If there is a service interruption or failure by such facilities to provide the Group's required data communications capacity, HBX Group may struggle to switch to backup systems quickly, potentially leading to significant delays in service, which would place increased burdens on HBX Group's engineering staff, creating a significant number of questions and complaints from both suppliers and distribution partners that would need to be addressed by HBX Group's customer support. Even though the Group's systems are aligned with ISO 27 standards and the Group has completed an ISO gap assessment in FY 2024 and plans to obtain the relevant ISO 27001/2022 certification during the first half of 2025, there can be no assurance that a system failure will not occur. Any such failure that causes an interruption or delay in service could impair the Group's reputation, damage its brands, increase customer service costs, or result in lost business, any of which could adversely affect its business and results of operations. Moreover, many of HBX Group's processes are highly automated and involve multiple IT inputs, which can reduce human error but complicate testing, troubleshooting, and auditing, make it challenging to quickly identify and correct errors in these systems.

The Group has taken and continues to take steps to increase the reliability and redundancy of its systems, but the Group's disaster recovery plan may not sufficiently anticipate all eventualities. In addition, these steps are expensive, may reduce operation margins, and may not be successful in reducing the frequency or duration of unscheduled downtime.

In addition, as an online business, HBX Group is dependent on the Internet and maintaining connectivity between HBX Group, its suppliers and distribution partners. Disruptions in Internet access, especially if widespread or prolonged, could materially adversely affect the Group's business and results of operations. Although HBX Group has redundant systems and hosting services, there remains a risk of business interruptions, which may not be adequately insured to cover all potential losses.

Moreover, HBX Group is highly dependent on advanced software applications and a complex computing infrastructure, making it vulnerable to various cyber threats such as cyberattacks, viruses, and other malicious activities. Successful cyberattacks could lead to serious consequences, including the compromise of confidential data and disruption of critical operations, as well as significant financial losses, regulatory scrutiny, and harm to its competitive position.

Cyberattacks are increasing in frequency and sophistication and are constantly evolving. The travel industry has experienced a number of notable data breaches globally in recent years and, the Group's exposure to cybersecurity risks is further heightened by its large digital footprint, reliance on third-party service providers, and potential expansion into new business areas such as fintech and insurance. Despite the implementation of security measures, the Group may still be unable to defend against highly sophisticated and persistent cyberattacks, which could result in significant financial losses, regulatory scrutiny, and harm to its competitive position. For example, the Group was involved in a cybersecurity incident related to a phishing cyber-attack in September 2023 in connection with its Mobility & Experiences product line, which did not have a material impact on the Group's operations and resulted in a financial loss of €10,000. This cybersecurity incident was notified to the appropriate authorities within the applicable timeframes and no further actions were requested from such authorities. Following this incident, additional training was provided to the relevant team and additional email filtering and monitoring was implemented, in line with the Group standards.

Successful attacks have the potential to damage HBX Group's reputation, loss of sensitive information, extended consequences to distribution partners or suppliers, increased costs associated with repairing and enhancing its IT systems, key personnel being diverted from their primary responsibilities to address the breach, and result in regulatory scrutiny or fines. The Group may not be able to defend against a persistent, sophisticated cyberattack from a determined adversary and HBX Group's security policies, internal security controls, incident response protocols or disaster recovery plans or those of its infrastructure, connectivity or cloud service providers, may not keep pace with the continuous innovation of its offerings. Due to the size and scale the Group's technology infrastructure and overall operations, vulnerabilities present within its systems may result in unauthorised access to confidential data or its systems may be compromised by viruses or malware. In addition, given the nature of HBX Group's operations, third-party business partners, service providers, and consultants may be given access to HBX

Group's computer networks. A cyberattack against one of these third parties that compromises their credentials may result in unauthorised access to the Group's systems and data, resulting in a cyberattack against it, which could result in negative publicity, subject the Group to notification requirements, damage its reputation, expose it to risk of loss or litigation and possible liability, and subject it to regulatory penalties and sanctions. The Group maintains a cyber insurance policy in the amount of €15 million, although there is no guarantee that it would fully cover all incidents or that the coverage amount would be sufficient.

The Group's business operations are also vulnerable to damage or interruption from natural disasters, fire, computer viruses, power loss, telecommunication failures, terrorist attacks and other events beyond the Group's control. In the event of a major natural or man-made disaster, the Group's insurance coverage may not completely compensate the Group for its losses and its future financial results may be impacted.

Any prolonged service outages, data loss, or security breaches could materially adversely affect the Group's financial position, customer relationships, and overall business operations.

E.2 ***Failure to continually innovate and provide tools that meet suppliers' and distribution partners' needs, such as AI solutions, dynamic packaging, itinerary builder features, solutions for mobile devices and protections against data breaches, could have a material adverse effect on the Group.***

The Group operates in an online environment and its success depends on the Group's continued innovation and its ability to provide technological features and tools that make the Group's proprietary travel tech platform as well as its complementary travel tech and data solutions valuable, effective and user-friendly for its suppliers and distribution partners. During FY 2024, the Group's Total Technology Investment Over Revenue^APM represented 11.8% of its revenue (10.5% and 12.2% in FY 2023 and FY 2022, respectively). See section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures—Total Technology Investment Over Revenue^APM*" for an explanation and reconciliation of Total Technology Investment Over Revenue^APM.

The fast release nature of new online technologies and applications of the Group's competitors, suppliers and distribution partners present risks to the Group's businesses. There is potential for new technology to change the way end consumers book accommodation and for suppliers to supply travel products, which could adversely affect the Group. As a result, the Group must continually adapt its technology infrastructure to be compatible with developments on both the travel supplier and the travel distributor side.

Characteristics in the travel booking market are changing at a rapid pace as both B2C distributors and travel suppliers seek to address end consumers' shift in needs and preferences that resulted from the Covid-19 pandemic, for example, the increasing focus on bundling, dynamic packaging and itinerary builder feature. In addition, these market characteristics are heightened by the progress of technology adoption in various markets, including the continuing adoption of online commerce in certain geographies and the growth of the use of smartphones, tablets, and other smart devices for mobile e-commerce transactions. New developments in other areas, such as cloud computing, could make entering HBX Group's markets easier for competitors due to lower upfront technology costs. In this fast-changing environment, it is increasingly important for HBX Group to continue to effectively offer its services on mobile devices through mobile apps and mobile-optimised websites and to tailor its services to varying devices and platforms used by both its distribution partners and suppliers.

Furthermore, in the future the competitive pressure to innovate could encompass a wider range of services and technologies, including services and technologies that may be outside of the Group's historical core business, and its ability to keep pace may slow, compared to other players, such as, emerging start-ups. In addition, the widespread adoption of new Internet, networking, or distribution capabilities, such as AI or ML, smart home devices, chatbot, virtual reality technologies, and the creation of new "super-apps" could influence how end consumers and HBX Group's distribution partners search for and book hotel rooms, and require HBX Group to incur substantial expenditures to modify or adapt its services or infrastructure, which could adversely affect the Group's results of operations or financial condition.

HBX Group uses AI and ML tools in its technology infrastructure both to enhance sales intensity and improve execution as well as in the features and services it offers to its distribution partners and suppliers.

The use of AI presents risks and challenges including that algorithms may be flawed or that datasets may be insufficient, erroneous, stale, or contain biased information subject to the "black-box" problem (i.e., the inability for deep learning systems to explain how they arrive at their conclusions), all of which could subject HBX Group to competitive harm, regulatory action, legal liability, and brand or reputational harm.

As a result of the above, the Group must continue to invest significant resources in research and development in order to continually improve the speed, accuracy and comprehensiveness of the Group's technology infrastructure. In addition, transitioning to new technologies may be disruptive to resources and the services HBX Group provides, and may increase the Group's reliance on third party service providers. Implementations and system enhancements have taken place in the past, and may continue to happen in the future, being more time consuming and expensive than originally anticipated, and the resources devoted to those efforts have in the past adversely affected, and may in the future adversely affect, the Group's ability to adapt and develop new features for its travel tech platform.

Lastly, advances in computer capabilities, new innovations or other developments may result in a compromise or breach of the technology used by HBX Group to protect personal data. The Group incurs substantial expenses to protect against and remedy security breaches and their consequences. However, businesses that handle personal data have been subject to investigations, lawsuits and adverse publicity due to allegedly improper disclosure of personally identifiable information, and HBX Group cannot guarantee that its security measures will prevent all attempted security breaches (see "*—Legal and Regulatory related Risks—HBX Group is subject to risks stemming from possible failure to comply with governmental regulation and other legal obligations, as well as litigation and reputational risks associated with the failure to protect personal data from unauthorised use, theft or destruction*" below). A party (whether internal, external, an affiliate or an unrelated third party) that is able to circumvent the Group's security systems could steal proprietary information or cause significant interruptions in the Group's operations. Substantial or ongoing data breaches, whether instigated internally or externally, on the Group's system or other Internet-based systems, could significantly harm HBX Group's business, damage its reputation, expose it to potential litigation, losses and liability and/or cause existing distribution partners and prospective distribution partners to lose confidence in the Group's security measures, which would have a negative effect on the value of HBX Group's brands. These concerns and other privacy and security developments that are difficult to anticipate could adversely affect the Group's business, prospects, financial condition and results of operations.

Any of the above could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

E.3 ***The Group's business relies on a global supply chain of third-party service providers.***

HBX Group uses both internally-developed systems and a wide variety of third-party systems to operate its business, including transaction processing, order management, and financial and accounting systems. In addition, in its Fintech & Insurance product line, HBX Group develops financial products with strategic partners through HBX Group's cloud-native travel tech platform to both (i) optimise HBX Group's core business by reducing costs and increasing revenue and (ii) offer innovative end-to-end payment, financial and insurance solutions to its distribution partners and suppliers. As a result, the Group relies on certain third-party service providers for critical parts of its business, management and service offering. For example, between April 2023 and March 2024, the Group migrated its servers to a fully virtual environment hosted by AWS. Other service providers include SAP, Salesforce, Salesloft and Workday.

The Group does not have a concentration of technology suppliers and has implemented measures to avoid dependence on any single supplier. However, while the Group monitors performance and has implemented measures to replace suppliers if required, there can be no assurance that any damage to, breach of or interruption in these third-party services and systems or deterioration in their performance will not occur. If any such third party were wholly or partially compromised, or ceased or suspended operations, including as a result of the insolvency of such a technology supplier or partner, this could prevent the Group's suppliers and distribution partners from connecting on the Group's travel tech platform for the booking of accommodation or complementary travel products. This could also impact HBX Group's ability to offer its innovative financial and insurance solutions in full or in part for a prolonged period of time, all of which could have a material adverse effect on the Group's business.

Security and privacy are of general concern to businesses, including the Group's suppliers and distribution partners, and any publicised privacy and security problems could negatively affect their willingness to do business with the Group. A security breach at any third party that HBX Group uses to provide its services could be perceived by the Group's suppliers and distribution partners, as well as the end consumers of the products offered by HBX Group, as a security breach of HBX Group's own systems and could result in negative publicity, subject the Group to notification requirements, damage its reputation, expose it to risk of loss or litigation and possible liability, and subject it to regulatory penalties and sanctions, even if HBX Group had no direct involvement in the breach. In addition, such third parties may not comply with applicable disclosure requirements or with parameters within which the Group permits them to process data, which could expose HBX Group to liability.

Any of the above could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

F. RISKS RELATED TO THE GROUP'S GLOBAL OPERATIONS

F.1 *The Group is exposed to risks related to its global operations.*

The Group operates globally, with Europe accounting for 50% of the Group's Revenue Breakdown by Geography^{APM} in FY 2024 and the Americas and MEAPAC accounting for 31% and 19%, respectively. See section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures—Revenue Breakdown by Geography^{APM}*" for an explanation and reconciliation of Revenue Breakdown by Geography^{APM}. As part of its growth strategy, HBX Group also aims to take advantage of tapping into significant growth opportunities in a number of markets and geographies. To that end, the Group has identified a series of markets, both developed and at developing stages, which it plans to strategically target to unlock future growth. As at the date of this Prospectus, these markets include Canada, Colombia and Brazil in the Americas, Italy, France and Germany in Europe and Egypt, India, Saudi Arabia and Japan in MEAPAC, among others.

Notwithstanding the benefits of geographic diversification, the Group's business is subject to the following risks, among others:

- Exposure to differing legal, political, social and regulatory requirements of many jurisdictions and the burden of complying with a variety of foreign laws and regulations, including tax (See "*—Risks Related to Taxation*" below) and antitrust, and changing foreign government policies.
- Exposure to civil or criminal liability under, to the extent applicable, anti-bribery and anti-money laundering regulations, where HBX Group or its partners or suppliers operate. While the Group has procedures in place to monitor internal and third-party compliance with local laws, these procedures may not always prove effective.
- Failure to adapt its practices, systems, processes and business models effectively to distribution partner and supplier preferences (as well as the regulatory and tax landscapes) in international markets where HBX Group has considerably less knowledge and experience than local players, which may be preferred by distribution partners, and which may be favoured by local laws and business practices.
- Certain countries in which HBX Group operates or plans to operate in the future are still developing mature legal frameworks causing, legal uncertainties, weaker enforcement of contractual and intellectual property rights, and increased cybersecurity and fraud risks.
- Differences in business practices, inadequate infrastructure, difficulties in staffing and management, and exchange rate fluctuations.

The Group is also exposed to trade sanctions, embargoes, financial crime considerations, and other trade restrictions, which impose limitations or may require changes in the Group's business, even when acting as an intermediary. The Group operates in jurisdictions, including Iran and Venezuela, that may expose it to heightened risks with respect to sanctions laws and regulations. Sanctions laws and regulations are constantly evolving, and new requirements or restrictions could come into effect which may increase the scrutiny on the Group's business or result in one or more of the Group's business activities being deemed to have violated sanctions. Despite the Group having adopted policies and procedures to ensure compliance with such laws, there is no guarantee of their effectiveness, exposing the Group to potential penalties, fines and reputational damage. The Group has in the past self-reported isolated incidents of non-compliance to the relevant regulatory body. These incidents did not involve material amounts in terms of either TTV^{APM} or revenue. See section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures—TTV^{APM}*" for an explanation and reconciliation of TTV^{APM}. For example, in 2019, the Group self-reported to the Office of Foreign Assets Control of the US Department of the Treasury ("**OFAC**") and subsequently agreed to certain procedures, including annual certification that the Group maintains systems and controls designed to ensure the Group is not in violation of sanctions. In addition, (i) in FY 2020, the Group voluntarily ceased all business with a supplier in Libya that was subject to EU sanctions, after self-reporting the matter to the Spanish competent authorities, (ii) during FY 2023, as a result of the migration of the Group's core transaction platforms to a U.S. cloud service provider, the Group identified business relationships with certain partners in Cuba and, after further analysis, decided to wind down its operations in the country; and (iii) as a result of the Russia-Ukraine conflict, the Group decided to stop all business activity in Russia in 2022.

As a result, the Group is exposed to a number of risks associated with doing business globally as well as risks specific to doing business in certain countries or regions and, in particular, certain risks that the Group has not encountered in its primary markets and which could adversely affect its business, financial condition and results of operations. The Group has in the past and may in the future decide to wind down operations in certain jurisdictions, for example if regulations or actions by regulators or government agencies make such jurisdictions significantly less attractive. For example, due to regulations restricting international payments and the risks related thereto, in FY 2024 the Group decided to wind down its operations in Algeria, which represented less than 1% in terms of TTV^{APM} in FY 2024. In addition, due to its international footprint, the Group is exposed to risks relating to interest rate fluctuations (see "—*Financial Risks—As the Group operates in multiple currencies, exchange rate fluctuations may have a material adverse effect on the Group's results of operations and financial position*" below).

Any of the above could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

G. FINANCIAL RISKS

G.1 *The Group's goodwill and other intangible assets, which represented approximately 60% of the Group's assets as at 30 September 2024, may be subject to impairment in the future.*

The Group has recorded significant goodwill, mainly as a result of acquisitions, as well as other intangible assets, which consist primarily of customer relationships and computer software. As at 30 September 2024, the Group had recorded €2,052 million of goodwill and other intangible assets, which together represented 60% of the Group's total assets as at that date (€2,126 million and €2,223 million as at 30 September 2023 and 2022, respectively and representing 62% and 67% of the Group's total assets as at such dates, respectively). The main acquisitions generating goodwill were the acquisitions of Hotelbeds Group in 2016 (with a carrying value of goodwill as at 30 September 2024 of €777 million), Tourico Holidays Inc ("**Tourico**") in 2017 (€295 million as at 30 September 2024), GTA Travel Holding Ltd and Kuoni Holdings Plc (together, "**GTA**") in 2017 (€419 million as at 30 September 2024) and Holiday Taxis Group Limited ("**Holiday Taxis**") in 2019 (€44 million as at 30 September 2024), respectively.

In particular, as at 30 September 2024, the Group recorded €1,535 million of goodwill, €402 million of customer relationships and €115 million of computer software (which included internally generated intangible assets with a net book value of €86 million).

In addition, in accordance with the applicable financial reporting framework, the Group determines whether goodwill is impaired at least on an annual basis, or more frequently if there is any indication of impairment. This requires an estimation of the "value in use" of the cash generating units to which the goodwill and intangible assets are allocated. Estimating the value in use amount requires management to estimate the expected future cash flows from each cash generating unit and to choose a suitable discount rate in order to calculate the present value of those cash flows. As at 30 September 2024, the Group considers there to be only two cash generating units, namely (1) Accommodation and Mobility & Experiences and (2) Hoteltech. Following the Group's impairment reviews, no impairment was recognised for FY 2024, FY 2023 and FY 2022, respectively.

The Group's intangible assets are also subject to annual amortisation. This amortisation results in recurring non-cash charges to the Group's profit and loss account, impacting reported profitability. As at 30 September 2024, 2023 and 2022, these charges amounted to €95 million, €93 million and €100 million, respectively.

If the Group's assumptions were to change or if market conditions deteriorated, the recoverable value of those intangible assets could diminish significantly and lead to a loss of value, which would require HBX Group to record an impairment charge in its consolidated income statement, which could have a material adverse effect on the Group's financial condition and results of operations.

G.2 ***The Group reported losses of €24 million, €75 million and €192 million in FY 2024, FY 2023 and FY 2022, respectively and had negative equity of €1.4 billion, €1.4 billion and €1.3 billion as at 30 September 2024, 2023 and 2022, respectively.***

In FY 2024, FY 2023 and FY 2022, the Group reported losses in the amount of €24 million, €75 million and €192 million, respectively. As at 30 September 2024, 2023 and 2022, the Group's shareholders' equity amounted to €(1,399) million, €(1,353) million and €(1,258) million, respectively, or €182 million, €310 million and €254 million after adjusting for Shareholder Loan Notes and Preference Shares which are treated as liabilities rather than equity as they do not confer any right of participation in the profits or assets of the HNVR Topco (beyond fixed dividends/interest) and they do not confer any voting rights. HBG Ltd, the parent company of the Group prior to the Proposed Reorganisation, is not in a state of insolvency and is able to operate on a going concern basis. As further explained in "*Proposed Reorganisation*", after registration of the Prospectus and execution of the Underwriting Agreement and before the Initial Registration Time, the holders of the Shareholder Loan Notes will contribute their Shareholder Loan Notes to HBG Ltd in exchange for certain newly-issued shares in HBG Ltd and the Preference Shares will be redeemed and the holders of such Preference Shares will use the redemption proceeds to subscribe for certain newly-issued shares in HBG Ltd. Subsequently, such shares in HBG Ltd will be exchanged for Shares. As a result, the Group's shareholder equity will be positive immediately following such contribution or redemption. See section "*Capitalisation and Indebtedness*".

The losses declared in FY 2024, FY 2023 and FY 2022 were mainly due to the interest charged on Shareholder Loan Notes, Preference Shares and senior debt and the impact of amortisation of intangible assets. Interest on the Shareholder Loan Notes totalled €139 million for FY 2024 (€126 million and €114 million in FY 2023 and FY 2022, respectively), interest on senior debt and other finance costs totalled €188 million in FY 2024 (€186 million and €129 million in FY 2023 and FY 2022, respectively) and amortisation charges related to intangible assets amounted to €95 million (€93 million and €100 million in FY 2023 and FY 2022, respectively). These financial liabilities generated €156 million of the Group's total interest costs for FY 2024 (€151 million and €137 million for FY 2023 and FY 2022, respectively).

The Group believes that the reduction in interest costs following the contribution of the Shareholder Loan Notes and Preference Shares issued by HNVR Topco and the Refinancing will have a significant positive effect on its financial results going forward since the Shareholder Loan Notes and Preference Shares will be repaid or redeemed as part of the Proposed Reorganisation (in particular, as further explained in sections "*Capitalisation and Indebtedness*", "*Unaudited Pro Forma Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", the Proposed Reorganisation will primarily have an impact on the Group's "Interest on Shareholder Loan Notes" and "Senior debt and other finance costs" line items). As Shareholder Loan Notes and Preference Shares will be repaid or redeemed as part of the Proposed Reorganisation (see section "*Proposed Reorganisaton*"), they are not included in Net Debt[APM] in order to more accurately reflect the Group's future share capital structure, allowing for better comparability between historical and future Net Debt[APM].

However, the Group anticipates that the impacts of the Cash Outflows will result in the Group being loss making in FY 2025 and there can be no assurance that the Group will report profits in subsequent financial years, or if it does, that it will be able to sustain profitability on a continuing basis.

The Group's historic losses, combined with potential future losses, have had and may continue to have an adverse effect on the Group's cash resources and shareholders' deficit.

G.3 ***Certain payments linked to the Offering will result in significant cash outflows.***

Since 2016, HBX Group has put in place a number of long-term incentive plans in response to the various challenges that it has faced, namely the acquisition of Hotelbeds from the TUI Group by Cinven and CPPIB, the integration process with Tourico Holidays Inc ("**Tourico**") and GTA Travel Holding Ltd and Kuoni Holdings Plc (together, "**GTA**"), the Covid-19 pandemic, the incentivisation for the transformation of the Group in the post-pandemic period and the need to retain talent. The long-term incentive plans currently in place within the HBX Group are the 2016 LTIP, the 2017 LTIP, the 2021-2024 LTIP, the New MIP, the Complementary 2021 LTIP, the New MIP Director and Top Manager and the Fintech LTIP (together, the "**Historical LTIPs**") and the Roiback LTIPs (see section "*Management and Board of Directors—Incentive Plans—Historical incentive plans to be liquidated upon Admission*"), as well as the EIP (see section "*Business—Employees & Culture*"). However, the Historical LTIPs as well as the Roiback LTIPs and the EIP will be liquidated upon Admission (see section "*Management and Board of Directors—Incentive Plans—Historical incentive plans to be liquidated upon Admission*").

In addition, on 1 October 2024, the board of HBG Ltd approved an additional cash bonus in favour of a total of 51 key Group employees (including all members of the Executive Committee), managers and directors as a reward for their extraordinary value creation achieved over the years (the "**Additional Incentive Bonus**"), conditional upon Admission taking place before the second quarter of calendar year 2025 and the beneficiaries remaining uninterruptedly providing services to HBX Group until Admission. The maximum amount payable under the Additional Incentive Bonus is €119.8 million and payment is expected to take place no later than 15 calendar days following Admission. In addition, the Chair will be entitled to receive €1 million corresponding to the Exit Bonus conditional on Admission taking place (see section "*Management and Board of Directors—Compensation—Board Compensation—Compensation of non-executive Directors for the performance of their general role as Directors*").

The Company intends to use the gross proceeds from the issuance of the New Offer Shares, among other purposes, to settle the amounts due under the Historical LTIPs, the Roiback LTIPs, the EIP, the Exit Bonus, the €1 million exit bonus described in "*Management and Board of Directors—Compensation—Executive Committee compensation*" and the Additional Incentive Bonus. The settlement of the Historical LTIPs, the Roiback LTIPs, the EIP, the Exit Bonus, the €1 million exit bonus described in "*Management and Board of Directors—Compensation—Executive Committee compensation*" and the Additional Incentive Bonus (including all related social security costs, which are expected to amount to approximately €10 million) will require the Group to pay approximately €208 million (assuming an Offering Price at the lower and upper end of the Offering Price Range, and including all related social security costs, which are expected to amount to approximately €10 million) in cash to their beneficiaries, thereby reducing the Group's liquidity. A portion of such amounts (€23.3 million) have been provisioned in the Special Purpose Consolidated Financial Information for FY 2024 in relation to these plans. The Company expects that this will result in an impact on its consolidated profit and loss account in FY 2025 of approximately €185 million, which will be recognised as non-underlying costs.

In addition, it is expected that the Company will use part of the gross proceeds from the New Offer Shares (between €58 million (at the lower end of the Offering Price Range) and €107 million (at the upper end of the Offering Price Range)) to settle the Deferred Sale Consideration in respect of the sale by certain individuals and non-institutional shareholders of their shares in HBG Ltd to the Company in the context of the Proposed Reorganisation. The Company also expects to receive between €46 million (at the lower end of the Offering Price Range) and €51 million (at the upper end of the Offering Price Range) in cash from the amounts that will be reinvested by certain Directors and senior active employees of the Group who will sell all of their shares in HBG Ltd to the Company in exchange for the Deferred Sale Consideration. This reinvestment will amount to between 20% and 75% of their after-tax proceeds (with an average reinvestment of over 50%) resulting from the payment of all applicable Historical LTIPs, the Exit Bonus, the Additional Incentive Bonus and the Deferred Sale Consideration (see section "*Proposed Reorganisation—Pre-Admission steps*") and they will be subject to a lock-up in respect of their Shares.

Moreover, the Company will need to pay fees and expenses of the Offering amounting to approximately €50 million, assuming that the discretionary commission to the Managers is paid in full (excluding any applicable VAT) as well as approximately €47 million in accrued interest on debt instruments to be refinanced. The Company also intends to pay the amounts due in the context of the Refinancing comprising the repayment of amounts outstanding under the Existing Facilities amounting to €537 million (including costs in an amount of €29 million) to be funded using the remaining part of the gross proceeds from the New Offer Shares as well as available cash.

The net proceeds raised by the Company in the Offering, deducting €50 million in fees and expenses related to the Offering (assuming the discretionary commission to the Managers is paid in full by the Company (excluding any applicable VAT)), will amount to €675 million. The Company expects that, in addition to the gross proceeds from the New Offer Shares, it will need to use between €129 million (at the lower end of the Offering Price Range) and €173 million (at the upper end of the Offering Price Range) from available cash to fund the Cash Outflows, thereby affecting its liquidity. The Group anticipates that the Cash Outflows will result in the Group being loss making in FY 2025.

See sections "*Proposed Reorganisation—Pre-Admission steps*", "*Capitalisation and Indebtedness*" and "*Reasons for the Offering and Use of Proceeds—Use of Proceeds—Primary Offering*".

G.4 ***The Company's financial condition will undergo significant changes in connection with the Offering.***

As detailed in the section titled "*Proposed Reorganisation*", The Company, certain companies within HBX Group, the shareholders of HBG Ltd, the holders of Shareholder Loan Notes in HNVR Topco and the holders of Preference Shares in HNVR Topco entered into, or, in relation to certain individual shareholders of HBG Ltd, subsequently adhered to the Reorganisation Deed, under which, each of the parties has agreed to undertake certain transactions as part of a corporate reorganisation to be effected after registration of this Prospectus and execution of the Underwriting Agreement, pursuant to which the Company will become the sole shareholder of HBG Ltd and, therefore, the parent company of HBX Group.

HBG Ltd has assessed the Proposed Reorganisation and determined that it does not alter the economic substance of the Group. However, following the steps of this reorganisation and certain actions related to the Offering, the Company's financial condition will change significantly, as it will own all the ordinary share capital of HBG Ltd. Additionally, the Company will face significant cash outflows in relation to the Offering (see "*—Certain payments linked to the Offering will result in significant cash outflows*" above). These factors will alter the Company's assets and liabilities, which will increase substantially because of the value of its shareholding in HBG Ltd, the subscription of the Offer Shares and the liabilities resulting from the Offering (see section "*Presentation of Financial Information and Other Important Notices—Unaudited Pro Forma Financial Information*").

The Pro Forma Financial Information (as defined below) has been prepared in accordance with the basis of preparation described in section "*Unaudited Pro Forma Financial Information*", which includes certain assumptions and adjustments, including that it has been prepared on an assumed Offering Price Range which may differ from the final Offering Price. The assumptions used in preparing the Pro Forma Financial Information may not prove to be accurate. The Pro Forma Financial Information is provided for informational purposes only and does not purport to represent what the actual net assets of the Group would have been had the adjustments described therein occurred on the respective dates assumed, nor is it indicative of the future results of the Group. The Pro Forma Financial Information has not been prepared in accordance with the requirements of Regulation S-X of the U.S. Securities Act, or any generally accepted accounting standards. Neither the assumptions underlying the pro forma adjustments, nor the resulting unaudited pro forma financial data have been audited in accordance with any generally accepted auditing standards. The unaudited pro forma financial information contained in this Prospectus is presented for illustrative purposes and does not comply with IFRS-EU or any other generally accepted accounting standards. See section "*Unaudited Pro Forma Financial Information*".

Given the extensive differences between the Company's financial statements before and after the Offering, its financial information as of the date of this Prospectus may not provide a meaningful basis for evaluation. Investors may not be able to rely on its historical financial information or any other financial data to evaluate its business prospects or the merits of an investment in the Shares.

G.5 ***Risks related to indebtedness and interest rate fluctuations.***

As at 30 September 2024, the Group's total interest-bearing loans and other borrowings amounted to €3,344 million and consisted of Shareholder Loan Notes, Preference Shares, lease liabilities and bank loans, which represented 97% of the Group's assets as at that date and 9.2x EBITDA^{APM} for FY 2024, respectively. The Group's Adjusted Net Debt^{APM} amounted to €1,285 million as at 30 September 2024, resulting in an Adjusted Net Debt to Adjusted EBITDA^{APM} of 3.2x. See section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures*" for an explanation and reconciliation of EBITDA^{APM}, Adjusted Net Debt^{APM} and Adjusted Net Debt to Adjusted EBITDA^{APM}.

As further explained in "*Proposed Reorganisation*", after registration of the Prospectus and execution of the Underwriting Agreement and before the Initial Registration Time, the holders of the Shareholder Loan Notes will contribute their Shareholder Loan Notes to HBG Ltd in exchange for certain newly-issued shares in HBG Ltd and the Preference Shares will be redeemed and the holders of such Preference Shares will use the redemption proceeds to subscribe for certain newly-issued shares in HBG Ltd. Subsequently, such shares in HBG Ltd will be exchanged for Shares. In addition, concurrently with the Offering, the Group will refinance all its existing indebtedness incurred under the Existing Senior Facilities Agreement (see section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Borrowings—Senior debt—Existing Senior Facilities Agreement*") and cancel the facilities available under the Existing Senior Facilities Agreement (the "**Refinancing**"). HBX Group estimates that, together with the gross proceeds from the New Offer Shares and cash on balance sheet, the payments of the amounts due in the context of the Refinancing comprising the repayment of amounts outstanding under the Existing Facilities will amount to €537 million (including costs in an amount of €29 million), corresponding to (after taking into account transaction costs and expenses incurred in connection with the implementation of the Refinancing) a 0.7x reduction in Adjusted Net Debt to Adjusted EBITDA^{APM} to approximately 2.5x. The Group estimates that, as a result of the contribution of the Shareholder Loan Notes, the redemption of the Preference Shares and the Refinancing, the Group's Net Debt^{APM} at 30 September 2024 would reduce from €1,071 million to approximately €650 million on a pro forma basis (assuming an Offering Price at the lower end of the Offering Price Range) or approximately €700 million on a pro forma basis (assuming an Offering Price at the upper end of the Offering Price Range).

HBX Group's ability to meet scheduled payments on or refinance its debt obligations depends on its financial condition and operating performance, which are influenced by numerous risks and uncertainties including economic and competitive factors, beyond the Group's control. Consequently, there is no guarantee that the Group will generate sufficient cash flows to cover scheduled interest and principal payments or meet performance-related covenants. If cash flows and capital resources fall short, the Group may need to delay investments, sell assets, seek additional funding, or restructure its debt. These alternative measures may be costly and not fully address its payment obligations or other obligations relating to their borrowing. This situation could lead to significant liquidity issues, potentially requiring the sale of substantial assets or businesses, with no assurance that proceeds will be adequate or sufficient to meet its debt service and other obligations.

HBX Group is also exposed to the risk of fluctuations in interest rates. Such fluctuations impact the fair value of the Group's fixed-rate assets and liabilities, as well as the cash flows from variable-rate assets and liabilities, affecting its equity and profitability. As of 30 September 2024, approximately 52% of the Group's interest-bearing loans and borrowings were subject to variable interest rates, which consisted of 6-month EURIBOR plus a margin, which average for FY 2024 was approximately 7.5%. For FY 2024, an increase of the interest rates of 100 basis points and 200 basis points would have generated an increase of the financial expenses of €17 million and €44 million, respectively and, for FY 2023, an increase of financial expenses of €18 million and €36 million, respectively. Following the Refinancing, all of the Group's interest-bearing loans and borrowings will be subject to variable interest rates, which consist of EURIBOR for the relevant interest period plus a margin. Following the Refinancing, an increase or decrease of 1% to EURIBOR, will have an interest impact of +/-€12 million per annum and an increase or decrease of 2% to EURIBOR, will have an interest impact of +/-€24 million per annum while Facility A and Facility B remain outstanding in full.

While the Group from time to time uses financial instruments such as interest rate caps and swaps to hedge against interest rate movements, as at the date of this Prospectus, the Group has no interest rate hedging arrangements in place. Even if hedging measures are implemented in the future, they may not provide complete protection, especially if the underlying assumptions and forecasts are inaccurate or incorrect.

Given the sensitivity of interest rates to factors beyond the Group's control, such as central bank policies, further rate increases could negatively affect the Group's business, financial condition, and operational results. Any of the above could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

The interest-bearing loans and borrowings made available under the Existing Facilities Agreement are subject to variable interest rates, which consist of EURIBOR (or for loans under the Existing Revolving Credit Facilities in currencies other than Euro, the reference rate applicable to such currency under the Existing Senior Facilities Agreement) and an initial margin of:

- in relation to any Facility B3 Loan, 4.50% per annum;
- in relation to any Facility D2 Loan, 4.25% per annum; and
- in relation to any Revolving Facility 2 Loan, 4.50% per annum.

The margins detailed above vary by reference to the Group's leverage ratio (calculated on the basis of total borrowings of the group (excluding intra-group loans, subordinated loans and net of cash and cash equivalent investments), to EBITDA) (as further adjusted in accordance with the Existing Facilities Agreement) from time to time in accordance with the grid set out below:

	Revolving Facility 2 Margin	**Facility B3 Margin**	**Facility D2 Margin**
		(% p.a.)	
Leverage			
Greater than 4.50:1	4.50	4.50	4.25
Less than or equal to 4.50:1 but greater than 4.00:1	4.25	4.50	4.25
Less than or equal to 4.00:1 but greater than 3.50:1	4.00	4.50	4.25
Less than or equal to 3.50:1 but greater than 3.00:1	3.75	4.25	4.00
Less than or equal to 3.00:1	3.50	4.00	3.75

Immediately following the Refinancing, the Group's interest-bearing loans and borrowings under the New Facilities Agreement will be subject to variable interest rates, consisting of EURIBOR (or, for loans under the Revolving Facility in currencies other than Euro, the reference rate applicable to such currency under the New Facilities Agreement) (in each case, subject to a floating rate floor of zero), and an initial margin of:

- in relation to Facility A and the Revolving Facility, 2.00% per annum; and
- in relation to Facility B, 2.75% per annum.

From the date falling 6 months after the first utilisation of Facility A or Facility B, the margins detailed in above will vary by reference to the Group's consolidated leverage ratio (calculated as the ratio of total borrowings of the Group, less cash and cash equivalent investments, to Adjusted EBITDA^{APM} (as further adjusted in accordance with the New Facilities Agreement) ("**Total Net Leverage**")) of, in accordance with the grid set out below:

	Facility A Margin	**Facility B Margin**	**Original Revolving Facility Margin**
		(% p.a.)	
Total Net Leverage			
Greater than 2.25:1	2.00	2.75	2.00
Less than or equal to 2.25:1 but greater than 2.00:1	1.75	2.50	1.75
Less than or equal to 2.00:1 but greater than 1.75:1	1.50	2.25	1.50
Less than or equal to 1.75:1 but greater than 1.50:1	1.25	2.00	1.25
Less than or equal to 1.50:1	1.00	2.00	1.00

The margin and margin ratchet applicable to Facility B (only), may be adjusted in syndication as a result of the Arrangers exercising the market flex rights set out in the Syndication Strategy Letter. For further details of the New Facilities Agreement, see section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Borrowings—Senior debt—New Facilities Agreement*".

The New Facilities under the New Facilities Agreement will be secured by a security package established in favour of the Security Agent, consisting of (i) security over the shares held by the Company in HNVR Midco Limited (once it has become the Company's direct subsidiary as a result of the Post Admission Steps described in section "*Proposed Reorganisation*"); and (ii) a security assignment of intra-Group receivables owed to the Company by its subsidiaries. As at the Closing Date, the New Facilities will not be guaranteed by members of the Group other than the Company. After the Closing Date, the Company will be required to comply with certain guarantor coverage requirements, such that the following members of the Group will be required to provide guarantees in respect of the New Facilities:

- material Subsidiaries (being (i) the Company, (ii) any borrower under the New Facilities Agreement, (iii) each wholly-owned member of the Group incorporated in a Guarantor Jurisdiction (being England and Wales, Spain, Switzerland and the United States of America or any other jurisdiction where a borrower is incorporated (the "**Guarantor Jurisdictions**")) which has EBITDA (calculated on an unconsolidated basis and subject to certain customary exclusions) exceeding 10% of the Group's consolidated EBITDA and (iv) each direct holding company of a member of the Group falling within (iii) above that is also located in a Guarantor Jurisdiction); and
- wholly-owned members of the Group representing, on an unconsolidated basis, at least 80% of Adjusted EBITDA^{APM} (as further adjusted by the New Facilities Agreement) of members of the Group incorporated in Guarantor Jurisdictions (subject to customary exclusions).

The security granted by the Company pursuant to the New Facilities Agreement will be released if: (i) Facility B has been discharged in full (and not refinanced or replaced with another senior secured instrument); and (ii) the Borrower achieves a long term corporate credit rating equal to or higher than BB/Ba2 from any two of Fitch Ratings, Inc, Moody's Investors Service, Inc and Standard & Poor's Investors Rating Services.

The New Facilities Agreement includes mandatory prepayment rights for the lenders in certain circumstances, including if (i) any person or group of persons acting in concert (other than directly or indirectly the "Investors" (being Cinven, CPPIB and EQT VII (including, for these purposes only, certain of its affiliates and other entities related to it)) and/or a group including one or more Investors (or persons directly or indirectly controlled by the Investors) who together control more than 30% of the voting share capital of the Company) becomes the direct or indirect beneficial owner of the shares providing the right to cast more than 50% of the votes at a general meeting of the Company; or (ii) the occurrence of a sale of all or substantially all of the assets of the Group, (iii) prior to the Post Admission Steps described in section "*Proposed Reorganisation*" and for so long as the Company has granted security over the shares it owns in HBG Ltd, the Company ceasing to own 100% of the issued share capital of HBG Ltd (each a "**Change of Control**"); or (iv) from disposal proceeds (subject to certain conditions and exceptions. Upon a Change of Control, each lender has an individual right to require cancellation of its commitments and prepayment of all amounts owing to it under the Finance Documents (as defined in the New Facilities Agreement). In addition, the net proceeds of certain disposals that may be made by the Group from time to time must be applied in mandatory prepayment of Facility B (subject to customary de minimis thresholds and reinvestment rights).

G.6 ***Risks related to covenants which limit operating and financial flexibility.***

Under the Existing Senior Facilities Agreement, which has supported the Group's past performance and other capital requirements prior to the Offering and will be refinanced in full concurrently with the Offering, certain members of the Group are subject to certain covenants that have imposed restrictions on the way the Group operates, including (among others) restrictions on its ability to:

- incur or guarantee additional debt, subject to certain exceptions;
- make certain investments, acquisitions or loans, including participating in joint ventures, subject to certain exceptions; and
- make disposals, subject to certain exceptions.

The Company has not breached any of the covenants contained in the Existing Facilities Agreement during FY 2022, FY 2023 or FY2024.

On 16 January 2025, the Group entered into the New Facilities Agreement, which will support its growth strategy and other capital requirements following the Offering. The New Facilities Agreement contains:

- a financial covenant for the benefit of lenders under Facility A and the Revolving Facility (each as defined in "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Borrowings—Senior debt"* and together the "**Pro-rata Facilities**") requiring the Borrower to maintain a maximum Total Net Leverage of 4.50:1 (reducing to 4.00:1 after the first three periods tested), which will be tested on a semi-annual basis at the end of each half-year period and at the end of each financial year, with the first test date being the last day of the first complete financial half year after the Closing Date (as further detailed in section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Borrowings—Senior debt")*;
- certain covenants that impose restrictions on the way the Group operates, including (among others) restrictions on its ability to:
  - incur debt, subject to certain exceptions whereby (i) the Company shall be permitted to raise additional facilities under the New Facilities Agreement in an aggregate amount equal to the greater of €379 million or, if higher, an amount equal to 100% of Adjusted EBITDA^{APM} (as further adjusted and for a twelve month period determined in accordance with the New Facilities Agreement) ("**LTM EBITDA**") plus certain customary amounts plus an unlimited amount to the extent that senior secured net leverage (or if the security in respect of the New Facilities Agreement has been released, Total Net Leverage) does not exceed 3.00:1 or in relation to debt being used to finance an acquisition permitted by the New Facilities Agreement, such ratio does not increase ; (ii) the Company shall be permitted to raise an unlimited amount of additional debt outside the New Facilities Agreement provided that (for so long as the security in respect of the New Facilities Agreement remains in place), where such debt ranks *pari passu* with Facility A, Facility B and the Revolving Credit Facility; the Group's senior secured net leverage does not exceed 3.00:1 or, in relation to proceeds being used to finance an acquisition permitted by the New Facilities Agreement, such ratio does not increase; and (iii) the Company and other members of the Group shall be permitted to raise additional debt subject to certain other baskets and customary exceptions and permissions (as further detailed in section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Borrowings—Senior debt*");
  - provide loans to third parties where the aggregate value of such loans exceeds the greater of €60 million and 15% LTM EBITDA, except with approval of the Board;
  - grant security over its assets, subject to certain customary exceptions and permission to grant security in an aggregate principal amount not exceeding €119 million and 30% LTM EBITDA;
  - make certain investments and acquisitions, including participating in joint ventures, other than where such acquisition or joint venture is in respect of companies or businesses similar or complementary to the Group, that would not result in a breach of sanctions; and
  - make disposals, subject to certain customary exceptions and permissions including permission to make disposals at fair market value for cash consideration, and permission to make disposals in an aggregate principal amount not exceeding €119 million and 15% LTM EBITDA.

These covenants could affect the Group's ability to operate its business and may limit its ability to react to market conditions or take advantage of potential business opportunities as they arise. For example, such restrictions could limit the Group's ability to finance its operations, pursue valuable acquisitions, investments or alliances, restructure its current organisation or finance its capital needs.

If the Company or relevant members of the Group breach any covenants in the New Facilities Agreement and are unable to remedy or cure any such breach in the time periods set out in the New Facilities Agreement, an event of default and/or cross-default may be triggered. The holders of the defaulted debt could terminate their commitments and declare all amounts borrowed, together with accrued and unpaid interest and other fees, to be immediately due and payable and/or enforce their security interests. In such circumstances, the Group's assets and available cash flow may not be sufficient to repay outstanding indebtedness in full, if some or all instruments were accelerated, which could force the Company (and/or a member of the Group which has guaranteed the New Facilities, as described below) into bankruptcy or liquidation. Subject to certain grace periods and cure rights, after a breach of the financial covenant described above, Lenders participating in the Pro-rata Facilities could terminate their commitments and declare all amounts borrowed, together with accrued and unpaid interest and other fees, to be immediately due and payable and/or enforce their security interests. Upon, but not prior to, such acceleration event by the lenders participating in the Pro-rata Facilities, lenders participating in Facility B shall be entitled to take the same action.

Upon the occurrence of an acceleration event described above, the Security Agent would have the right, upon instruction from the requisite majority of lenders under the New Facilities Agreement, to enforce the security interests granted by the Company (and any other members of the Group) in respect of the indebtedness under the New Facilities Agreement. In the case of the share security to be granted by the Company over its shares in its direct subsidiary (as described below), this could result in an enforcement sale or appropriation of those shares (and therefore the entire operating business of the Group), with the proceeds applied first towards satisfying the secured indebtedness.

The New Facilities under the New Facilities Agreement will be secured by a security package established in favour of the Security Agent, consisting of (i) security over the shares held by the Company in HNVR Midco Limited (once it has become the Company's direct subsidiary as a result of the Post Admission Steps described in section "*Proposed Reorganisation*"); and (ii) a security assignment of intra-Group receivables owed to the Company by its subsidiaries. As at the Closing Date, the New Facilities will not be guaranteed by members of the Group other than the Company. After the Closing Date, the Company will be required to comply with certain guarantor coverage requirements, such that the following members of the Group will be required to provide guarantees in respect of the New Facilities:

- material Subsidiaries (being (i) the Company, (ii) any borrower under the New Facilities Agreement, (iii) each wholly-owned member of the Group incorporated in a Guarantor Jurisdiction which has EBITDA (calculated on an unconsolidated basis and subject to certain customary exclusions) exceeding 10% of the Group's consolidated EBITDA and (iv) each direct holding company of a member of the Group falling within (iii) above that is also located in a Guarantor Jurisdiction); and
- wholly-owned members of the Group representing, on an unconsolidated basis, at least 80% of Adjusted EBITDA^{APM} (as further adjusted by the New Facilities Agreement) of members of the Group incorporated in Guarantor Jurisdictions (subject to customary exclusions).

The security granted by the Company pursuant to the New Facilities Agreement will be released if: (i) Facility B has been discharged in full (and not refinanced or replaced with another senior secured instrument); and (ii) the Borrower achieves a long term corporate credit rating equal to or higher than BB/Ba2 from any two of Fitch Ratings, Inc, Moody's Investors Service, Inc and Standard & Poor's Investors Rating Services.

G.7 ***As the Group operates in multiple currencies, exchange rate fluctuations may have a material adverse effect on the Group's results of operations and financial position.***

The Group is exposed to risks related to changes in currency exchange rates due to the international nature of the Group's business. Although the reporting currency for purposes of the Special Purpose Consolidated Financial Information is the euro, approximately 50% of the Group's business (in terms of revenue) in FY 2024 was denominated in other currencies. Accordingly, the Group's results of operations are subject to currency effects, primarily currency translation exposure and changes in the relevant exchange rates between the euro and other currencies to which the Group is exposed. Such other currencies comprise particularly the U.S. dollar, the Singapore Dollar, the UAE Dirham, the British Pound Sterling and the Mexican Peso, which accounted in FY 2024 for 24%, 8%, 7%, 4% and 3% in terms of TTV^{APM}, respectively. See section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures—TTV^{APM}*" for an explanation and reconciliation of TTV^{APM}. Any such currency effects may significantly affect the Group's reported consolidated results over the period under review and could materially affect its reported results of operations.

While approximately 50% of the Group's revenue is earned in euros, the Group earns the remainder of revenue and incurs expenses in currencies other than the euro and, therefore, net currency exposure arises to the extent that the Group does not incur corresponding expenses or revenue in the same foreign currencies. In FY 2024, the Group recognised a foreign exchange gain in the profit and loss account of €5 million (a loss of €10 million and a gain of €1 million in FY 2023 and FY 2022, respectively) and a foreign exchange translation loss in the balance sheet of €26 million (a loss of €20 million and a gain of €62 million in FY 2023 and FY 2022, respectively).

The Group seeks to hedge currency transaction risks by offsetting opposing cash flows (natural hedging) and forward exchange contracts. In particular, as of 30 September 2024, in order to manage its FX exposure, HBX Group was party to swaps, forwards and spot options with a notional value of €733 million, the fair value of which was a net asset of €4 million in FY 2024 (net liabilities of €5 million and €2 million in FY 2023 and FY 2022, respectively). However, a substantial amount of the Group's revenue is not subject to hedging, for example, in FY 2024, 44% of the Group's revenue was exposed to foreign exchange risks, where the Group concluded that hedging of some exotic currencies would not be cost-efficient. In addition, through its Fintech & Insurance product line, HBX Group deploys an internal hedging strategy that nets core FX flows across key currency pairs, helping to minimise exchange cost. In addition, the Group uses an automated, dynamic hedging tool to be able to maximise favourable forward points and minimise unfavourable forward points to take advantage of interest rate differentials between currencies. However, there can be no assurance that the Group's efforts to effectively hedge against its FX risk are successful or that such hedging opportunities are readily available.

For instance, the impact on the Group's loss before tax of a 5% rise or fall of the U.S. dollar in FY 2024 due to the changes in the fair value of monetary assets and liabilities as at 30 September 2024 (mainly trade receivables, trade payables, derivatives and cash at bank) would have led to an additional expense of €1 million or an additional income of €1 million, respectively. An 8% rise or fall of the U.S. dollar in FY 2023 would have led to an additional expense of €9 million or an additional income of €9 million, respectively, while a 5% rise or fall in FY 2022 would have led to an additional income of €1 million or an additional expense of €1 million, respectively. The impact on the Group's equity due to changes in the fair value of forward exchange contracts designated as cash flow hedges is not material. The assumed movement in percentage for the U.S. dollar rate sensitivity analysis is based on the currently observable market environment.

Any of the above could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

G.8 ***The Group is exposed to risks relating to seasonality and its negative working capital.***

Historically, the Group has earned most of its profits in the European summer months. In calendar years unaffected by major disruptions such as the Covid-19 pandemic, the level of demand for the Group's services has been subject to seasonality. Demand has historically been highest in the summer season from May through October (i.e., the peak travelling period) and lowest in the winter season from November through April (except for the days around Christmas, New Year and Easter). Over FY 2024, FY 2023 and FY 2022, 20% of the Group's Accommodation TTV^{APM} has been accrued during the first quarter ending on 31 December, approximately 20% during the second quarter ending on 31 March, 25% during the third quarter ending on 30 June and 35% has been accrued during the fourth quarter ending on 30 September. See section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures—TTV^{APM}*" for an explanation and reconciliation of TTV^{APM}. At the same time, the Group incurs a significant portion of its operating cost more evenly throughout the year.

The Group's cash flows are similarly seasonal. Cash inflows tend to be higher in the summer, as the Group receives advance payments and final balances from distribution partners. Conversely, cash inflows tend to be lower in winter as the Group settles liabilities with many suppliers after the end of the summer season.

Any disruptions related to bookings for the peak travelling period in the summer could therefore have an adverse effect on the Group's business, prospects, financial condition and results of operations.

In addition, in common with many businesses with rapid turnover and low trade receivables, the Group operates with negative working capital, receiving cash from its distribution partners before paying its suppliers. This difference between days receivables and days payables generated negative working capital for HBX Group during FY 2024. See section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Cash flows—Net cash inflow from operating activities*". While this working capital structure is a feature of the Group's business model, it exposes the Group to certain risks. Any disruption to the timing or flow of payments from distribution partners, including delays or defaults, could adversely impact HBX Group's liquidity and ability to meet its payment obligations to suppliers. Similarly, changes in the Group's trading dynamics, such as reduced demand, extended supplier payment terms, or a shift in payment practices, could reduce the negative working capital advantage, requiring the Group to rely on external funding.

Any of the above could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

G.9 ***The Group is exposed to various counterparty risks.***

The Group is exposed to the risk that various counterparties, including financial entities, will fail to perform. This creates risk in a number of areas, including with respect to its bank deposits and investments, foreign exchange risk management, insurance coverages, letters of credit, and for certain transactions, the receipt and holding of payments from its distribution partners and subsequent remittance of a portion of those payments to the relevant hotel or other suppliers of travel products.

As relates to deposits, as at 30 September 2024, the Group held cash in bank depository accounts of €686 million. As it relates to foreign exchange, as at 30 September 2024, HBX Group was party to swaps, forwards and spot options with a notional value of €733 million, the fair value of which was a net asset of €4 million. HBX Group employs forward contracts to hedge a portion of its exposure to foreign currency exchange rate fluctuations. At the end of the deposit term or upon the maturity of the forward contracts, the counterparties are obligated, or potentially obligated in the case of forward contracts, to return its funds or pay HBX Group net settlement values.

If any of these counterparties were to liquidate, declare bankruptcy or otherwise cease operations, it may not be able to satisfy its obligations under these term deposits or forward contracts, the Group's ability to recover losses or to access or recover its assets held may be limited by the counterparty's liquidity or the applicable laws governing the insolvency or bankruptcy proceeding, and the receipt and remittance of payments via such counterparties would be severely limited or cease.

In addition, the Group faces significant credit risk and potential payment delays with respect to non-financial contract counterparties and which may be exacerbated by economic downturns, including B2C distributors on the distribution partner side and hotels on the supplier side. While the Group has trade credit risk insurance, which covers, among other things, the risk of payment default or insolvency by distribution partners or non-payment or the impediment of payments by distribution partners due to political risks, and has defined credit management policies and practices to limit potential losses, there can be no assurance that such insurance will be sufficient to cover all non-payments or payment delays the Group may suffer or that such policies will be effective.

While the Group believes it is not subject to significant concentration of credit risk, with exposure spread across large number of counterparties, distribution partners and territories and the Group has a strict credit verification process in place for distribution partners who wish to trade on credit terms, there can be no assurance that any delay or default of the Group's counterparties would not have a material adverse effect on the Group's financial position.

H. LEGAL AND REGULATORY RELATED RISKS

H.1 ***The Group may become involved in litigation, arbitration and governmental proceedings.***

The Group is, and from time to time, may be involved in legal, arbitration or governmental proceedings in the ordinary course of its business, including disputes concerning a wide range of matters, including breaches of contract, intellectual property infringement, environmental or employment issues, termination of business or employment relationships, and/or alleged or suspected violations of applicable laws in various jurisdictions. Although the outcome of these proceedings or audits is intrinsically uncertain and cannot be predicted with certainty, as of the date of this Prospectus, none of the currently ongoing proceedings are individually expected to have a material adverse effect on the Group's financial position and, to the Group's knowledge, there are no material legal, arbitration or governmental proceedings threatened against the Group. The Group records provisions for legal proceedings in its financial statements and determines such amounts according to a consistent methodology based upon historical claim patterns, average claim amounts, external legal advice and future expectations. As at 30

September 2024, the Group had recorded total provisions of €3 million for ongoing legal proceedings. However, there can be no assurance that the Group will not become subject to any such material proceedings in the future or that the provisions recorded for such proceedings will be sufficient. From time to time, the Group may also be subject to certain audits by tax, social security or other authorities. See section "*Business—Legal Proceedings*" for more information.

The outcome of legal, arbitration or governmental proceedings is, as a general matter, difficult to predict, even if they involve claims the Group believes are meritless or frivolous. The Group's view of any such proceedings might also change in the future. Actual outcomes of such proceedings and other claims or lawsuits could differ from the assessments made by the Group. If any proceedings are determined against HBX Group or if the Group decides to settle any litigation, the Group may be subject to the imposition of fines, required to change its business practices or it may incur liabilities or monetary losses, some of which may not be covered by its existing insurance policies and may be significantly disruptive to the operation of HBX Group's business. In addition, the costs and penalties related to legal, arbitration or governmental proceedings may be significant. Exposure to any such proceedings could also result in the distraction of management resources and materially adversely affect the Group's reputation, which could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

H.2 ***HBX Group is subject to risks stemming from possible failure to comply with governmental regulation and other legal obligations, as well as litigation and reputational risks associated with the failure to protect personal data from unauthorised use, theft or destruction.***

In the processing of the Group's transactions, HBX Group receives and stores a large volume of confidential and personally identifiable information, including data related to end consumers, acting as data processor and data controller relying on licensed encryption and authentication technology to effect the secure transmission and storage of such information. Such personally identifiable information is increasingly subject to regulation in numerous jurisdictions around the world regarding the storing, sharing, use, processing, disclosure and protection of client and employee personal, financial, and other data, the scope of which is changing, subject to differing interpretations, and may be inconsistent or conflicting between jurisdictions or with other rules (see section "*Regulation —Data Protection*").

Any failure or perceived failure by HBX Group, or any of the service providers that HBX Group uses, to comply with, privacy-related legal obligations or any compromise of security that results in the unauthorised use, theft, or destruction of such data, may result in violations of applicable EU, U.S. and international laws, governmental enforcement actions and consumer or securities litigation as well as in material loss of revenues from the potential adverse impact to the Group's reputation and brand, HBX Group's ability to retain distribution partners or attract new distribution partners, and the potential disruption to the Group's business and operations.

In addition, any new or altered laws or regulations on data protection could require the Group to increase spending and employee resources on regulatory compliance, change or restrict the Group's business practices and/or incur in expenses to ensure the Group's suppliers and vendors comply with the relevant compliance framework, any of which could adversely affect the Group's operations and profitability. The Group's failure to address these changing requirements or to support its distribution partners meeting their regulatory obligations may result in governmental enforcement actions against the Group including, for example, fines and/or penalties, compliance orders, litigation or public statements that could harm the Group's reputation, any of which could have a material adverse impact on the Group's business, brand, market share and results of operations.

H.3 ***The Group faces risks related to intellectual property and the use of open source software.***

HBX Group's intellectual property ("**IP**"), including copyrights, trademarks, trade secrets, and proprietary technology, is vital to its business operations and competitive advantage. Its key commercial trademarks (protected mainly as word figurative trademarks) are "HBX Group", "Hotelbeds", "Bedsonline" and "Roiback". The Group also recently launched the brand "Traveltech Lab by Hotelbeds" (which is being progressively replaced by "Traveltech Lab by HBX") for innovative initiatives and, following its partnership with The Luxurist, the Group has started the process to protect this brand. As at the date of this Prospectus, the Group has applied for the registration of "HBX Group" as the umbrella trademark of the Group in Spain and internationally. This trademark has been granted to the Group in a number of jurisdictions, including the European Union and the United Kingdom, among others (see section "*Business—The Group's Business—Intellectual Property—Key trade and service marks and logos*"), however, the relevant competent authorities in other jurisdictions where the Group has applied for a trademark may issue provisional or definitive refusals as a result of their examination process. Therefore, the Group cannot guarantee that its trademarks are successfully granted in all jurisdictions where an application has been made.

Moreover, the Group relies on various legal protections, such as copyright and trademark laws, trade secret protections, and contractual agreements, to safeguard its IP. However, securing and maintaining these rights can be complex, costly, and uncertain, particularly given the evolving nature of IP laws across different jurisdictions. Challenges such as differing levels of legal protection, the risk of competitors duplicating products, or unauthorised access to proprietary information could undermine the Group's ability to leverage its innovations and expertise. Moreover, third parties may claim that the Group's products or services infringe on their IP rights, leading to expensive and time-consuming litigation, with no guarantee of a favourable outcome. For example, with regard to the Group's figurative mark "RB Roiback", which was registered as an EU trademark on 13 September 2016, a third party submitted an application for revocation in respect of all registration classes on 30 June 2022, on the grounds that the trademark had not been put to genuine use for a continuous period of five years. On 27 May 2024, the European Union Intellectual Property Office (EUIPO) issued a final and definitive resolution on such revocation application. The resolution confirmed the protection of the Group's "RB Roiback" trademark in the classes that are used by the Group but revoked certain classes of such trademark that were not actually in use by the Group.

In addition, certain parts of the Group's travel tech platform incorporate and are dependent on the use of open source software for internal purposes, without modifying or distributing it. Open source software is generally licensed under open source licences which, in certain cases, requires the Group to make available, or grant licences to, any modifications or derivative works created using the open source software or platforms. Any actual or alleged breaches of open source licence terms could lead to legal claims resulting in significant legal expenses, injunctive relief, having to disclose proprietary source code, or paying damages, any of which could negatively impact the Group's business, financial condition, and competitive position.

Any of the above could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

H.4 ***The Group's business is subject to various competition/anti-trust rules, and regulations around the world, and as the size of HBX Group's business grows, scrutiny of the Group's business by legislators and regulators in these areas may intensify.***

HBX Group, the travel industry, and the technology industry generally are subject to competition and online commerce laws and regulations around the world. These laws and regulations evolve and change, and their interpretation, application, and enforcement can also change, be unpredictable, or be affected by changing political or social pressures. As HBX Group expands its business into new areas, including its evolution towards fintech and insurance, HBX Group may become subject to additional laws and regulations regarding competition.

Online travel intermediaries and other participants in the travel ecosystem have been the subject of investigations or inquiries by various national competition authorities ("**NCAs**") or other governmental authorities. For example, in 2020, the European Commission fined a Spanish hotel group €6.6 million for including certain clauses in its agreements with tour operators which were valid only for reservations of end consumers who were resident in specified countries. The European Commission found that these clauses discriminated against consumers in the European Economic Area based on their place of residence, in breach of EU antitrust rules. The European Commission's investigation also covered similar agreements concluded by the four largest European tour operators but eventually decided not to pursue the cases further.

As markets evolve and NCAs or other governmental authorities continue to monitor the industry in which HBX Group operates, investigations of the industry generally or of the Group specifically could occur. While, as at the date of this Prospectus, the Group has not been subject to sanctions or, to its knowledge, investigations by NCAs, it has received requests of information in the context of investigations or M&A

processes relating to other companies in its sector. While the Group believes it is prudent in its competitive behaviour and seeks, at all times, to comply with applicable competition law, it cannot exclude the possibility of in the future being subject to litigation, requests for information and/or investigations by NCAs, the EU Commission or other authorities into its competitive behaviour in any market. Were any finding to be made against the Group, however, it could be required to pay damages and fines, which could be substantial, and/or required to alter any behaviour determined to be abusive or anti-competitive, all of which could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

In addition, negative publicity regarding competition or online commerce law investigations could adversely affect HBX Group's brands and therefore its business, market share, and results of operations and may result in private litigation.

Any of the above could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

I. RISKS RELATED TO TAXATION

I.1 *Changes in applicable tax laws and regulations, in particular in relation to the taxation of digital services, could materially adversely affect the Group's financial position and results of operations.*

HBX Group faces significant tax-related risks due to its multinational operations, including potential challenges to its transfer pricing policies, exposure to liabilities from past acquisitions, and the complexity of complying with diverse and evolving tax laws across numerous jurisdictions. In addition, the potential changes in international tax systems arising from the new challenges of the digital economy, with significant changes in the determination of the nexus and rules for profit allocation, with a review of the notion of permanent establishment where economic presence prevails over physical presence, could give rise to new methods, both for the quantification of profits and the criteria for their allocation in the different jurisdictions from a tax perspective, affecting the Group's transfer pricing policy.

While the Group has procedures in place designed to comply with applicable tax obligations, its assessments may not always be correct or could otherwise be challenged by the relevant tax authorities in any of the jurisdictions in which it operates. For example, the Company has assessed the tax treatment of all payments to be made in the context of the Proposed Reorganisation. However, if tax authorities were to challenge the Company's assessment of such tax treatment, this could increase the Group's tax liability and potentially lead to fines. In addition, tax authorities may challenge the Group's tax positions, corporate structure, and intercompany transactions, potentially leading to fines, back taxes, and an increase in its effective tax rate. Additionally, the Group may be held liable for unpaid taxes under tax group regimes, or for past tax liabilities of acquired companies, which could result in unforeseen financial obligations. The uncertainty and complexity of tax environments, particularly in growth markets, further complicate HBX Group's ability to accurately determine and manage its tax positions.

Changes in tax laws or regulations, tax treaties, or any change in position by the relevant authority regarding the application, administration or interpretation of these laws or regulations, domestic or in any applicable jurisdiction, could potentially result in higher tax expense and payments (prospectively or retrospectively). For example, the introduction of new transaction and/or corporate income taxes at domestic and/or EU level on the provision of certain digital services (online advertising services, online intermediation services and data transmission services) could partially impact certain services provided by the Group, giving rise to double taxation scenarios.

Moreover, several countries have decided to move ahead with unilateral measures to tax the digital economy. About half of all European OECD countries have either announced, proposed or implemented a digital services tax ("**DST**"), which is a tax on selected gross revenue streams of large digital companies. In particular, Italy, the UK, France and Spain have implemented a DST. In the case of Spain, DST was implemented by means of the Spanish Digital Services Tax (*Ley 4/2020, de 15 de octubre, del Impuesto sobre Determinados Servicios Digitales*) entered into force on 16 January 2021 which sets out a 3% indirect tax levied on the provision of certain online advertising services, online intermediation services and transfer of data services. DSTs are generally levied on the jurisdiction where the digital service is rendered, which should be determined according to the rules of each country's DST legislation.

As of today, the Group has not paid any DST and the position of HBX Group is that none of the activities carried out by the entities within HBX Group should fall within the definition of digital services for the purposes of DSTs except for the activities carried out by three HBX Group companies (Easymarket, Global Obi, S.L. and Holiday Taxis) whose revenue is below the relevant thresholds to fall within the scope of DSTs. In addition, the Group's tax position is based on current tax law and an understanding of the practice of the relevant tax authorities in respect of the application of that law. An interpretation of taxation laws by the relevant tax authority that differs from the Group's view of the application of those laws may reduce the pool of tax losses available or increase the amount of tax that is payable by the Group. There is also the potential for changes to United Kingdom, Spanish and international taxation law including changes in the interpretation or application of the law by the courts or tax authorities in the jurisdictions in which the Group operates that may impact the Group's tax position, tax treatment of an investment in the Shares or the holding and disposal of such Shares, which in turn may impact the Group's financial performance. In addition, the Group may from time-to-time be subject to reviews, audits or investigation from relevant tax authorities, the outcome of which may impact the amount of tax payable by the Group and impact the financial performance of the Group.

HBX Group faces significant risks from periodic tax audits in the countries where it operates, which could lead to additional tax, interest, and penalty payments. Tax authorities may challenge the Group's tax structures, including the establishment of tax groups and the deductibility of interest payments, potentially resulting in increased liabilities. Additionally, the Group's ability to recover input value added tax ("**VAT**") or goods and services tax ("**GST**") is at risk if suppliers fail to provide compliant invoices.

For example, in July 2024, the Spanish tax authorities raised an assessment for Spanish DST on three of the Group's Spanish subsidiaries for financial years 2021 and 2022. The total liability assessed for the three companies is €3.1 million. The Group does not consider that Spanish DST is applicable to the operations of its Spanish business and has appealed against the assessment raised by the Spanish tax authorities on this basis. The matter is being reviewed by the Spanish tax authorities as to the future course of action. The Spanish tax authorities may decide not to take the matter forward to litigation, require further audit fieldwork to be undertaken or move towards a hearing at the Administrative Court.

Moreover, the New York State tax authorities are conducting a routine tax audit of Hotelbeds USA Inc. for the period from June 2019 to November 2022 in connection with New York State sales taxes. The tax authorities have raised two issues relating to sales taxes paid by Hotelbeds USA Inc. to hotels and sales taxes charged by Hotelbeds USA Inc. to its customers. The tax authorities have issued a Notice of Determination to assess sales taxes. Hotelbeds USA Inc. has appealed against this Notice of Determination as it considers that the sales taxes being assessed are not applicable to its business operations and that the calculations made by the tax authorities are not correct. Hotelbeds USA Inc. continues to discuss these matters with the New York tax authorities and to address their questions and to resolve any matters that may arise. At the date of this Prospectus, the Group is not able accurately estimate any potential liability that may arise, however, pending final resolution of the audit, it has recorded a provision in the Special Purpose Consolidated Financial Information for FY 2024 in an amount of €1 million. It is likely that the audit will be resolved during FY 2025.

In addition, in August 2023, the Group submitted a judicial review application to the UK High Court to request a judicial review of HM Revenue & Customs' ("**HMRC**") decision to refuse to repay approximately £10 million of VAT to the Group company Hotelbeds UK Limited on the basis that Hotelbeds UK Limited was unable to obtain and provide invoices from certain suppliers that it paid using virtual credit cards ("**VCC**"). A provision for this amount has been recorded in the Special Purpose Consolidated Financial Information for FY 2024 in an amount of €7 million. The UK High Court hearing took place on 16 and 17 October 2024 and the outcome of this hearing is likely to be released in first quarter of 2025. According to UK tax counsel of HBX Group, it is more likely than not that HBX will be successful in its claim. A similar issue could arise in other countries. In this regard, there are different alternatives that the Group tests with the tax authorities to obtain repayment of the input VAT or GST related to services paid using VCC, for which the relevant suppliers are not issuing invoices. For example, in Australia the Australian Tax authorities have allowed Travelcube Pacific Pty Limited to recover input GST using alternative evidence on prospective and retrospective bases.

Any of the above could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

I.2 ***The ability to utilise the net operating loss carryforwards and other tax attributes may be limited.***

The Group may not be able to apply all tax credits reflected on the consolidated statement of financial position. In addition, the applicable tax laws and regulations may impose, either currently or in the future, other limitations on the ability to use loss carryforwards to offset some or all of the income. If unused, loss carryforwards may expire. As of FY 2024, the Group had recognised deferred tax assets of €51 million (FY 2023: €28 million, FY 2022: €35 million) in the consolidated statement of financial position in relation to tax losses carried forward, principally in Spain and the United States. The ability to utilise these amounts in the future may be limited, either as a result of (i) restrictions imposed by the tax laws and regulations that are applicable, and (iii) that may expire before the Group is able to utilise them as loss carryforwards recoverability depend on the capacity to generate future taxable income. Additionally, the Group did not recognise deferred tax assets in respect of accumulated losses totalling €223 million for FY 2024. The Group anticipates carried forward loss expiry of €1 million, €2 million and €2 million in financial years 2027, 2028 and 2030 and beyond, respectively. The ability to apply the resulting tax credits is conditional upon sufficient profit being generated in the coming financial years. The Group may fail to achieve sufficient profit to realise the full value of these tax losses, albeit these are not recognised in the statement of financial tax credits reflected on its consolidated statement of financial position.

I.3 ***The Company is, and will remain following the Offering, a public limited company incorporated in the UK, and it is intended that the Company will remain tax resident in the UK and nowhere else. However, if the Company were to be treated as tax resident in another jurisdiction in addition to the UK, this could increase the aggregate tax burden on the Company and its shareholders, including, for example, by a withholding tax being imposed on Company dividends.***

The Company is a public limited company incorporated under the laws of England and Wales and will be managed in a way that is intended to ensure that it remains tax resident in the UK and that it does not become tax resident in an additional jurisdiction. However, the Board is made up of persons based in a variety of international locations. A material amount of operational management of HBX Group will be undertaken in Spain. The Company intends to ensure that matters pertaining to the Company will be separately considered by the Board at meetings held in the UK. Nevertheless, if matters pertaining to the Company were decided upon in Spain, the Spanish tax authority might seek to treat the Company as tax resident in Spain. In the unlikely scenario that the Company were to be treated as tax resident in Spain, there would be a risk that dividends paid by the Company might be subject to Spanish withholding at the flat rate of 19%, that inbound dividends paid to the Company might be subject to Spanish corporate income tax at an effective rate of 1.25% (provided the relevant exemption regime is applicable), and that shareholders who are not resident in Spain for tax purposes could be subject to Spanish non-resident capital gains tax on disposals of Shares at the flat rate of 19%. The tax withheld from Company dividends in these circumstances, or charged on a disposal of the Shares, might not be fully creditable or refundable under a tax treaty or the domestic rules of a shareholder's country of tax residence.

I.4 ***The Pillar Two proposal of the OECD/G20 inclusive framework on "base erosion and profit shifting" to reform the international corporate tax framework could impact the Group's tax position in the future.***

The OECD/G20 inclusive framework gathers a large number of countries and jurisdictions, collaborating to tackle "base erosion and profit sharing" (BEPS) practices, with members agreeing to join the Statement on a Two-Pillar Solution to address the tax challenges arising from the digitalisation of the economy published by the OECD on 8 October 2021. In particular, Pillar Two aims at ensuring large multinational enterprises ("**MNEs**") pay a minimum level of tax in each of the jurisdictions in which they operate. In December 2021, the OECD released model rules in respect of Pillar Two (the "**GloBE Rules**"). The GloBE Rules provide for a top-up tax on profits arising in a jurisdiction whenever the effective tax rate of a large multinational enterprise, determined on a jurisdictional basis, is below a 15% minimum rate.

The GloBE Rules were implemented in EU law through Council Directive (EU) 2022/2523 of 15 December 2022 (the "**Pillar Two Directive**"). EU member states were required to implement the Pillar Two Directive in their domestic law before 31 December 2023 (however, in the case of Spain, Law 7/2024, the relevant implementing law was published on 21 December 2024, and will take effect for tax periods beginning after 1 January 2024). In addition, certain other jurisdictions in which the Group operates have already transposed the GloBE Rules in their domestic law. This is, in particular, the case in the United Kingdom, where the Company and certain other members of the Group are incorporated and resident for tax purposes.

Members of an MNE group would be subject to Pillar 2 if the group has an annual revenue of €750 million or more in at least two of the four financial years immediately preceding the tested financial year. The Group has not exceeded such €750 million revenue threshold in FY 2024 or the three financial years prior to FY 2024. The Pillar 2 and GloBE Rules will apply to the Group at some point in the future when the relevant criteria are met and as such the Group's effective tax rate and the Group's cost of operations to track and collect such taxes may increase. However, as at the date of this Prospectus, the exact implementation and application of the OECD's proposal on Pillar 2 (including the GloBE rules) in numerous jurisdictions in which the Group operates remains uncertain and the actual impact of Pillar 2 on the Group's tax liabilities and cost of operations still cannot yet be determined.

J. ENVIRONMENTAL RISKS

J.1 *Climate change may have an adverse impact on the Group's business.*

The Group's businesses may be negatively impacted by direct and indirect impacts of climate change. Direct impacts may include disruptions to travel and to HBX Group's operations due to more frequent or severe storms, hurricanes, flooding, rising sea levels, shortages of water, droughts and wildfires. Similarly, the increase in average temperatures and other changes in climate conditions of tourist destinations like Spain, which represented 13% of the Group's Accommodation TTV^{APM} (in terms of location of hotels) during FY 2024, may have an adverse impact on the Group's operations. See section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures—TTV^{APM}*" for an explanation and reconciliation of TTV^{APM}.

HBX Group also faces increasing risks from shifts in end consumers' preferences as environmental concerns drive them to seek more sustainable travel options. End consumers are becoming more conscious about their environmental impact and may choose destinations closer to home, prioritise eco-friendly accommodations or avoid air travel to reduce their carbon footprint. If HBX Group were unsuccessful in adapting to this trend by offering sustainable packages, investing in green technologies or collaborating with eco-conscious hotel partners, this could decrease demand from distribution partners looking to respond to end consumers' environmental preferences. Moreover, HBX Group may risk reputational damage if perceived as insensitive to environmental issues, which could ultimately result in an erosion of brand loyalty and market share in a competitive industry increasingly shaped by sustainability expectations.

Furthermore, there is uncertainty around emerging regulations related to mandatory climate-related disclosure obligations, such as the Corporate Sustainability Reporting Directive ("**CSRD**"). Compliance with these requirements may involve significant costs related to system upgrades, external assurance and specialised expertise, while the complexities of aligning the Group's non-financial reporting with evolving standards could pose operational and financial challenges for the Group.

Any of the above could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

(II) RISKS RELATING TO THE SHARES AND THE OFFERING

A. *The Offering is dependent on the completion and the timing of the Proposed Reorganisation.*

HBX Group will undertake certain transactions as part of a corporate reorganisation to be effected before the Initial Registration Time, as described in "*Proposed Reorganisation*". To that end, the Company, certain companies within HBX Group, the shareholders of HBG Ltd, the holders of Shareholder Loan Notes in HNVR Topco and the holders of Preference Shares in HNVR Topco are parties to a reorganisation deed dated 18 December 2024 (the "**Reorganisation Deed**"), under which, each of the parties have agreed to undertake certain transactions as part of a corporate reorganisation to be effected after registration of this Prospectus and execution of the Underwriting Agreement, and before the Initial Registration Time, pursuant to which the Company will become the sole shareholder of HBG Ltd and, therefore, the parent company of HBX Group.

The Proposed Reorganisation involves a number of transactions, which are interdependent. While these transactions have been agreed under the Reorganisation Deed, if any of such transactions is delayed, Admission might occur later than the date specified under "*Expected Timetable and Offering Statistics*". The Proposed Reorganisation steps follow a sequence and therefore, in the event any of these steps are not completed in a timely manner, as set out in the Reorganisation Deed, the Proposed Reorganisation will not be able to be implemented and as a result, (i) the share capital increases required to enable the creation of the New Offer Shares; and (ii) the sale of the Existing Offer Shares will not take place until all steps have been completed. Moreover, if the Proposed Reorganisation is not completed prior to 23:59 CET on 10 February 2025, the Offering will be automatically revoked, and all sales will be terminated (see section "*Plan of Distribution—The Offering—Withdrawal and Revocation of the Offering—Revocation of the Offering*").

B. ***Certain Selling Shareholders will retain significant interests in, and will continue to exert influence over, HBX Group following the Offering and their interests may differ from or conflict with those of other Shareholders.***

Following completion of the Proposed Reorganisation and immediately prior to the sale of Shares in the Offering, and assuming the Offering Price is set at the lower and upper ends of the Offering Price Range, Cinven is expected to be the beneficial owner of 37.62% or 37.99%, respectively, of the Shares and CPPIB is expected to be the beneficial owner of 37.62% or 37.99%, respectively, of the Shares.

Immediately following Admission (assuming an Offering Price at the lower and upper ends of the Offering Price Range and no exercise of the Over-allotment Option): (i) Cinven is expected to be the beneficial owner of 28.55% or 27.05%, respectively, of the Shares (which is expected to be 27.01% or 25.33%, respectively, if the Over-allotment Option is exercised in full); and (ii) CPPIB is expected to be the beneficial owner of 28.55% or 27.05%, respectively, of the Shares (which is expected to be 27.01% or 25.33%, respectively, if the Over-allotment Option is exercised in full).

As a result, Cinven and CPPIB will possess, individually or together, sufficient voting power to have a significant direct influence over all matters requiring shareholders' approval, including the distribution of dividends, the amendment of the Articles of Association, any proposed capital increase, engaging in a significant transaction and election of the Directors (in the case of CPPIB, subject to the limitations set out in the Articles of Association. See section "*Description of Share Capital—The General Meeting—Voting Rights—30% Rule*"). Furthermore, Prometheus Aggregator, CPPIB and Kiwi Feeder are expected to be parties to an orderly market agreement (see section "*Principal and Selling Shareholders—Orderly Market Agreement*") under which each party (or its respective transferee) sells its Shares at any time following Admission in a coordinated sell-down process (subject to certain exemptions) pro rata to each of their holdings in the Company at the time of Admission. HBX Group cannot assure investors that the interests of the Selling Shareholders will be the same as or align with the interests of acquirors of the Shares.

Cinven's and CPPIB's significant ownership may: (i) delay or deter a change of control of the Company (including deterring a third party from making a takeover offer for the Company); (ii) deprive shareholders of the Company of an opportunity to receive a premium for their Shares as part of a sale of the Company; (iii) determine the compensation for the Board and the Executive Committee; or (iv) affect the liquidity of the Shares, each of which could have a material adverse effect on the trading volume and market price of the Shares. This could be the case if investors were to determine that the Shares are not as attractive due to high concentration of ownership and degree of influence by Cinven and CPPIB, as a result of which demand for the Shares may be reduced.

C. ***The Company is a holding company with no direct cash generating operations and relies on operating subsidiaries or external financing to provide it with funds necessary to, among other things, pay dividends. The Company will not be able to distribute dividends in FY 2025 and there can be no guarantee that it will be able to distribute dividends in the future.***

As of the date of this Prospectus, the Company has not yet established a specific dividend policy. Following Admission and subject to any applicable legal or statutory requirements and the availability of distributable profits and reserves, the Company is targeting a dividend pay-out ratio of 20% over the Group's consolidated profit after taxation for FY 2026 to FY 2029. However, the Group expects that the Cash Outflows will result in the Group being loss making in FY 2025. There can be no assurance that the Group will report profits in subsequent financial years or that it will be able to sustain profitability. The dividend policy will be reviewed annually, and alternative methods of capital return may be considered by the Board, as appropriate.

The Board will decide on future dividend declarations and payments under authorisation by the Company's shareholders at a general shareholders' meeting (see sections "*Dividend Policy*" and "*Description of Share Capital*") and will depend on a number of factors and circumstances, including (but not limited to) the amount of distributable profits and reserves, investment plans, revenues, level of profitability, cash flow generation, restrictions under applicable law, the level of dividends paid or shares repurchased by other comparable listed companies doing business in Spain and such other factors as the Board or the general shareholders' meeting may deem relevant from time to time. As a result, investors may not receive any return on an investment in the Shares unless they sell their Shares for a price greater than that which they paid for them.

As of the date of this Prospectus, the Company does not have the reserves required by English law and the Articles of Association to make distributions. Under the Proposed Reorganisation, and conditional upon Admission, it is intended that a General Shareholders Meeting' of the Company shall pass, on 10 February 2025, a special resolution to reduce €725 million of its share premium account (created as a result of the issue of the New Shares and the Management Reinvestment) in order to provide the Company with certain distributable reserves to potentially enable the Company to pay dividends in the future. Pursuant to the UK Companies Act, such reduction of the share premium account is treated as a share capital reduction for these purposes and is therefore subject to court approval following Admission. This court approval is a customary formal procedure required by the UK Companies Act for capital reductions of public limited companies. Provided that the statutory requirements of the capital reduction are met and the procedural directions of the court have been complied with, an order confirming the capital reduction would typically be made as a matter of course within a period of three to five weeks from application. The Company expects to comply with the relevant capital reduction requirements. It is expected that, following this court-approved reduction of capital, the Company's distributable reserves will amount to approximately €700 million. See section "*Dividend Policy—Legal and Regulatory Requirements*".

Following completion of the Proposed Reorganisation, the Company will become a holding company with no direct business operations and its principal assets will be the equity interests it will hold in its operating subsidiaries. As a result, the Company will conduct its operations through, and will derive revenue from, its subsidiaries. The ability of the Company's subsidiaries to pay dividends or make other distributions to the Company will depend on their future performance, which is subject to general economic, financial, competitive, legislative, regulatory and other factors that may be beyond the Company's control. There can be no assurance that the Company's subsidiaries will generate sufficient cash flow or that alternative sources of financing will be available to enable these subsidiaries to service their indebtedness, to fund their other liquidity needs and to make any distributions or payments to the Company. Further, dividends may not be paid as the ability of the Company's subsidiaries to make the distributions to the Company depends on their earnings and may be limited or subject to legal requirements.

The Company's ability to distribute dividends or make other payments to its shareholders or investors may also be limited by its existing financing arrangements. For instance, the Existing Senior Facilities Agreement restricts dividends, distributions and other payments if the Group's leverage ratio (pro forma for the payment) is greater than 2.75:1 or if its cash and cash equivalents balance on the last business day of each month is less than €75 million. As at 30 September 2024, the Group was compliant with both covenants.

However, on 16 January 2025, the Company entered into the New Facilities Agreement and, concurrently with the Offering, the Group will refinance all its existing indebtedness incurred under the Existing Senior Facilities Agreement and cancel the facilities available under the Existing Senior Facilities Agreement. The New Facilities Agreement does not include a covenant that directly restricts Company's ability to distribute dividends, however dividend payments may be constrained by the need to comply with the financial covenant further described in section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Borrowings—Senior Debt—New Facilities Agreement*". See also sections "*Dividend Policy—Dividends and Financing Arrangements*" and

"*Management's Discussion and Analysis of Financial Condition and Results of Operations—Borrowings—Senior Debt*".

D. ***The Shares are exposed to trading risks and other external factors.***

There is currently no public trading market for the Shares prior to the Offering, and Admission should not be taken as implying that there will be a liquid market for the Shares. Furthermore, there can be no assurance that an active trading market will develop or, if one does develop, that it will be maintained. The failure of an active trading market to develop may affect the liquidity and trading of the Shares. The Shares may therefore be difficult to sell compared to the shares of companies with more liquid trading markets and the share price may be subject to greater fluctuation than might otherwise be the case. Further, even if an active trading market develops, the Company might not be able to join a relevant market index, which could limit the liquidity of its Shares.

The Offering Price might not be indicative of the future price of the Company's Shares. The Group cannot assure that, following the Offering, the Shares will trade at a price equal or higher than the Offering Price and, as a result, investors may lose all or a portion of their investment. Following Admission, the price of the Shares may not always accurately reflect the underlying value of the Group's business. The market price and intrinsic value of the Company's Shares may decrease as well as increase, and investors may realise less than the original sum invested. The value of the Shares may, in addition to being affected by the Group's actual or forecast operating results, fluctuate significantly as a result of a large number of factors, some of which are specific to the Group's operations and some of which are outside its control, such as those resulting from geopolitical tensions such as the Russian invasion of Ukraine or the Middle-East conflicts, among others, which have led to volatility in the financial markets, volatility in exchange rates and drops in the value of assets and investments. The Group can give no assurance that the Company's Shares will trade at a price in line with shares of its competitors.

The Company, the Selling Shareholders, the Foundation, the Chair of the Board, the Chief Executive Officer, six members of the Executive Committee (other than the Chief Executive Officer) and two senior managers are subject to restrictions on the issue, sale and/or transfer, as applicable, of their respective holdings in the Company's issued share capital for a period of 180 days (in the case of the Company, The Foundation and the Selling Shareholders) and 360 days (in the case of the Chair of the Board, the Chief Executive Officer, six members of the Executive Committee (other than the Chief Executive Officer) and two senior managers) from Admission, subject to certain exceptions, including with the permission of a majority of the Joint Global Coordinators. The issue or sale of a substantial number of Shares by the Company, the Selling Shareholders, certain Directors or the members of the Executive Committee in the public market after the lock-up restrictions in the Underwriting Agreement expire (or are waived by the Joint Global Coordinators), or the perception that these sales may occur, may depress the market price of the Shares. Furthermore, a sale of Shares by any member of the Executive Committee could be perceived as a lack of confidence in the performance and prospects of HBX Group and could cause the market price of the Shares to decline (see section "*Plan of Distribution—Lock-up*").

Further to the lock-up restrictions, Prometheus Aggregator, CPPIB and Kiwi Feeder are expected to enter into (on or about 10 February 2025) an orderly market agreement (conditional upon Admission), with the purpose of ensuring that any sale of the Shares held by each of the parties (and its respective affiliate transferees) at any time following Admission (subject to the lock-up restrictions contained in the Underwriting Agreement) is in accordance with an agreed sell-down process (subject to certain exemptions) such that each party sells its Shares in an orderly and coordinated manner. The application of this agreement may affect the liquidity and trading of the Shares. See section "*Principal and Selling Shareholders—Orderly Market Agreement*".

Following the completion of the Proposed Reorganisation (as defined below) and immediately prior to the sale of the Initial Offer Shares in the Offering, the Company's share capital will range from €1,843,702.94 to €1,841,118.29, divided into between 184,370,294 and 184,111,829 Shares (assuming the Offering Price is set at the lower and upper ends of the Offering Price Range). Between 7,661,627 or 8,364,574 Shares (assuming the Offering Price is set at the lower and upper ends of the Offering Price Range) will be held by shareholders who will not be subject to lock-up restrictions on the issue, sale and/or transfer, as applicable, of their respective holdings (see section "*Plan of Distribution—Lock-up*"). As a result, there is a risk that sales of a substantial number of Shares in the public market following the Offering, or the perception that such sales could occur, could place downward pressure on the market price of the Shares and adversely affect the Company's ability to raise capital through future offerings or debt or equity securities.

E. ***The issuance of additional debt or equity securities by the Company may dilute all other shareholdings.***

The Company may in the future, subject to the lock-up arrangements in the Underwriting Agreement, seek to raise capital through public or private debt or equity financings.

While under the UK Companies Act the Board has general authority to exercise all the powers of the Company to allot shares, authority in relation to share capital increases, suppression of pre-emption rights and allotment of shares lies with the Company's shareholders' meeting. The Company's shareholders' meeting is expected to approve an authorisation for the Board to carry out capital increases, including non-pre-emptive share issues within the limits of the recommendations of the Spanish Governance Code, which sets out that the Board should not make a proposal to the general shareholders' meeting for the delegation of powers to issue shares or securities convertible into shares without preemptive subscription rights for an amount exceeding 20% of the Company's share capital at the time of such delegation.

In addition, the Company may also seek to establish employee share incentive or share option plans or raise financing to fund future acquisitions and other growth opportunities that could (if made on a non-pre-emptive basis or, if made on a pre-emptive basis, where shareholders elect not to take up their pre-emptive subscription rights) dilute the interests of its shareholders (including upon the conversion of any convertible securities the Company may issue) and could have an adverse effect on the market price of the Shares and could increase the volatility in the market price of the Shares. In particular, it is expected that, on 10 February 2025, the Board will adopt, subject to Admission, a new incentive plan for certain key employees, managers and executive Directors (including the members of the Executive Committee) of HBX Group. This incentive plan will be implemented through the granting of a certain number of "theoretical shares" or "units", which will entitle the holder to receive shares at the end of the performance period, provided that the objectives of the plan are met, including the fulfillment of certain financial and non-financial objectives and the maintenance of an uninterrupted employment or mercantile contractual relationship with the HBX Group from the start date of the relevant cycle until the vesting date of the relevant cycle. See section "*Management and Board of Directors—Incentive Plans—Incentive plans following Admission*". The Company may, for these and other purposes, issue additional Shares, debt or equity securities convertible into Shares or rights to acquire these securities, and the Company's existing shareholders may not always have the right to acquire additional Shares on a pro rata basis.

Shareholders of the Company may be diluted as a consequence of any of these transactions.

F. ***There is a lack of practice and precedent on the interpretation of the relevant Spanish law provisions applicable to the Shares in relation to applicable bidding rules.***

The Company is organised and exists under the laws of England and Wales and it is intended for its Shares to be traded on the Spanish Stock Exchanges. As a result, trading in the Shares may be subject to requirements stemming from the regulations of different jurisdictions, in this case, those of the United Kingdom and Spain, which are not necessarily coherent.

As further described in section "*Description of Share Capital—Applicable bidding rules*", according to the Public Consultation Paper 2024/1 in relation to proposed changes to the UK Takeover Code and to the UK RS, the Company will fall within the scope of a 'transition company' under the UK Takeover Code (as amended) for a two-year transition period ending 2 February 2027, during which the UK Takeover Code would be applicable to the Company. However, on 12 December 2024, the UK Takeover Panel granted an exemption to the Company from being subject to the UK Takeover Code during the transition two-year period ending 2 February 2027.

In addition, the Company will be subject to Royal Decree 1066/2007 of 27 July on the Takeover Bids Regime (the "**Spanish Takeover Act**"), which expressly sets out in Article 1.4 that some of its provisions regarding acquisition of shares in companies listed on a Spanish regulated market should apply in relation to a public company with its registered office in a non-EU country. However, Spanish law is unclear on whether the remaining provisions of the Spanish Takeover Act (including those mentioned in Article 1.3.c) apply when the affected company does not have its registered office in Spain or in any other EU member state and its shares are listed on a Spanish regulated market. There is a lack of practice and precedent to provide guidance on the interpretation of the appropriate Spanish law provisions. However, the Articles of Association include a provision whereby any person that makes a voluntary takeover bid or is under an obligation to make a mandatory takeover bid, over the Company shall be subject to Law 6/2023, of 17 March 2023, on Securities Markets and Investment Services, and the Spanish Takeover Act (see section "*Description of Share Capital—Applicable bidding rules*").

Notwithstanding the exemption from the UK Takeover Code and the above provision in the Articles of Association, there are certain provisions of UK company law, such as "squeeze-out" and "sell-out" provisions, which will still apply to the Company, which will be in conflict with certain rules of the Spanish Takeover Act (see section "*Description of Share Capital—Applicable Bidding Rules—UK Companies Act*"). Consequently, certain provisions of the UK Companies Act and the Spanish Takeover Act will be simultaneously applicable to the Company.

Such situations may cause uncertainty or ambiguity when exercising shareholder rights or fulfilling shareholders obligations, or when fulfilling obligations related to trading in a significant block of shares in accordance with the laws of the different jurisdictions. See section "*Description of Share Capital—Applicable Bidding Rules*" for a summary of the main takeover provisions that could apply to the Company.

G. ***Shareholders in the United States and other jurisdictions may not be able to participate in future equity offerings and may only have limited ability to bring actions or enforce judgements against the Group or its directors.***

The Articles of Association provide for pre-emption rights to be granted to shareholders, unless such rights are disapplied by a shareholder resolution. The securities laws of certain jurisdictions may, however, restrict HBX Group's ability to allow participation by shareholders in future offerings, who could therefore experience a dilution of their holding of Shares, possibly without such dilution being offset by any compensation received in exchange for subscription rights. In particular, shareholders in certain other countries, including the United States, may not be entitled to exercise their pre-emption rights, or participate in further equity offerings, unless the Company complies with local requirements, or in the case of the United States, unless the Shares and the rights or any other securities that are offered and sold are registered under the U.S. Securities Act, or the Shares and such other securities are offered pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. The Group cannot assure prospective investors that any exemption from such overseas securities law requirements would be available to enable shareholders resident in the United States or other shareholders to exercise their pre-emption rights or, if available, that HBX Group will utilise any such exemption.

Additionally, rights afforded to shareholders under English law (see section "*Description of Share Capital*") differ in certain respects from the rights of shareholders in other jurisdictions, including typical U.S. companies. The Company is incorporated under the laws of England and Wales and the rights of shareholders are governed by English law and the Articles of Association, which incorporate certain elements of Spanish law by virtue of the Company's proposed listing on the Spanish Stock Exchanges. Accordingly, the Company's corporate structure as well as the rights and obligations of the shareholders may be different from the rights and obligations of shareholders of companies incorporated or organised under the laws of other jurisdictions. It may also be difficult for shareholders to serve process on or to enforce a foreign judgment against the Company in certain jurisdictions. It may not be possible for a shareholder to effect service of process upon the Directors within such shareholder's country of residence, or to enforce against the Directors judgments of courts of such shareholder's country of residence based on civil liabilities under that country's securities laws. In addition, English, Spanish or other courts may not impose civil liability on the members of the Board in any original action based solely on foreign securities laws brought against the Company or the members of the Board in a court of competent jurisdiction in Spain or other countries.

H. ***Certain industry, market, competitive position data, facts, forecast and statistics contained in this Prospectus are derived from publicly available and private sources and may not be reliable.***

The industry, market and competitive position data contained in this Prospectus is derived from data, information and reports prepared by official or other third-party sources, such as industry publications and surveys, industry reports prepared by governments, regulators, consultants, internal surveys, market research and client and supplier feedback. Such sources include, among others, industry publications and surveys, industry reports prepared by governments, regulators, consultants, internal surveys, market research and client and supplier feedback, private market studies commissioned from each of the Boston Consulting Group and OC&C Strategy Consultants, other publicly available official publications, as well as other confidential third-party sources, such UN Tourism, the World Travel & Tourism Council ("**WTTC**"), Amadeus Consumer Travel Spend Priorities 2023, Oxford Economics, Kantar and Mintel (collectively, "**Company Industry Sources**"). None of the aforementioned entities assumes any responsibility, in whole or in part, for the information contained in this Prospectus or in any supplements thereto. See section "*Industry Overview—Introduction*". Furthermore, in the event any of the data or information sourced from any third party were to be inaccurate, and such information had been included in this Prospectus, it could be challenging for the Company or investors to enforce any legal action against the relevant manufacturer of such inaccurate information.

Third-party industry publications, studies and surveys generally state that the information contained therein has been obtained from sources believed to be reliable, but that the accuracy or completeness of such information is not guaranteed. In addition, the Group has taken reasonable care in the reproduction or extraction of such data for the purpose of disclosure in this Prospectus. However, while the Group believes that each of these publications, surveys and studies has been prepared by a reputable source, this information has not been prepared or independently verified by any of the Company, the Selling Shareholders and the Managers or any of their respective affiliates or advisers and, therefore, the Company makes no representation as to the accuracy of such facts, forecasts and statistics, which may not be consistent with other information compiled by third parties using different methods to compile, analyse or compute market data or public disclosure from competitors. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice, such information included in this Prospectus may be inaccurate or may not be possible to compare. For this purpose, prospective investors should not place undue reliance on such information or data.

Likewise, this Prospectus also contains estimates of market data and information derived therefrom which has been prepared by the Group based on Company Industry Sources and its own internal estimates. While the Company believes such estimates to be reasonable, they, and their underlying methodology and assumptions, have not been verified by any independent source for accuracy and completeness and are subject to change. These estimates are subject to uncertainties and are based on assumptions and other factors the occurrence or non-occurrence of which could cause such estimates to differ materially from, or fail to meet the expectations, expressed or implied therein. Additionally, forward-looking statements based on Company Industry Sources might not occur and actual results or events may differ materially from those expressed in such statements.

For instance, in this Prospectus, HBX Group is presented as the Leading Independent B2B Travel Marketplace in terms of TTV, as per public data from main independent B2B competitors and Company Industry Sources for FY 2024 (see section "*Presentation of Financial Information and Other Important Notices—HBX Group market position*"). The criteria that the Group uses to classify a distributor of travel products as non-independent is whether such distributor also carries out material B2C activities, i.e., whether its business model includes distributing hotel rooms and complementary travel products not only to business clients but also directly to end consumers. Opposingly, a B2B distributor is classified as independent if its final clients are businesses or B2C distributors, and not end consumers. In particular, while Expedia's B2B division is also a major player in the distribution of hotel rooms (approximately 5.9% market share in 2023), it forms part of Expedia Group (one of the largest B2C travel distributors in the world) and is therefore not an independent B2B travel marketplace for the purposes of the classification used in this Prospectus.

I. *The Offer Shares will not be freely transferable in the United States.*

Any Offer Shares offered and sold to investors located in the United States will be "restricted securities" (as defined in Rule 144 under the U.S. Securities Act), and the Offer Shares may not be reoffered, resold, pledged or otherwise transferred, except (i) outside the United States in accordance with Rule 903 or Rule 904 under Regulation S, (ii) to persons reasonably believed to be QIBs in a transaction that is exempt from registration under the U.S. Securities Act and that meets the requirements of Rule 144A, (iii) pursuant to an effective registration statement under the U.S. Securities Act, (iv) in accordance with Rule 144 under the U.S. Securities Act or (v) in another transaction not requiring registration under the

U.S. Securities Act, and, in each case, in accordance with any applicable securities laws of any state of the United States or any other jurisdiction. See section "*Selling and Transfer Restrictions*".

J. ***Not all rights available to shareholders under UK law may be available to Shareholders.***

As further described in section "*Description of Share Capital*", on or prior to the Settlement Date legal title over all Shares will be transferred by the relevant holders for nil consideration to Iberclear. Once the register of members of the Company is updated to show Iberclear as the registered shareholder, Iberclear will be the legal holder of the Shares. Share Certificates will be deposited with Iberclear, which will in turn dematerialise the Certificated Shares through the creation of equity interests in book-entry form and make the relevant registrations in favour of those accrediting ownership over the Shares in accordance with English law. The Offer Shares are expected to be delivered through the book-entry facilities of Iberclear and its participating entities.

Claims or rights that are only available under English law to the Company's members (i.e., the legal holders of shares that are registered in a company's shareholders' register), i.e., the rights of squeeze-out and sell-out as described further in section "*Description of Share Capital—Applicable Bidding Rules—UK Companies Act*", the claim of unfair prejudice and derivative actions and petitions for the winding up of the Company, are not available as a matter of law to Shareholders holding their Shares through book entries in the Iberclear system. The implication of this is that Shareholders may need to withdraw the Shares in respect of which they hold equity interests from the Iberclear system in order to make such claims, or exercise such rights, as a member against the Company, which withdrawal will be subject to the technical procedures of Iberclear (see section "*Description of Share Capital—Transfer of Shares*"). Iberclear standard fees in place from time would be charged by Iberclear in case of de-registration of Shares. Upon making such withdrawal, all such rights and claims will be available to Shareholders. Shares that have been withdrawn can be delivered again to, and re-registered in, the Iberclear system in accordance with the Iberclear technical procedures in place from time to time.

DECLARATION OF RESPONSIBILITY AND COMPETENT AUTHORITY

Declaration of Responsibility

Mr. Nicolas Huss, acting in the name and on behalf of the Company, in his capacity as Chief Executive Officer and duly authorised representative of the Company, by means of the resolutions adopted by the Board on 14 January 2025, accepts responsibility for the information contained in this Prospectus. To the best of his knowledge, the information contained in this Prospectus is in accordance with the facts and contains no omissions likely to affect its import.

Elona Trako and Gael Detrie, acting individually in the name and on behalf of Prometheus Aggregator, in their capacity as attorneys by means of a notarised and apostilled special power of attorney granted by Prometheus Aggregator on 24 January 2025, Valentina Dalpiaz and Danelle Caruana, acting jointly in the name and on behalf of Kiwi Feeder, in their capacity as attorneys by means of a notarised and apostilled special power of attorney granted by Kiwi Feeder on 27 January 2025, and Pascal Keutgens and Jonah Enbar, acting jointly in the name and on behalf of CPPIB, in their capacity as attorneys by means of a notarised and apostilled special power of attorney granted by CPPIB on 23 January 2025, declare that the respective Selling Shareholder they represent accepts responsibility for the information referring to such respective Selling Shareholder under the sections "*Principal and Selling Shareholders*" and "*Plan of Distribution*". Having taken all reasonable care to ensure that such is the case, to the best of their knowledge, such information contained in the sections "*Principal and Selling Shareholders*" and "*Plan of Distribution*" is in accordance with the facts and contains no omissions likely to affect its import.

For the avoidance of doubt, none of the Managers or any of their respective affiliates, advisers or selling agents makes any representation or warranty, express or implied, nor accepts any responsibility whatsoever, with respect to the content of this Prospectus, including the accuracy or completeness or verification of any of the information herein, and nothing contained in this Prospectus is, or shall be relied upon as, a promise, warranty or representation in this respect by the Managers or any of their respective affiliates, advisers or selling agents, whether as to the past or the future. The Managers and their respective affiliates, advisers and selling agents do not assume any responsibility for its accuracy, completeness or verification and, accordingly, disclaim, to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise that they might otherwise be found to have in respect of this Prospectus or any information contained herein.

None of the Company, the Selling Shareholders, or the Managers, or any of their respective representatives, is making any representation to any offeree or acquiror of the Offer Shares regarding the legality of an investment in the Offer Shares by such offeree or acquiror under the laws applicable to such offeree or acquiror. Prospective investors should not consider any information contained in this Prospectus to be investment, legal, financial, business, tax, accounting or regulatory advice. Each prospective investor should consult its own counsel, business adviser, accountant, tax adviser and other advisers for legal, financial, business, tax, accounting, regulatory and related advice regarding an investment in the Offer Shares. Each investor of the Offer Shares should analyse for itself the information contained in this Prospectus and base its decision to invest or acquire the Offer Shares upon such investigation, as it deems necessary, including its assessment of the risks involved and its own determination of the suitability of any such investment, with particular reference to its own investment objectives and experience, and any other factors that may be relevant to such investor in connection with the acquisition of the Offer Shares.

Competent Authority

(a) This Prospectus has been approved by and registered with the CNMV on 30 January 2025, as competent authority under the Prospectus Regulation, Law 6/2023 of 17 March on Securities Markets and Investment Services (*Ley 6/2023, de 17 de marzo, de los Mercados de Valores y de los Servicios de Inversión*) (the "**Spanish Securities Law**") and relevant implementing measures in Spain.

(b) The CNMV only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation.

(c) Such approval should not be considered as an endorsement of the Company, the Selling Shareholders and/or the quality of the Offer Shares.

(d) Investors should make their own assessment as to the sustainability of investing in the Offer Shares.

PRESENTATION OF FINANCIAL INFORMATION AND OTHER IMPORTANT NOTICES

Historical Financial Information

The Company was incorporated as a private limited company in England on 20 December 2023 and subsequently re-registered as a public limited company on 6 January 2025. The address of its registered office is 7th Floor, Tower 42, 25 Old Broad Street, London EC2N 1HN, United Kingdom. As of the date of this Prospectus, the Company is a wholly-owned subsidiary of HNVR Topco. However, it is expected that shortly following the date of this Prospectus, and in any case prior to the publication of the Offering Price, HNVR Topco will transfer the entire issued share capital of the Company to Prometheus Aggregator. See section "*Proposed Reorganisation*".

HNVR Topco was incorporated on 1 June 2016 in England as a private company limited by shares. The address of its registered office is 7th Floor Tower 42, 25 Old Broad Street, London, United Kingdom, EC2N 1HN. As of the date of this Prospectus, HNVR Topco's share capital is owned by HBG Ltd (81.21%) and by KHS Holding S.à r.l. (1.56% held in Preference Shares) and by Kiwi Investments Holding II SCSp (17.23% held in Preference Shares). Following the Proposed Reorganisation (as defined below), HNVR Topco will be a wholly-owned subsidiary of HBG Ltd.

HBG Ltd was incorporated on 27 May 2015 in Jersey as a private company limited by shares. The address of its registered office is Aztec Group House, IFC6, The Esplanade, St. Helier, JE4 0QH, Jersey. As of the date of this Prospectus, HBG Ltd is the parent company of the Group.

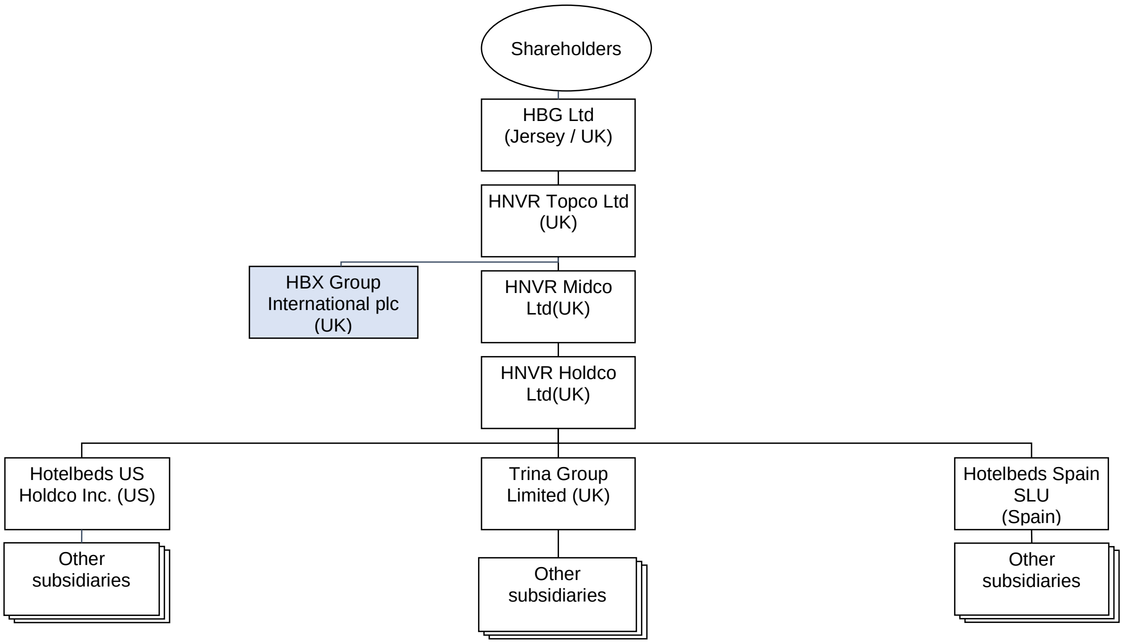
The audited historical financial information of HBG Ltd and its consolidated subsidiaries, which is presented in this Prospectus as of and for each of the years ended 30 September 2022, 2023, and 2024, together with the corresponding audit report (the "**Special Purpose Consolidated Financial Information**") has been prepared in accordance with:

- the Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom;
- International Financial Reporting Standards ("**IFRS**") and IFRS Interpretations Committee pronouncements as adopted for use in the European Union ("**IFRS-EU**"); and
- Regulation (EC) No 1606/2002 of the European Parliament and of the Council dated 19 July 2002 on the application of international accounting standards ("**Regulation No 1606/2002**").

The Special Purpose Consolidated Financial Information has been prepared specifically for the purposes of the Offering and in accordance with the requirements of Delegated Regulation 2019/980 of the European Commission (the "**Prospectus Delegated Regulation**").

The Special Purpose Consolidated Financial Information is the first set of financial information that the Group has prepared in accordance with IFRS-EU, and the first time consolidated accounts have been prepared at the HBG Ltd level. Previous unaudited HBG Ltd accounts were standalone unconsolidated company accounts prepared in accordance with Financial Reporting Standard 102 ("**FRS102**" or "**UK GAAP**").

The following is a simplified structure chart of the Group as of the date of this Prospectus.



Notes:

Unless otherwise specified in these notes, all shareholdings are on 100% basis.

(1) *HNVR Topco's share capital is owned by HBG Ltd (81.21%) and by KHS Holding S.à r.l. (1.56% held in Preference Shares) and by Kiwi Investments Holding II SCSp (17.23% held in Preference Shares).*

(2) *Certain subsidiaries of the Group included within "other subsidiaries" above are held together with third party shareholders. See section "Additional Information—Information on the Company's Group" for a list of the significant subsidiaries of the Group.*

As further described in the section titled "*Proposed Reorganisation*", the Company, certain companies within HBX Group, the shareholders of HBG Ltd, the holders of Shareholder Loan Notes in HNVR Topco and the holders of Preference Shares in HNVR Topco entered into, or, in relation to certain individual shareholders of HBG Ltd, subsequently adhered to the Reorganisation Deed, under which, each of the parties have agreed to undertake certain transactions as part of a corporate reorganisation to be effected after registration of this Prospectus and execution of the Underwriting Agreement, and before the Initial Registration Time, pursuant to which the Company will become the sole shareholder of HBG Ltd and, therefore, the parent company of HBX Group.

HBG Ltd has assessed the Proposed Reorganisation, as detailed in the section titled "*Proposed Reorganisation*", and determined that it does not alter the economic substance of the Group. HBG Ltd and the Company believes that using the predecessor accounting method accurately represents the assets, liabilities, revenues, and operating results of the Group as if the Company had been the parent entity of the consolidated group for the past three financial years. Therefore, this method is considered by the Directors of the Company the most suitable accounting approach in accordance with the principles of International Accounting Standard 8 Accounting Policies, Changes in Accounting Estimates and Errors ("**IAS 8**"), for preparing the consolidated financial information of the Group following the Proposed Reorganisation (as defined below). The Group intends to adopt this on a retrospective basis with the Group disclosing comparative amounts on a consistent basis following Admission. Under the predecessor accounting method, assets and liabilities involved in the Proposed Reorganisation are recorded at their existing carrying amounts, rather than at fair value, in this case those recorded in the financial statements of HBG Ltd. This approach is often applied retrospectively, meaning that financial statements are adjusted as if the reorganisation had occurred at the start of the financial period presented. This ensures consistency in the financial statements. Predecessor accounting is typically used when reorganising entities within the same group that are under the control of the same parent company, or when a new holding company is inserted under a group reorganisation, ensuring the financial statements reflect the continuity of the group's operations.

Accordingly, the consolidated financial information that the Company expects to publish in the future, in accordance with its periodic reporting obligations, will reflect (i) the Group's financial position as if the Company had existed as the sole shareholder of HBG Ltd during FY 2022, FY 2023 and FY 2024, and (ii) that the Proposed Reorganisation is in substance a continuation of the consolidated financial information of HBG Ltd and its consolidated subsidiaries and any difference between the consideration paid by the Company and the aggregate carrying value of the assets and liabilities of HBG Ltd will be reflected as an adjustment to equity.

As a result, as of the date of this Prospectus, (i) the information referred to in Annexes 1 and 11 of the Prospectus Delegated Regulation does not fully represent the Company's undertaking accurately, (ii) such inaccuracy affects the ability of investors to make an informed assessment as referred to in Article 6(1) of the Prospectus Regulation, and (iii) additional information relating to an entity other than the Company is needed for investors to make such an informed assessment.

In order to accurately represent the Company's undertaking upon Admission and to allow investors to make an informed assessment in accordance with Article 6(1) of the Prospectus Regulation, the historical financial information included in this Prospectus derives, subject to rounding adjustments (i.e., without material adjustment), from the Special Purpose Consolidated Financial Information.

Accordingly, the Company is an issuer of equity securities with a complex financial history for the purposes of Article 18 of the Prospectus Delegated Regulation. In order to accurately represent the Company's undertaking upon Admission and to allow investors to make an informed assessment in accordance with Article 6(1) of the Prospectus Regulation, the historical financial information included in this Prospectus derives from the following sets of financial information together with the corresponding management report (in the case of the Special Purpose Consolidated Financial Information) and each of their audit and assurance reports which are attached hereto as Annexes I, II and III, respectively:

- the Special Purpose Consolidated Financial Information, which has been prepared in accordance with the Standards for Investment Reporting issued by the Financing Reporting Council in the United Kingdom, IFRS-EU and Regulation No 1606/2002 and for the requirements of the Prospectus Delegated Regulation;
- the Company's audited individual financial information for the period from the Company's incorporation (20 December 2023) to 30 September 2024 as prepared under the historical cost convention, on a going concern basis and in accordance with the UK Companies Act 2006 and Financial Reporting Standard 101 Reduced Disclosure Framework ("**FRS 101**") (the "**Company Financial Information**"). FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined by Financial Reporting Standard 100 'Application of financial reporting requirements' ("**FRS 100**") which addresses the financial requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the UK (UK-adopted international accounting standards). For the period being presented and as at the financial statements approval date there are no differences between International Financial Reporting Standards ("**IFRS**") as adopted by the EU and UK-adopted international accounting standards; and
- the Company's unaudited pro forma statement of financial position as at 30 September 2024, that has been prepared in accordance with Annex 20 of the Prospectus Delegated Regulation and approved by the Board (the "**Pro Forma Financial Information**", and together with the Special Purpose Consolidated Financial Information and the Company Financial Information, the "**Financial Information**").

Unless otherwise indicated, the Financial Information contained in this Prospectus has been prepared in accordance with IFRS-EU.

The Special Purpose Consolidated Financial Information and the Company Financial Information has been audited by PricewaterhouseCoopers LLP, located at 1 Embankment Place, London, WC2N 6RH, United Kingdom, who have performed an audit under Standards for Investment Reporting 2000 (*Investment Reporting Standards Applicable to Public Reporting Engagements on Historical Financial Information*) on the Special Purpose Consolidated Financial Information, and who have performed an audit in accordance with International Standards on Auditing (UK) and applicable law on the Company Financial Information. The respective audit reports for each of the Special Purpose Consolidated Financial Information and the Company Financial Information were unqualified.

A consolidated directors' report accompanies the Special Purpose Consolidated Financial Information and a Company directors' report accompanies the Company Financial Information, both of which are included in this Prospectus. Any information contained in such report shall be deemed to be modified or superseded by any information included elsewhere in this Prospectus that is subsequent to or inconsistent with it. Investors are strongly cautioned that the consolidated directors' report and the Company directors' report contain information as of various historical dates and does not contain a full description of the Group's business, affairs or results. The information contained in the consolidated directors' report has been prepared for the specific purpose of the Offering. Accordingly, the consolidated directors' report and the Company directors' report should be read together with the other portions of this Prospectus, and in particular the sections of this Prospectus titled "*Risk Factors*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*". Furthermore, the consolidated directors' report and the Company directors' report includes certain forward-looking statements that are subject to inherent uncertainty (see "*—Forward-Looking Statements*" below). The consolidated directors' report accompanying the Special Purpose Consolidated Financial Information has neither been audited nor reviewed by PricewaterhouseCoopers LLP. With respect to the directors' report accompanying the Company Financial Information, PricewaterhouseCoopers LLP found the information provided in such directors' report for FY 2024 to be consistent with the Company's financial statements and that it had been prepared in accordance with applicable legal requirements.

The Group's financial year begins on 1 October and ends on 30 September each year.

The financial information used in this Prospectus has not been prepared in accordance with U.S. Generally Accepted Accounting Principles ("**U.S. GAAP**") or audited or reviewed in accordance with auditing standards of the Public Company Accounting Oversight Board (United States) ("**PCAOB**"). There could be material differences between the auditing standards issued by the Auditing Practices Board in the United Kingdom and those required by U.S. Generally Accepted Auditing Standards or the auditing standards of the PCAOB. Potential investors should consult their own professional advisers to gain an understanding of the financial information included in this Prospectus and the implications of differences between the auditing standards noted herein.

The financial information included in this Prospectus is not intended to comply with the U.S. Securities and Exchange Commission reporting requirements. Compliance with such requirements would entail the modification, reformulation or exclusion of certain financial measures and changes to the presentation of certain other information. No reconciliation to U.S. GAAP is provided in this Prospectus.

Following Admission, the Company will be subject to specific requirements set out in Royal Decree 1362/2007, of 19 October 2007 (*Real Decreto 1362/2007, de 19 de octubre, por el que se desarrolla la Ley 24/1988, de 28 de julio, del Mercado de Valores, en relación con los requisitos de transparencia relativos a la información sobre los emisores cuyos valores estén admitidos a negociación en un mercado secundario oficial o en otro mercado regulado de la Unión Europea*) which implements and largely mirrors the disclosure requirements set forth in Directive 2004/109/EC, of 15 December of 2004, on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market, as amended.

Pursuant to Royal Decree 1362/2007, of 19 October 2007, following Admission, the Company will need to publish (i) its annual financial report, which consists of the Company's audited individual financial statements and management report as well as its audited consolidated financial statements and management report, in both cases, prepared in accordance with IFRS-EU, within the first four months following the end of the Company's financial year and in any case, on the date of the call for the general shareholders' meeting for the purposes of approving such annual financial reports, as well as (ii) its half-yearly financial report, which, consists of the Company's individual condensed financial statements and interim management report as well as the Company's consolidated condensed financial statements and interim management report, which will need to be published (a) in the case of the half-yearly financial report in relation to the first six months of the Company's financial year within the first three months following the end of the relevant semester; and (b) in the case of the half-yearly financial report in relation to the last six months of the Company's financial year within the first two months following the end of the relevant semester.

The Company's annual financial reports, both on an individual and consolidated basis and their respective management and audit reports, its half-yearly financial report, both on an individual and consolidated basis and their respective management reports, will be available in electronic form on the Company's website at www.investors.hbxgroup.com, as well as on the CNMV's website (www.cnmv.es).

Further to this periodic financial information disclosure requirements, in anticipation of Admission, the Company conducted a review of its corporate governance and sought to determine the most appropriate recognised governance code for it to report against going forward given that neither the UK Corporate Governance Code nor the Spanish Governance Code will mandatorily apply to the Company from Admission. Following this review, the Company determined to voluntarily adopt the Spanish Governance Code from Admission and will also publish a Corporate Governance Report together with a Directors Remuneration Report on a yearly basis.

In addition, following the entering into force of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting on 5 January 2023, the

Company will also prepare and publish the relevant ESG report for the financial year ending immediately following Admission (i.e., 30 September 2025).

Unaudited Pro Forma Financial Information

With the purpose of illustrating the effects of the Proposed Reorganisation (see section "*Proposed Reorganisation*"), the Offering and the cash outflows linked to Admission, which mainly derive from payments under certain incentive plans and fees and costs associated with the Offering, the Company has prepared consolidated pro forma financial information as at 30 September 2024, which has been prepared in accordance with Annex 20 of the Prospectus Delegated Regulation.

The Pro Forma Financial Information presents a pro forma statement of financial position as at 30 September 2024. No pro forma income statement has been presented, although the main impacts have been described in the notes to the Pro Forma Financial Information.

The Pro Forma Financial Information included in this Prospectus is based on available information and certain assumptions and estimates that the Group believes are reasonable at the date of preparation of the Pro Forma Financial Information but may differ from actual amounts.

The Pro Forma Financial Information has been prepared by the Directors for illustrative purposes as required by the Prospectus Regulation. The Pro Forma Financial Information were prepared using accounting policies which are consistent with those used in the preparation of the Special Purpose Consolidated Financial Information.

The Pro Forma Financial Information has not been prepared in accordance with the Regulation S-X of the U.S. Securities Act, or any generally accepted accounting standards. Neither the assumptions underlying the pro forma adjustments nor the Pro Forma Financial Information have been audited in accordance with any generally accepted auditing standards. The Group's future operating results may differ materially from the amounts set forth in the Pro Forma Financial Information due to various factors, including changes in operating results. Prospective investor should not rely on the Pro Forma Financial Information in making an investment decision.

PricewaterhouseCoopers LLP, located at 1 Embankment Place, London, WC2N 6RH, United Kingdom issued an independent practitioner's assurance report on the compilation of pro forma financial information in accordance with ISAE 3420 on the Pro Forma Financial Information included as Section A of Annex III to this Prospectus.

Segmental Reporting

IFRS 8 (*Operating Segments*) defines an operating segment as a component of an entity engaging in business activities from which it earns revenues and incurs expenses and whose discrete operating results are regularly reviewed by the Chief Operating Decision Maker ("**CODM**").

For these purposes, the Group has determined that the Executive Committee is the CODM, being the collective responsible for allocating resources and assessing the performance of the Group's operating segments.

As a B2B travel marketplace, the Group provides travel bookings to its distribution partners via its cloud-native platform. This includes two product lines, accommodation and mobility and experiences (comprising car rental, transfers and activities and encompassing cost and income benefits from the Group's Fintech & Insurance offering) which are predominantly sold via the same distribution methods and to the same distribution partner archetypes and have similar economic characteristics (see section "Management's *Discussion and Analysis of Financial Condition and Results of Operations—Description of Key Line Items—Revenue*). The Group's most significant product line is accommodation, from which there are on-selling opportunities for mobility and experiences products. The profitability of the individual product lines is not reviewed by the CODM due to their interdependencies. Consequently, the Group's Accommodation and Mobility and Experiences product lines are defined as a single operating segment.

The Group's Hoteltech product line assists hotels with optimising their direct online channel. The Group's clients are the hotels, the services provided differ and the revenue is recognised over time as a fixed fee or based on a percentage of the hotel's TTV^{APM} generated as per the contract with HBX Group. Consequently, Hoteltech is a separate operating segment.

For the purposes of reportable segments under IFRS 8, the Hoteltech operating segment constitutes less than 5% of the Group's revenue and less than 3% of the Group's gross profit and therefore the two operating segments ("Accommodation and Mobility and Experiences" and "Hoteltech") have been aggregated on a materiality basis.

HBX Group market position

In this Prospectus, HBX Group is presented as the leading independent B2B travel marketplace in terms of TTV for FY 2024 (*source: Company Industry Sources*) (the "**Leading Independent B2B Travel Marketplace**"). The criteria that the Group uses to classify a distributor of travel products as independent or non-independent is whether such distributor also carries out material B2C activities, i.e., whether its business model includes distributing hotel rooms and complementary travel products not only to business clients but also directly to end consumers. In particular, HBX Group is approximately three times larger than Web Travel Group (formerly Webbeds, recently de-merged from WebJet) ("**Web Travel Group**"), its largest independent direct competitor and approximately five times larger than TBO Group (based on publicly available information) in terms of TTV.

The Group's TTV^APM for FY 2024 was €7.7 billion, while Web Travel Group and TBO Group's TTV for their respective financial years ended 30 March 2024, was €2.5 billion and €1.4 billion, respectively. Further, while Expedia's B2B division is also a major player in the distribution of hotel rooms, it forms part of Expedia Group (one of the largest B2C intermediaries in the world) and is therefore not considered as an independent B2B travel marketplace for the purposes of the classification used in this Prospectus. Unlike B2C intermediaries that compete against hotels to offer hotel rooms directly to end consumers, independent B2B distributors, such as the Group, act as an independent partner to hotels, not directly competing with their direct sales channel by bringing incremental high-value demand that would otherwise not be reached by hotels.

Among such independent distributors, the Group is the Leading Independent B2B Travel Marketplace, ahead of Web Travel Group and TBO Group, based on publicly available information published by these companies. In addition, there are hundreds of smaller regional and local players which have lower TTV than Web Travel Group and TBO Group, such as GoGlobal, Ratehawk or Dida, among others (*source: Company Industry Sources*). While Expedia's B2B division is also a major player in the distribution of hotel rooms, it forms part of Expedia Group (one of the largest B2C intermediaries in the world) and is therefore not an independent marketplace for the purposes of the classification used in this Prospectus. The definition of TTV is standard across the industry and does not vary significantly accross the Group's peers, allowing for this measure to be comparable across the industry.

Non-IFRS Measures - Alternative Performance Measures

In addition to the financial information presented herein and prepared under IFRS-EU, this Prospectus includes certain alternative performance measures or "**APMs**" as defined in Commission Delegated Regulation (EU) 2019/979 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus, and the notification portal, and repealing Commission Delegated Regulation (EU) No 382/2014 and Commission Delegated Regulation (EU) 2016/301. Such measures include: EBITDA^APM, EBITDA Margin^APM, Adjusted EBITDA^APM, Adjusted EBITDA Margin^APM, TTV^APM, Take Rate^APM, Revenue Breakdown by Product^APM, Revenue Breakdown by Geography^APM, Technology Capex^APM, Technology Opex^APM, Total Technology Investment^APM, Total Technology Investment Over Revenue^APM, Operating Free Cash Flow^APM, Cash Conversion^APM, Net Debt^APM, Net Debt to Adjusted EBITDA^APM, Adjusted Net Debt^APM, Adjusted Net Debt to Adjusted EBITDA^APM, Adjusted Operating Costs^APM, Adjusted Operating Costs per FTE^APM and Fixed Cost as a Percentage of Adjusted Operating Costs^APM on a consolidated basis.

The APMs in this Prospectus have been calculated and presented following the same methodology for all periods.

The Group believes that the presentation of the APMs included herein complies with the European Securities and Markets Authority ("**ESMA**") Guidelines on Alternative Performance Measures dated 30 June 2015 and the "Q&A on Alternative Performance Measures Guidelines" lastly published on 1 April 2022.

The Group has presented these APMs, which are unaudited, as supplemental information because they are used by HBX Group's management in making financial, operational and planning decisions and provide useful financial information that it believes should be considered in addition to the Special Purpose Consolidated Financial Information in assessing HBX Group's performance. The following APMs have been used to describe the Group's business: EBITDA^APM, EBITDA Margin^APM, Adjusted EBITDA^APM, TTV^APM, Take Rate^APM, Revenue Breakdown by Product^APM, Revenue Breakdown by Geography^APM, Technology Capex^APM, Technology Opex^APM, Total Technology Investment^APM, Total Technology Investment Over Revenue^APM, Operating Free Cash Flow^APM, Cash Conversion^APM, Adjusted Net Debt^APM and Adjusted Net Debt to Adjusted EBITDA^APM. In addition, the Group believes that the other APMs presented herein may contribute to a better understanding of its results of operations by providing additional information on what the Group considers to be some of the drivers of its financial performance and because certain of these APMs are believed to be in line with indicators commonly used by analysts covering the Group's industry and investors in the capital markets.

These APMs are not defined under, and have not been prepared in accordance with, IFRS-EU. The accounting data used as a basis has been prepared in accordance with IFRS-EU unless otherwise indicated below. These APMs should only be considered together with the Special Purpose Consolidated Financial Information and may be presented on a different basis than the financial information included in the Financial Information. However, as these measures are not determined in accordance with IFRS-EU, UK GAAP or any generally accepted accounting standards, and are thus susceptible to varying calculations, they may not be comparable to other similarly titled measures used by other companies and have limitations as analytical tools (save for TTV which is standard across the industry and does not vary significantly accross the Group's peers, allowing for this measure to be comparable across the industry). In particular, there are no generally accepted principles governing the calculation of these measures and the criteria upon which these measures are based can vary from company to company, which means that other companies may define and calculate such measures differently from the Group. APMs have not been audited or reviewed. These APMs have also not been prepared in accordance with the requirements of Regulation S-K and Regulation G of the U.S. Securities Act, the Prospectus Regulation, IFRS-EU, UK GAAP or any generally accepted accounting standards. Investors are cautioned not to place undue reliance on these APMs and are also advised to review them in conjunction with the Financial Information included elsewhere in this Prospectus.

Prospective investors are cautioned not to place undue reliance on these measures, which should be considered as supplemental to, and not a substitute for, the financial information prepared in accordance with IFRS-EU included herein. The APMs included herein are not measures of the Group's financial performance or liquidity under IFRS-EU, nor have been audited or reviewed by PricewaterhouseCoopers LLP or by any independent expert. See section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures*" for the definitions, reconciliations and determination of the APMs included herein.

Rounding and accounting units

Certain numerical figures included in this Prospectus, including financial information presented in millions or thousands and certain percentages, may have been subject to rounding adjustments. Accordingly, amounts shown as totals in columns or rows of tables in this Prospectus may not be an arithmetic aggregation of the related numbers. In addition, when the values in this Prospectus are being derived from underlying financials, in this case the Financial Information, there may be instances whereby in extracting information from the financial statements, numbers are rounded up/down, for instance, thus technically being "adjusted", but not materially. Furthermore, certain percentages presented in the tables in this Prospectus reflect calculations based upon the underlying information prior to rounding and, accordingly, may not conform to the percentages that would be derived if the relevant calculations were based upon the rounded numbers. As used in this Prospectus, the term "billion" means one thousand million (1,000,000,000).

Market, Economic and Industry Data

This Prospectus contains market, economic and industry data relating to markets, market sizes, trends, market shares, market positions and other industry data pertaining to the Group's business and markets derived from data, information and reports prepared by official or other third-party sources. Such sources include, among others, industry publications and surveys, industry reports prepared by governments, regulators, consultants, internal surveys, market research and distribution partner and supplier feedback, private market studies commissioned from the Company Industry Sources. While the Company believes that each of these publications, studies and surveys has been prepared by a reputable source, none of the Company, the Selling Shareholders, the Managers, the Boston Consulting Group, UN Tourism, WTTC, Amadeus, Oxford Economics, Kantar, Mintel, any other third-party source or any other person, has independently verified the data contained therein or accepts any liability in respect thereof. To the Company's knowledge, all third-party data contained in this Prospectus has been accurately reproduced and, so far as the Company is aware and able to ascertain from information published by such third parties, no facts have been omitted that would render the reproduced information inaccurate or misleading. Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed and that the projections that they contain are based on a number of significant assumptions.

The Company cannot guarantee that a third party using different methods to compile, analyse or compute market data or public disclosure from competitors would obtain or generate the same results. In addition, HBX Group's competitors or other participants in the travel industry may define their markets and their own relative positions in these markets differently than HBX Group does and may also define various components of their business and operating results in a manner that makes such figures incomparable with HBX Group's figures.

The Company cannot assure that any of the assumptions that it has made in compiling this data are accurate or correctly reflect its position in its markets, the travel industry or other matters relating to its business. Accordingly, prospective investors are cautioned not to place undue reliance on such information. The Company is not aware of any misstatements regarding the market, economic and industry or similar data presented in this Prospectus, but such data involves risks and uncertainties and is subject to change based on various factors, including those discussed under the heading "*Risk Factors*" in this Prospectus.

This Prospectus also contains estimates of market data and information derived therefrom which has been prepared by the Group based on Company Industry Sources and its own internal estimates. While the Company believes such estimates to be reasonable, they, and their underlying methodology and assumptions, have not been verified by any independent source for accuracy and completeness and are subject to change. These estimates are subject to uncertainties and are based on assumptions and other factors the occurrence or non-occurrence of which could cause such estimates to differ materially from, or fail to meet the expectations, expressed or implied therein.

Therefore, prospective investors should not place undue reliance on such information or data.

Financial targets

This Prospectus contains certain financial targets of the Group. See section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Financial Targets*". These targets are part of the Group's strategic plan and are not an indication, estimate or forecast whatsoever of its expected or actual results and they do not constitute a profit forecast as defined in Commission Delegated Regulation (EU) 2019/980 of 14 March 2019. As such, HBX Group cannot guarantee that they can or will be met, and investors should not place undue reliance on these targets in deciding whether to invest in the Offer Shares. These targets are based on assumptions and expectations and are subject to known and unknown risks, uncertainties and other factors, including but not limited to those discussed under "*Risk Factors*", that could cause the Group's actual results to materially differ from those expressed in, or suggested by, these targets. The ultimate achievability of these targets is also subject to numerous risks and uncertainties including, but not limited to, the risks and uncertainties described in this Prospectus.

Neither the Group's independent reporting accountants nor any other independent accountants compiled, examined or performed any procedures with respect to these targets, nor have they expressed any opinion or any other form of assurance on these targets or their achievability, and such parties assume no responsibility for, and disclaim any association with, these targets.

These targets, while presented with numerical specificity, necessarily reflect numerous assumptions made by HBX Group with respect to industry performance, general business, economic, regulatory, market and financial conditions, and other future events, as well as matters specific to its business, all of which are difficult or impossible to predict, and many of which are beyond the Group's control. See section "*Risk Factors*". These targets reflect the Group's subjective judgements in many respects and in connection with numerous assumptions, risks and uncertainties and, thus, are susceptible to multiple interpretations and periodic revisions based on actual experience and business, economic, regulatory, financial and other developments.

Also, the benefits and impact of the Group's strategy and targets could fall short of what it envisage, meaning that the Group may be unable to achieve its strategy and targets in the medium term. HBX Group may not succeed in achieving any or all of its financial targets because of insufficient management attention, incorrect decisions or choices, inefficiencies, competition or because forecasted events and actions may not take place or may take place at a different time or to a different extent than anticipated or because certain events and actions could not be predicted or quantified at the time these targets were established.

These targets constitute forward-looking information and are subject to risks and uncertainties that could cause actual results to differ materially from these targets, including, but not limited to, the Group's performance, industry performance, general business and economic conditions, competition, adverse changes in applicable laws, regulations or rules, and the various risks and uncertainties set forth in this Prospectus that could materially adversely affect the Group's future results. HBX Group cannot give any assurance that these financial targets will be realised or that actual results will not vary significantly from these targets.

Forward-Looking Statements

This Prospectus includes forward-looking statements that reflect HBX Group's intentions, beliefs or current expectations and projections about HBX Group's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies, plans, opportunities, trends, future developments and the markets HBX Group serves or intends to serve. The Group has tried to identify these and other forward-looking statements by using the words "may", "could", "will", "would", "should", "expect", "intend", "estimate", "anticipate", "guidance", "project", "pipeline", "future", "potential", "believe", "seek", "plan", "aim", "expect", "objective", "goal", "project", "strategy", "target", "continue" and similar expressions or their negatives.

These forward-looking statements are based on numerous assumptions regarding HBX Group's present and future business and the environment in which HBX Group expects to operate in the future. Forward-looking statements may be found in the sections of this Prospectus titled "*Risk Factors*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", *"Industry Overview"* and "*Business*" and elsewhere in this Prospectus.

These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions and other factors that could cause the Group's actual results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies, plans or opportunities, as well as those of the markets the Group serves or intends to serve, to differ materially from those expressed in, or suggested by, these forward-looking statements.

Investors should read the section titled "*Risk Factors*" and the description of the Group's segments in the section titled "*Business*" for a more complete discussion of the factors that could affect the Group.

In light of these risks, uncertainties and assumptions, the forward-looking events described in this Prospectus may or may not occur in the future. Additional risks that the Group may currently deem immaterial or that are not presently known to the Group could also cause the forward-looking events discussed in this Prospectus not to occur. These forward-looking statements speak only as of the date of this Prospectus. Except as otherwise required by Spanish, U.S. federal and other applicable securities laws and regulations and by any applicable stock exchange regulations, the Group undertakes no obligation to update publicly or revise publicly any forward-looking statements, whether as a result of new information, future events, changed circumstances or any other reason after the date of this Prospectus. Given the uncertainty inherent in forward-looking statements the Group cautions prospective investors not to place undue reliance on these statements.

This Prospectus does not contain any profit estimates or a profit forecast as defined in the Prospectus Delegated Regulation.

Currency References

The Special Purpose Consolidated Financial Information is presented in euros, the Group's presentation currency, and unless otherwise indicated, the Group's financial information is presented in euros. In this Prospectus, unless otherwise indicated, all references to "euro" and "€" are to the single currency of the member states of the European Union participating in European Monetary Union, references to "U.S.$" are to United States dollars, the legal currency of the United States of America and references to "£" or "GBP" are to British pound sterling, the legal currency of the United Kingdom.

Trademarks

HBX Group owns or has rights to certain trademarks, trade names, service marks or applicable copyright notices that it uses in connection with the operation of its business. HBX Group asserts to the fullest extent under applicable law, its rights to its trademarks, trade names, service marks and applicable copyright notices. Solely for convenience, the trademarks, trade names, service marks or applicable copyright notices appearing in this Prospectus are listed without the applicable ®, © or TM symbols.

Legislation

This Prospectus refers to various statutes, directives and other legislation and regulations. Unless the contrary is specified or the context otherwise requires, all such references are to the laws of Spain.

Investment Considerations

An investment in the Company is suitable only for investors who are capable of evaluating the risks and merits of such investment, who understand the potential risk of capital loss and that there may be limited liquidity in the Shares, for whom an investment in the Offer Shares constitutes part of a diversified investment portfolio, who fully understand and are willing to assume the risks involved in investing in the Company and who have sufficient resources to bear any loss (which may be equal to the whole amount invested) that might result from such investment. Without prejudice to the Target Market Assessment discussed elsewhere in this prospectus, investors in the Company are expected to be institutional and qualified investors who are looking to allocate part of their investment portfolio to the Spanish market and the travel tech and tourism industry. Investors should consult their financial adviser before making an investment in the Company.

The Offer Shares are designed to be held over the long term and may not be suitable as short-term investments. There is no guarantee that any appreciation in the value of the Shares will occur or that the operating or financial objectives of the Company will be achieved, and investors may not recover the full value of their investment. Any operating or financial objectives of the Company are targets only and should not be treated as assurances or guarantees of performance.

A prospective investor should be aware that the value of an investment in the Offer Shares is subject to normal market fluctuations and other risks inherent in investing in securities. There is no guarantee that any appreciation in the value of the Shares will occur or that the operating objectives of the Company will be achieved. As such, the value of investments in the Shares and any income derived therefrom may fall or rise, and investors may not recoup the original amount invested in the Shares.

The contents of this Prospectus are not to be construed as advice relating to legal, financial, taxation, accounting or regulatory matters, investment decisions or any other matter. Prospective investors must rely upon their own representatives, including their own accountants, financial and legal advisers, as to accounting, financial, legal, tax, accounting, regulatory, investment or any other related matters concerning the Company, the Group and the Shares and an investment therein.

UNAUDITED PRO FORMA FINANCIAL INFORMATION

*The unaudited pro forma financial information ("**Pro Forma Financial Information**") has been prepared in accordance with Annex 20 of the Delegated Regulation 2019/980 of the European Commission and the requirements of the CNMV in the context of the admission to trading on the Spanish Stock Exchanges of the issued share capital of HBX Group International Plc.*

Within this section the "**Group**" is defined as (i) HBG Limited ("**HBG Ltd**") and its consolidated subsidiaries for any period prior to the implementation of the Proposed Reorganisation (as defined below) and (ii) HBX Group International Plc (the "**Company**") and its consolidated subsidiaries for any period following the implementation of the Proposed Reorganisation.

Background and Purpose of the Pro Forma Financial Information

The Company is proposing to undertake an offering of shares (the "**Offering**") which is expected to comprise a primary offering of newly issued Shares ("**Primary Offering**") and a secondary offering of existing Shares by the Selling Shareholders. The Offering will be made to qualified investors, including a placement in the United States to qualified institutional buyers under Rule 144A of the Securities Act.

The uncommitted Primary Offering by the Company will consist of an amount of €725,000,000 to be used to (i) settle deferred consideration (the "**Deferred Sale Consideration**") due in respect of the related planned management selldown (the "**Management Selldown**") of shares; (ii) pay the cash outflows linked to Admission, which mainly derive from payments under certain incentive plans and fees associated with the Offering and (iii) pay the amounts due in the context of a refinancing of the Group's debt facilities (the "**Refinancing**"), including related costs (the "**Cash Outflows**"). In addition, the Chair of the Board, seven members of the Executive Committee (including the Chief Executive Officer) and two senior managers by subscribing for newly-issued Shares at the Offering Price before the time of the initial registration in respect of all of the Shares (including the New Offer Shares) as equity interests in dematerialised book-entry form with Iberclear (the "**Initial Registration Time**") have committed to reinvest (the "**Management Reinvestment**") a proportion of the proceeds from the Management Selldown as set out in Note 5 below.

Prior to admission of the shares to trading on the Spanish Stock Exchanges ("**Admission**") the Group has committed to undertake a reorganisation (the "**Proposed Reorganisation**"), in which the Company, certain companies within the HBX Group, the shareholders of HBG Ltd, the holders of Shareholder Loan Notes in HNVR Topco Limited ("**HNVR Topco**") and the holders of Preference Shares in HNVR Topco entered into, or, in relation to certain individual shareholders of HBG Ltd, subsequently adhered to a reorganisation deed (the "**Reorganisation Deed**") , under which, each of the parties have agreed to take certain actions as part of a corporate reorganisation to be effected after registration of this Prospectus and execution of the related underwriting agreement, and before the Initial Registration Time, pursuant to which the Company will become the parent company of HBX Group.

The Pro Forma Financial Information has been prepared to illustrate, on a pro forma basis, (i) the potential impact on the Group's financial position as at 30 September 2024 of the uncommitted initial offering by the Company of the New Offer Shares for an effective total amount of €725,000,000 at a price of €10.50 per Offer Share, such price being the lower end of the offering price range of between €10.50 and €12.50 (the "**Offering Price Range**"), (ii) the Proposed Reorganisation; and (iii) the Refinancing as if they had occurred on 30 September 2024 (the "**Pro Forma Events**"). The Pro Forma Financial Information does not include adjustments other than those described in this section and in the explanatory notes included in the Pro Forma Financial Information included as Annex III to this Prospectus. No adjustments have been made to reflect the trading results or financial position of the Group since 30 September 2024.

The Pro Forma Financial Information included in this Prospectus has been prepared to illustrate the consolidated statement of financial position as at 30 September 2024 as if the Company was the parent of the Group and assuming the Pro Forma Events had occurred at such date, and is based on available information and certain assumptions and estimates that are believed to be reasonable by the Directors at the date of preparation of the Pro Forma Financial Information, but that may differ from actual amounts. The pro forma adjustments reflected in the Pro Forma Financial Information give effect to Pro Forma Events that are considered to be, as applicable, directly attributable to the Proposed Reorganisation and subsequent Offering and are factually supportable.

Given that the Pro Forma Financial Information has been prepared in order to reflect a hypothetical situation, it is not intended to reflect, and consequently does not reflect, either the financial position or the results of the operations of the Group, should the adjustments described below have occurred. Likewise, the Pro Forma Financial Information is not indicative of the Group's financial position or future results.

The Pro Forma Financial Information has not been prepared in accordance with the criteria established by Regulation S-X of the U.S. Securities Act, or any generally accepted accounting standards. Neither the assumptions underlying the pro forma adjustments, nor the Pro Forma Financial information have been audited in accordance with any generally accepted auditing standards.

The Board of Directors of the Company is responsible for the preparation and the content of the Pro Forma Financial Information.

Basis of preparation

The Pro Forma Financial Information has been prepared in accordance with Annex 20 of the Prospectus Delegated Regulation as well as with the guidelines of ESMA on disclosure requirements under the Prospectus Regulation of 4 March 2021 (ESMA 32-382-1138) and the requirements of the CNMV.

The Pro Forma Financial Information has been prepared solely for the purpose of being included in this Prospectus.

The accounting policies used for the preparation of the Pro Forma Financial Information are consistent with those used in the preparation of the Special Purpose Consolidated Financial Information, which have been prepared in accordance with IFRS-EU. Future operating results may differ materially from the amounts set forth in the Pro Forma Financial Information due to various factors, including changes in operating results. Any reliance placed on the Pro Forma Financial Information should fully take this into consideration.

The Pro Forma Financial Information has been prepared as if the Pro Forma Events had occurred as at 30 September 2024 for the purpose of the pro forma statement of financial position. No pro forma income statement has been presented.

The pro forma adjustments presented herein are those directly attributable to the Pro Forma Events and factually supportable in the context of the Pro Forma Events.

The historical financial information used to compile the Pro Forma Financial Information comprised:

- the audited historical information of HBG Ltd and its consolidated subsidiaries as at 30 September 2024 extracted from the audited historical information of HBG Ltd and its consolidated subsidiaries, which is presented in this Prospectus, as of and for each of the years ended 30 September 2022, 2023, and 2024, over which PricewaterhouseCoopers LLP issued a report on 28 January 2025 (the "**Special Purpose Consolidated Financial Information**") in which they express an unqualified opinion in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom; and

- the Company Financial Information of HBX Group International Plc as at 30 September 2024, over which PricewaterhouseCoopers LLP issued an audit opinion on 28 January 2025 in which they express an unqualified opinion in accordance with International Standards on Auditing (UK).

The Special Purpose Consolidated Financial Information as included in the Prospectus has been prepared for HBG Ltd and its subsidiaries. Following the Proposed Reorganisation, the Company will become the ultimate parent of HBX Group and consequently the Pro Forma Financial Information has been prepared for the Group with the Company as its ultimate parent. The total shareholders' equity and net debt position of the consolidated HBX Group, which will become listed on the Spanish Stock Exchanges will not materially differ from the former HBG Ltd consolidated Group, after including the impact of the reorganisation steps (2) to (7) as detailed in the Pro Forma Financial Information.

The Directors have concluded that the Proposed Reorganisation does not alter the economic substance of the Group. The Directors of HBG Ltd and the Company believe that using the predecessor accounting method accurately represents the assets, liabilities, revenues, and operating results of the Group as if the Company had been the parent entity of the consolidated group for the past three financial years. Therefore, this method is considered the most suitable accounting approach in accordance with the principles of IAS 8, for preparing the consolidated financial information of the Group following the Proposed Reorganisation. The Group intends to adopt this on a retrospective basis with the Group disclosing comparative amounts on a consistent basis following Admission. Under the predecessor accounting method, assets and liabilities involved in the Proposed Reorganisation are recorded at their existing carrying amounts, rather than at fair value, in this case those recorded in the Special Purpose Consolidated Financial Information.

In making an investment decision, prospective investors must rely upon their own examination, analysis and enquiry of the Company and HBX Group, their business and the terms of this Prospectus, including the merits and risks involved in investing in the Offer Shares and not rely solely on the Pro Forma Financial Information. The Pro Forma Financial Information should also be read in conjunction with the Special Purpose Consolidated Financial Information and the Company Financial Information.

In the preparation of the Pro Forma Financial Information, the following assumption has been used:

- the pro forma adjustments have been prepared on the basis of the offering price being set at the lower end of the Offering Price Range, being €10.50 per offer share and primary proceeds totalling €725,000,000. As at the date of this Prospectus, the proceeds are not underwritten and therefore the actual proceeds are uncertain. The Offering Price Range is a best estimate at the date this Prospectus and may therefore be subject to change. The Directors expect the total primary proceeds amount of €725,000,000 to remain fixed with this amount to be underwritten at the date at which the offering price is determined. The completion of the Offering within the Offering Price Range is deemed highly probable by the Directors. The incremental impacts of instead assuming the upper end of the Offering Price Range are detailed in the notes to the Pro Forma Financial Information.

Based on the assumption of the Offering proceeding as outlined, the Directors have committed to undertake a series of steps prior to Admission. These steps include the refinancing of the Group' existing senior facilities agreement (which fall due upon the Offering) and a new facilities agreement (the "**New Facilities Agreement**") (which is conditional upon Admission) being available to the Group. The completion of the Proposed Reorganisation, the Management Selldown, the Cash Outflows, and the Refinancing are each deemed by the Directors to be committed, subject to the completion of the Offering.

Pro Forma Statement of Financial Position 30 September 2024	**Company(1)**	**HBG Ltd(2)**	**Proposed Reorganisation(3)**	**Management Selldown(4)**	**Management Reinvestment(5)**	**Primary Offering(6)**	**Refinancing(7)**	**Total**
				(*€ millions*)				
Non-current assets								
Goodwill	-	1,535	-	-	-	-	-	1,535
Other Intangible assets	-	517	-	-	-	-	-	517
Property, plant and equipment	-	10	-	-	-	-	-	10
Investment in an associate	-	32	-	-	-	-	-	32
Other financial assets	-	2	-	-	-	-	-	2
Deferred tax assets	-	20	-	-	-	-	-	20
Trade receivables and other assets	-	9	-	-	-	-	-	9
	-	2,125	-	-	-	-	-	2,125
Current assets								
Trade receivables and other assets	-	608	-	-	-	-	-	608
Income tax recoverable	-	7	-	-	-	-	-	7
Derivatives	-	8	-	-	-	-	-	8
Cash and short-term deposits	-	686	-	(58)	46	467	(601)	540
	-	1,309	-	(58)	46	467	(601)	1,163
Total assets	-	3,434	-	(58)	46	467	(601)	3,288
Current liabilities								
Trade payables and other liabilities	-	(1,351)	-	-	-	4	-	(1,347)
Income tax payable	-	(21)	-	-	-	-	-	(21)
Interest-bearing loans and lease liabilities	-	(82)	-	-	-	-	64	(18)
Derivatives	-	(4)	-	-	-	-	-	(4)
Provisions for liabilities		(28)	-	-	-	23	-	(5)
	-	(1,486)	-	-	-	27	64	(1,395)
Non-current liabilities								
Interest-bearing loans and lease liabilities	-	(1,681)	-	-	-	-	505	(1,176)
Loan notes and preference shares	-	(1,581)	1,581	-	-	-	-	-
Trade payables and other liabilities	-	(34)	-	-	-	-	-	(34)
Deferred tax liabilities	-	(43)	-	-	-	-	-	(43)
Provisions for liabilities	-	(8)	-	-	-	-	-	(8)
	-	(3,347)	1,581	-	-	-	505	(1,261)
Total liabilities	-	(4,833)	1,581	-	-	27	569	(2,656)
Net (liabilities)/assets	**-**	**(1,399)**	**1,581**	**(58)**	**46**	**494**	**(32)**	**632**
Share capital	-	1	1	-	-	1	-	3
Retained earnings	-	(1,525)	-	-	-	-	-	(1,525)
Profit or loss for the year	-	-	-	-	-	(216)	(32)	(248)
Other reserves	-	125	1,580	(58)	46	709	-	2,402
Total shareholders' equity	**-**	**(1,399)**	**1,581**	**(58)**	**46**	**494**	**(32)**	**632**

Pro forma adjustments

(1) The Company

At 30 September 2024, the Company was an indirect wholly owned subsidiary of HBG Ltd. Following the Proposed Reorganisation, the Company will own all of the ordinary share capital of HBG Ltd and consequently will be the ultimate controlling party of the Group. Therefore, this Pro Forma Financial Information has been prepared on the basis of a consolidated Group of which the Company is the parent company. Column (1) represents the statement of financial position of the Company as extracted, subject to rounding adjustments (i.e., without making material adjustments), from the Company Financial Information at 30 September 2024. All balances were less than €1 million. This Company Financial Information has been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework, which is different from the IFRS-EU basis of preparation of the Special Purpose Consolidated Financial Information. This does not lead to material differences impacting this adjustment.

(2) HBG Ltd

This adjustment reflects the inclusion of the assets and liabilities of HBG Ltd and its subsidiaries as extracted, subject to rounding adjustments (i.e., without making material adjustments), from the Special Purpose Consolidated Financial Information, at their carrying values as at 30 September 2024. This results in a €1,399 million reduction in equity, comprising share capital of €1 million, other reserves of €125 million and retained losses of €1,525 million. There is no impact on the profit and loss account for the year.

(3) Proposed Reorganisation

As part of the Proposed Reorganisation, shareholder loan notes in HNVR Topco, a wholly owned subsidiary of HBG Ltd, with a book value of €1,528 million at 30 September 2024, are exchanged for newly issued shares in HBG Ltd, resulting in the issuance of share capital of €2 million and an increase of €1,526 million in the share premium account of HBG Ltd. On a consolidated basis, the Group now reflects the share capital of the Company, being €2 million prior to the primary issuance.

Additionally, existing preference shares with a book value of €53 million at 30 September 2024 in HNVR Topco are redeemed for their book value, and the €53 million of proceeds is used to acquire newly issued ordinary and preference shares in HBG Ltd, resulting in an issuance of share capital of less than €1 million and an increase of €53 million in the share premium account of HBG Ltd of €53 million.

These adjustments result in a €1,581 million increase in equity, comprising €1 million of share capital and €1,580 million in other reserves. There is no impact on the profit and loss account for the year.

(4) Management Selldown

As part of the Proposed Reorganisation, the Chairman, the Chief Executive Officer, certain members of the Executive Committee (other than the Chief Executive Offer), certain senior active employees of the Group (and certain family members of the foregoing), Aztec (Trustees No.1) Limited in its capacity as trustee of the Hotelbeds Employee Benefit Trust and certain other individuals and non-institutional shareholders, including certain former officers and senior employees of the Group, have committed to sell 15,931,491 shares in HBG Ltd at the lower end of the price range, either in full or *pari passu* with the subsequent sale by the Selling Shareholders, to the Company at a price per HBG Ltd share equal in value to the number of Shares at the offering price that the relevant shareholder would have received for the shares via a share-for-share exchange. Based on the lower end of the Offering Price Range, this will result in the Company recognising a deferred consideration totalling €58 million, to be paid from the gross proceeds of the Offering, and an investment in HBG Ltd for the corresponding amount. The liability for the deferred consideration will be paid from the gross proceeds of the Offering, shortly after the Offering and therefore for the purposes of the Pro Forma Financial Information, has been represented as a cash outflow.

This adjustment results in a €58 million reduction in equity, through other reserves. There is no impact on the profit and loss account for the year.

Following the Proposed Reorganisation and the Management Selldown, the remaining HBG Ltd shareholders will exchange all of their remaining shares for 180,000,000 newly issued ordinary shares in the Company (the "**Share-for-Share Exchange**"), recognising a credit to other reserves representing the net assets of the Company at their book value. On a consolidated basis, there is no impact to reserves or equity as a result of the Share-For-Share Exchange.

(5) Management Reinvestment

The Chair of the Board, the Chief Executive Officer, five members of the Executive Committee (other than the Chief Executive Officer), and two senior managers have committed to use a pre-agreed proportion of the proceeds from the Management Selldown detailed above, together with net proceeds after tax from the incentive plans included in adjustment (6) below to acquire 4,370,294 newly issued shares with a nominal value of €0.01 each. Based on the lower end of the Offering Price Range, this will result in the issuance of Shares of of less than €1 million and the recognition of a share premium of €46 million, with €46 million in cash being received by the Company.

This adjustment increases equity by €46 million, comprising less than €1 million of share capital and €46 million of other reserves. There is no impact on the profit and loss account for the year.

(6) The Primary Offering

Net proceeds based on the lower end of the Offering Price Range	**€m**
Gross cash proceeds resulting from the primary offer(i)	725
Cash outflow in respect of the settlement of management incentive plans(ii)	(208)
Associated transaction costs(iii)	(50)
Net proceeds from the Primary Offering	**467**

(i) Based on the lower end of the Offering Price Range, the Company will issue 69,047,619 ordinary shares at par value of €0.01 for a total amount of €725 million, resulting in gross cash proceeds of €725 million and the recognition of €1 million of share capital and €724 million within a share premium account.

(ii) The Primary Offering will result in the cash payment of incentive plans granted to management conditional on the Offering as detailed in the subsequent events note of the Special Purpose Consolidated Financial Information. These will total €208 million of which €23 million has been provided for in the Special Purpose Consolidated Financial Information at 30 September 2024.

(iii) At 30 September 2024, the Group had accrued but not paid costs relating to the Offering totalling €4 million. An additional €46 million of costs are expected to be incurred in FY 2025 in relation to the Offering, resulting in a total cash outflow of €50 million.

(iv) Fees related to the Offering totalling €15 million will be recognised in the share premium account, representing the estimated proportion of directly attributable costs relating to the issuance of new shares.

The combined impact of the Offering, incentive plans and fees associated with the offering is a cash inflow of €467 million.

The impact of the Offering on the profit and loss account for the year is a charge of €216 million, representing incentives of €208 million and fees of €50 million less amounts accrued at 30 September 2024 of €23 million and €4 million respectively, and after deducting fees in relation to the Offering offset against the share premium account totalling €15 million. These costs will be recognised within operating expenses as non-recurring items.

The total impact of the Offering is an increase in shareholders' equity of €494 million, comprising additional share capital of €1 million, a charge to the profit and loss account for the year of €216 million as detailed above, and an increase in other reserves of €709 million, representing an increase in the share premium account of €724 million, less the recognition of a proportion of the directly attributable costs of the Offering totalling €15 million against the share premium account.

As at the date of this Prospectus, the Offering Price Range is indicative in nature, and the €725 million of gross proceeds are not underwritten or committed. The Offering Price Range has been determined by the Company and the selling shareholders after consultation with the joint global coordinators of the Offering (the "**Joint Global Coordinators**"), without reliance on any third-party expert to assess the value of the Shares or determine the Offering Price Range. The final price of each offer share, which may fall outside the Offering Price Range, and the definitive number of initial offer shares will be determined by the Company and the selling shareholders after consultation with the Joint Global Coordinators upon completion of the bookbuilding period, which is expected to occur on or about 10 February 2025. The actual value of this adjustment (6) will therefore differ from the one illustrated above, with a consequential impact on the quantification of adjustments which are derived from it, namely the Management Selldown adjustment (item (4) above) and the Management Reinvestment adjustment (item (5) above).

(7) Refinancing

Concurrently with the Offering, the Group has committed to refinance all its existing indebtedness incurred under the existing senior facilities agreement, and cancel the facilities available under the existing senior facilities agreement. All debt under the existing senior facilities agreement will be refinanced in full using the proceeds of the New Facilities, the proceeds obtained by the Company from the Offering, and any available cash.

Refinancing cash flows	**€m**
Extinguishment of existing Senior Facilities as at 30 Sep 24	(1,740)
Adjusted for unamortised fees already cash settled as at 30 Sep 24	(28)
Adjusted for debt modification gain previously recognised at 30 Sep 24	(4)
Cash outflow in respect of settling existing Senior Facilities[i]	(1,772)
Drawdown of New Facilities (Term Loan A and B)[ii]	1,200
Adjusted for settlement of loan arrangement fees[ii]	(29)
Net cash outflow in respect of the refinancing[iii]	**(601)**

[i] At 30 September 2024, the book value of the existing senior facilities was €1,740 million, comprising the loan amount of €1,708 million plus accrued interest totalling €64 million less capitalised and unamortised fees and debt modification gains totalling €32 million.

[ii] The New Facilities Agreement comprising Term Loan A of €450 million and Term Loan B of €750 million, maturing in five and seven years, respectively, after the Offering date, together with a new Revolving Facility. Estimated fees associated with the refinancing will total €29 million. The Company is permitted to re-tranche up to €150 million of the commitments in Facility B to Facility A.

[iii]On a pro forma basis at 30 September 2024, the Refinancing will reduce cash by €601 million, being repayment of the Existing Senior Facilities Agreement and accrued interest for €1,772 million less proceeds from the New Facilities Agreement of €1,171 million after deducting fees.

The Refinancing will be treated as an extinguishment of the previous financial debt and recognition of new financial liabilities. Consequently amortisation on the capitalised fees and debt modification gains previously recognised (€32 million) on the Existing Senior Facilities Agreement will be accelerated and recognised in full in finance costs in FY 2025 on extinguishment of the facility.

As a result of the refinancing, shareholders' equity will reduce by €32 million in relation to the extinguishment of capitalised fees and debt modification gains previously recognised.

(8) Impacts on the pro forma of adopting the upper end of the Offering Price Range

The Pro Forma Financial Information has been prepared on the basis of the lower end of the Offering Price Range, being €10.50 per offer share. Adopting the assumption of the upper end of the Offering Price Range, being an offering price of €12.50 per share would have the following impacts on the Pro Forma Financial Information:

- Management Selldown adjustment (item (4) above) would increase from €58 million to €107 million.

- Management Reinvestment adjustment (item (4) above) would increase from €46 million to €51 million.

The combined impact on all pro forma adjustments of adopting the upper end of the Offering Price Range would therefore be a reduction in cash of €44 million. This reduction is due to the gross proceeds from the Primary Offering remaining unchanged in both the lower and upper end of the Offering Price Range scenarios, with the upper end of the Offering Price Range resulting in fewer shares being issued and a larger cash outflow in respect of net sell down and management incentives leading to a corresponding reduction in reserves, as illustrated in the table below.

	Lower end of the Offering Price Range €m	**Incremental impact of the Upper end of Offering Price Range** €m	**TOTAL €m**
Non-current assets	**2,125**	-	**2,125**
Current assets			
Other current assets	623	-	**623**
Cash and short-term deposits	540	(44)	**496**
	1,163	**(44)**	**1,119**
Total assets	**3,288**	**(44)**	**3,244**
Current liabilities	**(1,395)**	-	**(1,395)**
Non-current liabilities	**(1,261)**	-	**(1,261)**
Total liabilities	**(2,656)**	-	**(2,656)**
Shareholders'equity	**632**	**(44)**	**588**

(9) Profit and loss account impacts

The impacts of the pro forma adjustments on the profit and loss account for the year, as detailed in the Pro Forma statement of financial position are summarised below:

Profit and loss account impacts	**€m**
Non-recurring items recognised in operating expenses:	
Incentives	(185)
IPO related costs [i]	(31)
	(216)
Finance costs:	
Unamortised fees and debt modification gain in relation to existing debt to be recognised on extinguishment	(32)
Total	**(248)**

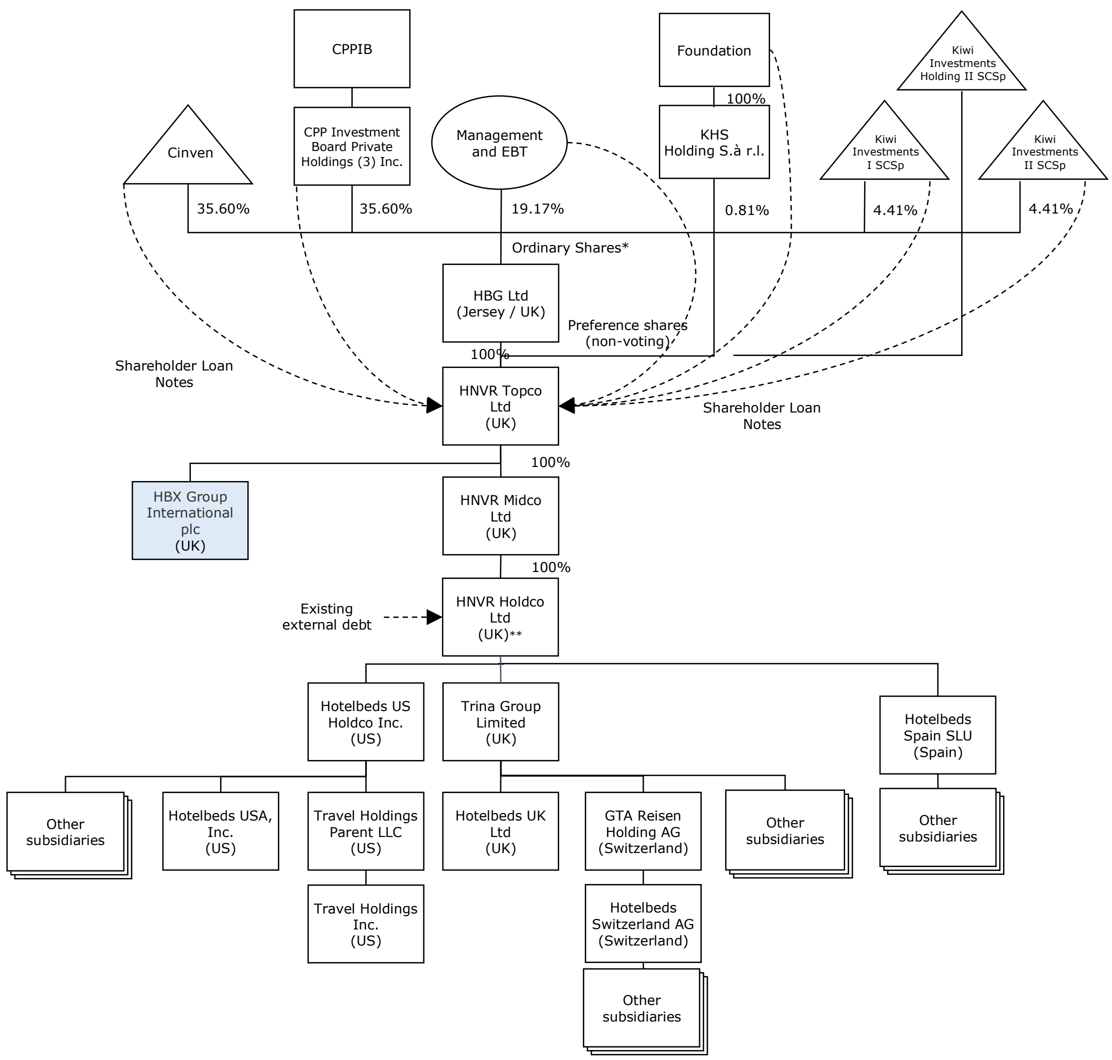
[i] Total IPO related costs to be paid from 1 October 2024 of €50 million less amounts accrued at 30 September 2024 of €4 million and allocation of €15 million of costs directly attributable to the primary issuance to the share premium account.

PROPOSED REORGANISATION

HBX Group will undertake certain transactions as part of a corporate reorganisation to be effected after registration of this Prospectus and execution of the Underwriting Agreement, and before the Initial Registration Time, as described in this section. To that end, the Company, certain companies within HBX Group, the shareholders of HBG Ltd, the holders of Shareholder Loan Notes in HNVR Topco and the holders of Preference Shares in HNVR Topco are parties to a reorganisation deed dated 18 December 2024 (the "**Reorganisation Deed**"), under which, each of the parties have agreed to take certain actions as part of the corporate reorganisation. The Reorganisation Deed, on the terms outlined therein, is binding and irrevocable on all signatories thereto. In this Prospectus, references to the "**Proposed Reorganisation**" are to the transactions described under "*—Pre-Admission steps*" below and pursuant to which the Company will become the parent company of HBX Group before the Initial Registration Time.

The Company expects that there will be no material adverse impact on its consolidated profit and loss account as a result of the implementation of the Proposed Reorganisation.

The following diagram reflects a simplified shareholding structure of HBX Group and its shareholders (in terms of voting rights, and excluding any other economic or beneficial interests arising from other instruments or entitlements) as of the date of this Prospectus.



Notes*:*

(*) *The only securities in HBG Ltd. in issue as of the date of this Prospectus are ordinary shares.*

(**) *All shareholding of the Group entities identified in this chart below HNVR Holdco Limited, are held on a 100% basis.*

Pre-Admission steps

After the registration of the Prospectus and before the Initial Registration Time, under the terms of the Reorganisation Deed, the Company will become the parent company of HBX Group through a number of transactions, including the following:

(1) Prior to the date of this Prospectus, HNVR Topco subscribed for 57,100 fully paid up redeemable non-voting preference shares of €1.00 each in the capital of the Company for cash consideration by way of an undertaking to pay.

(2) Following completion of the actions set out in step (1) above on 6 January 2025, the Company re-registered from a private limited company to a public limited company.

(3) As soon as reasonably practicable following the date of this Prospectus, and in any case prior to the publication of the Offering Price:

(a) HNVR Topco will make a capital contribution of approximately €100,000 into the Company; and

(b) following completion of the capital contribution described in step (3)(a) above, HNVR Topco will transfer the entire issued share capital of the Company (being one ordinary Share and the redeemable non-voting preference shares issued at step (1) above) to Prometheus Aggregator for consideration of (i) €0.01 (being equal to the nominal value of the issued ordinary share capital of the Company) plus (ii) the assumption of HNVR Topco's undertaking to pay the Company the subscription price of the redeemable non-voting preference shares issued in step (1) above.

(4) Immediately following the execution of the Underwriting Agreement and the publication of the Offering Price and the final size of the Offering, and in any case before the Initial Registration Time:

(a) following completion of the capital contribution described in step (3)(a) above, HNVR Holdco Limited will pay a cash dividend of approximately €92 million to HNVR Midco Limited ("**HNVR Midco**"), and conditional upon and following receipt by HNVR Midco of such cash dividend, HNVR Midco will pay a cash dividend of approximately €32 million to HNVR Topco;

(b) HNVR Topco will redeem its Preference Shares held by Kiwi Investments Holding II SCSp and KHS Holding S.à r.l. and subsequently cancel them. These entities will use their total redemption proceeds to subscribe for certain newly issued preference shares and ordinary shares in HBG Ltd;

(c) HBG Ltd will use all of the proceeds received from the subscription of shares by Kiwi Investments Holding II SCSp and KHS Holding S.à r.l. to subscribe for at least one ordinary share in HNVR Topco;

(d) the holders of HNVR Topco Shareholder Loan Notes will transfer their Shareholder Loan Notes to HBG Ltd in exchange for certain newly issued preference shares in HBG Ltd;

(e) Kiwi Investments I SCSp, Kiwi Investments II SCSp and Kiwi Investments Holding II SCSp will each contribute all of their respective ordinary shares and preference shares in HBG Ltd to Kiwi Feeder in exchange for a mix of equity and shareholder debt in Kiwi Feeder;

(f) CPP Investment Board Private Holdings (3) Inc. will transfer all of its shares in HBG Ltd to CPPIB;

(g) Cinven will transfer all of its shares in HBG Ltd to Prometheus Aggregator;

(h) following completion of steps (4)(a) to (4)(g) of the Proposed Reorganisation, certain shareholders of HBG Ltd, comprising:

(i) Prometheus Aggregator, CPPIB, the Foundation (directly as well as through KHS Holding S.à r.l), Kiwi Feeder and the 16 individual and non-institutional shareholders (referred to in paragraph (4)(j)(iii) below) who will not sell any shares in HBG Ltd to the Company for Deferred Sale Consideration (as defined below) in accordance with that step (4)(j)(iii); and

(ii) the 62 individual and non-institutional shareholders referred to in step (4)(j)(iii) below, only in respect of the shares in HBG Ltd which they will not sell to the Company in accordance with that step,

will transfer to the Company their respective shares in HBG Ltd in exchange for Shares newly issued by the Company at this step. As a result, these shareholders will receive 180,000,000 Shares in aggregate (the "**Share-for-Share Exchange**"). See section "*Principal and Selling Shareholders*";

(i) following completion of step (4)(h), the Company will redeem the 57,100 redeemable non-voting preference shares in the capital of the Company acquired by Prometheus Aggregator at step (3) above, resulting in the Company having a single class of ordinary shares in issue;

(j) following completion of step (4)(i), in order to allow certain Directors, officers, directors of HBG Ltd, members of the Executive Committee and active and former senior employees of HBX Group as well as other non-institutional shareholders who acquired their shares in HBG Ltd under the Shares Investment Opportunity (see section "*Related Party Transactions—Relationship with Other Companies of the Group—Shares Investment Opportunity*") to benefit from the Offering and sell down their shares in HBG Ltd, these persons will transfer their shares in HBG Ltd to the Company for a consideration calculated by reference to the Offering Price (approximately €58 million and €107 million, assuming an Offering Price at the lower and upper end of the Offering Price Range, respectively) which will be left outstanding until after Admission, to be paid by the Company using proceeds from the Offering (the "**Deferred Sale Consideration**"):

(i) the Chair of the Board, the Chief Executive Officer, six members of the Executive Committee (other than the Chief Executive Officer), and two senior managers will, directly or indirectly: (a) sell all of their shares in HBG Ltd (if any) to the Company for Deferred Sale Consideration (€32,856,733 and €58,813,119, assuming an Offering Price at the lower and upper end of the Offering Price Range, respectively); (b) reinvest in the Company before the Initial Registration Time by subscribing for Shares (newly issued by the Company at this step) at a price per Share equal to the Offering Price (4,370,294 or 4,111,829 Shares representing €45,888,087 and €51,397,862.50, assuming an Offering Price at the lower and upper end of the Offering Price Range, respectively), in an amount equal to between 20% and 75% of their net proceeds (i.e., proceeds for all applicable Historical LTIPs, Exit Bonus, Additional Incentive Bonus and the Deferred Sale Consideration, after deduction of all applicable taxes) against an undertaking to pay the subscription price of such Shares to the Company following Admission (the "**Management Reinvestment**");

(ii) certain directors of HBG Ltd and senior active employees of the Group (and certain family members of the foregoing) (comprising 39 shareholders in the aggregate) as well as Aztec (Trustees No.1) Limited in its capacity as trustee of the Hotelbeds Employee Benefit Trust, will sell, directly or indirectly, all of their shares in HBG Ltd to the Company for Deferred Sale Consideration (€23,841,924.52 and €46,884,641.87, assuming an Offering Price at the lower and upper end of the Offering Price Range, respectively) and will not use the Deferred Sale Consideration to reinvest in newly issued Shares in the Company; and

(iii) certain other individuals and non-institutional shareholders, including certain former officers and senior employees of the Group (comprising 62 shareholders in the aggregate), will sell, directly or indirectly part of their shares in HBG Ltd to the Company *pro rata* to the number of Existing Offer Shares to be sold by Prometheus Aggregator and CPPIB in the Offering over the aggregate number of Shares held by Prometheus Aggregator and CPPIB immediately prior to such sale for Deferred Sale Consideration (€916,152.10 and €1,181,850.97, assuming an Offering Price at the lower and upper end of the Offering Price Range, respectively) and will have already exchanged (pursuant to step 4(h) above), directly or indirectly the remainder of their respective HBG Ltd shares for Shares (newly issued by the Company at that step 4(h) above) (7,311,263 or 7,897,034 Shares representing €76,768,262 and €98,712,925, assuming an Offering Price at the lower and upper end of the Offering Price Range, respectively) pursuant to step (4)(h) above. The individuals and non-institutional shareholders who do not sell any shares in HBG Ltd to the Company for Deferred Sale Consideration (comprising 16 shareholders in the aggregate) will have already exchanged, directly or indirectly, all of their respective HBG Ltd shares for Shares (newly issued by the Company at that step 4(h) above) (350,364 or 467,540 Shares representing €3,678,822 and €5,844,250, assuming an Offering Price at the lower and upper end of the Offering Price Range, respectively) pursuant to step (4)(h) above.

The sale of shares in HBG Ltd by the persons referred in paragraphs (i) to (iii) to the Company for Deferred Sale Consideration is referred to as the "**Management Selldown**" in this Prospectus; and

(k) following the issuance by the Company of the new Shares in accordance with step (4)(h)(i) and step (4)(j) above, and the redemption by the Company of the redeemable non-voting preference shares of the Company in accordance with step (4)(i) above, HBG Ltd's share capital will be reorganised into a single class of ordinary shares.

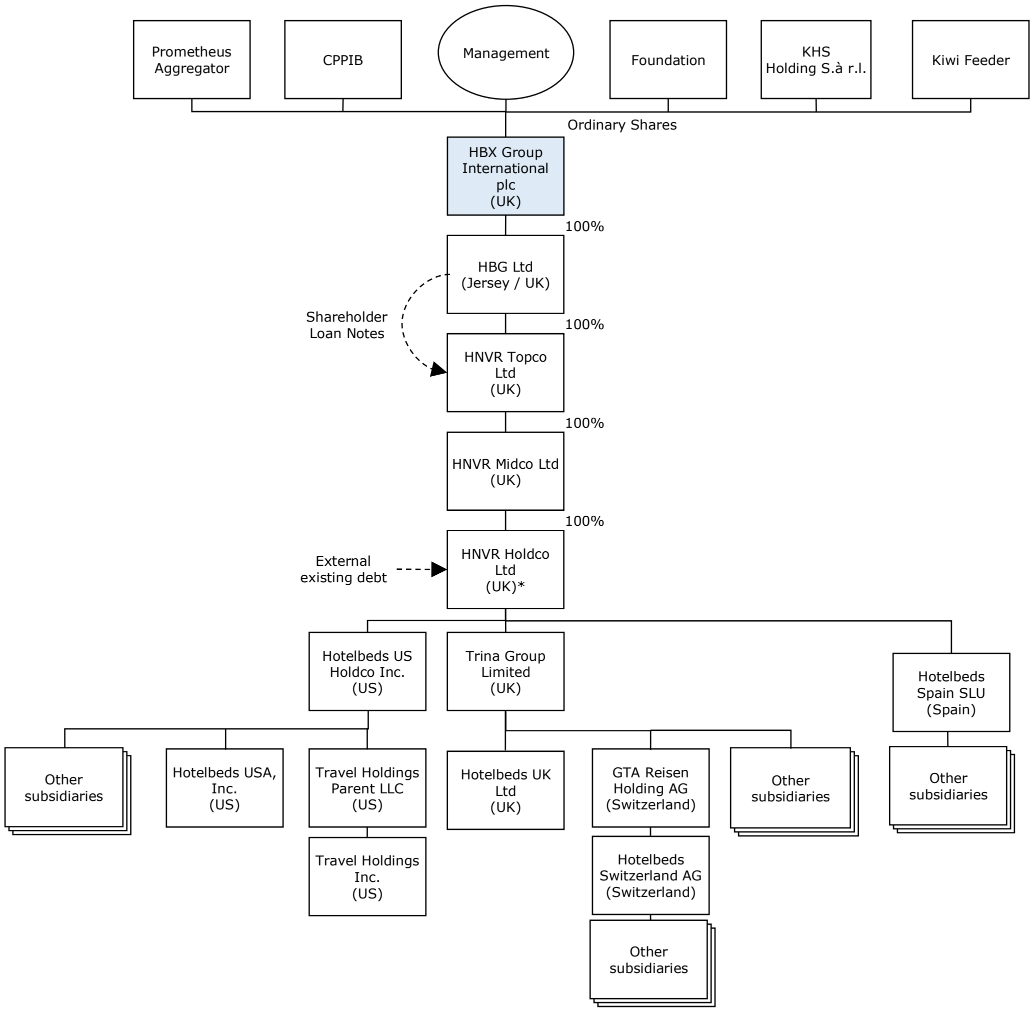
(5) As a result of the Proposed Reorganisation, before the Initial Registration Time:

(a) all shareholders of HBG Ltd as at the date of this Prospectus shall cease to be shareholders of HBG Ltd, and the Company shall become the sole shareholder of HBG Ltd and sole indirect shareholder of HNVR Topco;

(b) except as otherwise described in steps (4)(e), (4)(f) and 4(g) above, all holders of Shareholder Loan Notes and Preference Shares and all shareholders of HBG Ltd as at the date of this Prospectus (excluding such shareholders selling all of their shares in HBG Ltd pursuant to step (4)(j)(ii) above) shall (directly or indirectly through an affiliate) become shareholders of the Company; and

(c) the Company's issued share capital will amount to between €1,843,702.94 and €1,841,118.29, divided into between 184,370,294 and 184,111,829 Shares (assuming an Offering Price at the lower and upper ends of the Offering Price Range, respectively), each with a par value of €0.01 and belonging to a single class. For further information on the shareholder structure of the Company following the implementation of the Proposed Reorganisation, see section "*Principal and Selling Shareholders*".

The following diagram reflects a simplified shareholding structure of HBX Group and its shareholders following the implementation of the Proposed Reorganisation.



Notes:

(*) For information on the shareholding (including percentage holdings) of the shareholders of the Company post-Admission, see section "*Principal and Selling Shareholders*".

(**) All shareholding of the Group entities identified in this chart below HNVR Holdco Limited, are held on a 100% basis.

Post-Admission steps

Following Admission, the Group may consider streamlining its shareholding structure by taking any or all of the following decisions and actions, but no final decision has yet been made by the Group on taking such decisions and actions. The transactions to be carried out after admission will not significantly or materially alter the consolidated profit and loss account, structure or resources of the Company.

For this purpose, HNVR Topco would issue shares to HBG Ltd equal to the value of the principal and accrued interest on the Shareholder Loan Notes held by HBG Ltd, with payment for such shares set-off against the amounts due to HBG Ltd on the Shareholder Loan Notes. HNVR Topco would then undertake a capital reduction in order create distributable reserves at HNVR Topco. Following such capital reduction, HNVR Topco would transfer its shares in HNVR Midco to the Company, in exchange for a purchase price receivable owed by the Company corresponding to the book value of HNVR Midco. Such purchase price receivable as well as the existing intercompany loan of approximately €1.1 billion (including accrued interest) between HNVR Topco, as lender, and HNVR Midco, as borrower, would be distributed by HNVR Topco to HBG Ltd as a dividend in kind.

Once this dividend in kind has taken place, HBG Ltd would distribute the intercompany loan against HNVR Midco as a dividend in kind in favour of the Company. Following the dividend in kind, HBG Ltd would declare a final dividend in favour of the Company, which is offset against the purchase price receivable. The intercompany loan between the Company and HNVR Midco would remain in place in the near term following Admission, with the intention for such loan to be utilised for future cash repatriation purposes.

Following the setting off of this purchase price receivable, the Company's share capital would be reduced by way of an English law court-sanctioned capital reduction, resulting in the creation of distributable reserves at the level of the Company.

EXPECTED TIMETABLE AND OFFERING STATISTICS

Expected Timetable of Principal Events

The Company and the Selling Shareholders expect that the tentative calendar of the Offering would be as follows:

Event	Estimated Date [(1)]
Approval and registration of this Prospectus with the CNMV	30 January 2025
Commencement of the bookbuilding period	Following approval and registration of this Prospectus with the CNMV
Finalisation of the bookbuilding period	10 February 2025
Setting of the number of Initial Offer Shares, Over-allotment Shares and the Offering Price	10 February 2025
Execution of the Underwriting Agreement	10 February 2025
Commencement of implementation of the remaining steps of the Proposed Reorganisation (no later than)	10 February 2025
Publication of an "inside information notice" (*comunicación de información privilegiada*) with the number of the New Offer Shares, Existing Offer Shares and the Offering Price	10 February 2025
Allocation of Initial Offer Shares to investors (Transaction Date) and publication of any other relevant information notice (*comunicación de otra información relevante*) (no later than)	11 February 2025
Completion of the Proposed Reorganisation (no later than)	12 February 2025
Initial registration of equity interests in respect of all of the Shares in dematerialised book-entry form (including the New Offer Shares) with Iberclear (Initial Registration Time)	12 February 2025
Verification of requirements for Admission by the CNMV (Verification Time), execution of the special stock exchange transaction (*operación bursatil especial*) of the Offering and approval of Admission by the Spanish Stock Exchanges (Operation and Admission Date)	12 February 2025
Start of trading and commencement of Stabilisation Period and of the Over-allotment Option exercise period (on or about)	13 February 2025
Settlement Date (on or about)	13 February 2025
End of Stabilisation Period and the Over-allotment Option (no later than)[(2)]	14 March 2025

Note:

(1) Each of the dates included in the above tentative calendar is subject to change without prior notice. Any change including without limitation, any extension or curtailment of the tentative calendar, will be made public by means of the publication of the corresponding "relevant information notice" (comunicación de otra información relevante) with the CNMV.

(2) The Over-allotment Option will be exercisable, in whole or in part, for a period of 30 calendar days from the date of commencement of trading of the Shares on the Spanish Stock Exchanges.

Offering Statistics

The table below includes the Offering statistics assuming the sale of all the Shares in the Offering.

Concept	Amount
Offering Price Range (per Offer Share)	Non-binding range of between €10.50 and €12.50 per Offer Share
Number of New Offer Shares in the Offering to be issued by the Company[(1)]	Between 69,047,619 and 58,000,000
Number of Existing Offer Shares to be offered by the Selling Shareholders[(2)]	2,000,000
Number of Initial Offer Shares[(2)(3)]	Between 71,047,619 and 60,000,000
Number of Over-allotment Shares[(4)]	Between 10,657,141 and 9,000,000
Number of Offer Shares[(2)(3)(8)]	Between 81,704,760 and 69,000,000
Estimated gross proceeds of the Existing Offer Shares receivable by the Selling Shareholders[(2)(3)(5)]	Between €21,000,000 and €25,000,000

Concept	Amount
Estimated gross proceeds of the Over-allotment Shares receivable by the Selling Shareholders(2)(6)(8)..	€111,899,980.50 or €112,500,000
Estimated net proceeds of the Existing Offer Shares receivable by the Selling Shareholders(2)(6)...	€20,422,500 or €24,312,500
Estimated net proceeds of the Over-allotment Shares receivable by the Selling Shareholders(2)(6)(7)..	€108,822,731or €109,406,250
Estimated gross proceeds of the New Offer Shares receivable by the Company(5)	€725 million
Estimated total fees and expenses of the Offering payable by the Company(7)	€50 million
Estimated net proceeds of the New Offer Shares receivable by the Company(7)	€675 million
Company's expected market capitalisation following the completion of the Offering(2)(7)(9)..	€2,660,888,086.50 to €3,026,397,862.50

Notes:

(1) Refers to the number of the New Offer Shares range required at the Offering Price Range to provide the Company with gross proceeds of €725 million.

(2) Assumes the Offering Price is set at the lower and upper ends of the Offering Price Range, respectively.

(3) Assumes the sale of the maximum number of Existing Offer Shares.

(4) Refers to the Over-allotment Shares under the Over-allotment Option assuming (i) the Over-allotment Option is exercised in full (comprising a number of Over-allotment Shares representing 15% of the Initial Offer Shares) and (ii) the Offering Price is set at the lower and upper ends of the Offering Price Range, respectively.

(5) The Selling Shareholders will not receive any portion of the proceeds resulting from the issue and subscription of the New Offer Shares. The Company will not receive any portion of the proceeds resulting from the sale of Existing Offer Shares.

(6) The Company will not receive any portion of the proceeds resulting from the sale of the Over-allotment Shares (whether the Over-allotment Option is exercised in whole or in part), all of which will be paid to the Selling Shareholders, respectively, or to such persons as the Selling Shareholders may direct.

(7) Refers to fees to be paid from 1 October 2024 onwards and assumes payment of the maximum amount of the discretionary fee to the Managers (excluding VAT).

(8) Assumes the Over-allotment Option is exercised in full.

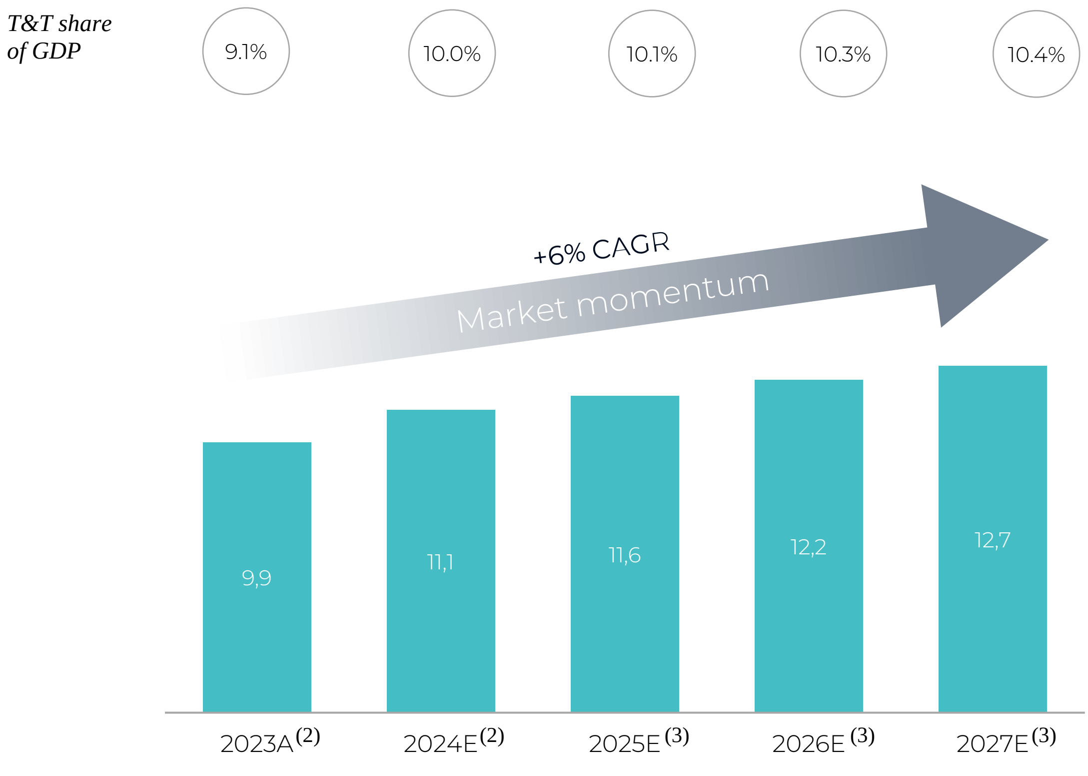
(9) Assumes the Company's issued share capital will be divided into between 253,417,913 and 242,111,829 Shares (assuming an Offering Price at the lower and upper ends of the Offering Price Range, respectively), following the completion of the Offering.

The following information relating to the Group's industry has been provided for background purposes only. The information has been extracted from a variety of sources released by public and private organisations, including Company Industry Sources (see section "Risk Factors—Risks relating to the Shares and the Offering—Certain industry, market, competitive position data, facts, forecast and statistics contained in this Prospectus are derived from publicly available and private sources and may not be reliable"). The information has been accurately reproduced and, as far as the Company is aware and can ascertain from information published by such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading. Additionally, this section utilises HBX Group internal estimates, which have been prepared by the Group using estimates the Company believes to be reasonable (see section "Risk Factors—Risks relating to the Shares and the Offering—Certain industry, market, competitive position data, facts, forecast and statistics contained in this Prospectus are derived from publicly available and private sources and may not be reliable"). This "Industry Overview" should be read in conjunction with the more detailed information contained in this Prospectus including "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations".

Global Travel and Tourism Industry

Travel and tourism is a large and attractive industry and an important driver of the overall economy. As illustrated in the graph below, from 2023, the travel and tourism industry is expected to consistently contribute approximately 10% of total worldwide GDP and is projected to grow twice as fast as global GDP from 2023 to 2027, with strong macro factors and key secular trends driving long-term growth in travel.

Travel & Tourism Contribution[(1)] to Global GDP (2023A - 2027E)
(*U.S.$ trillion*)



Source: World Travel & Tourism Council (WTTC), OC&C Strategy Consultants (2024)

Notes:

(1) Includes both direct contribution to GDP (industries that deal directly with tourists, e.g., hotels, airlines, travel agents) and indirect & induced impacts, including capital investment, government collective spending and supply chain effects.

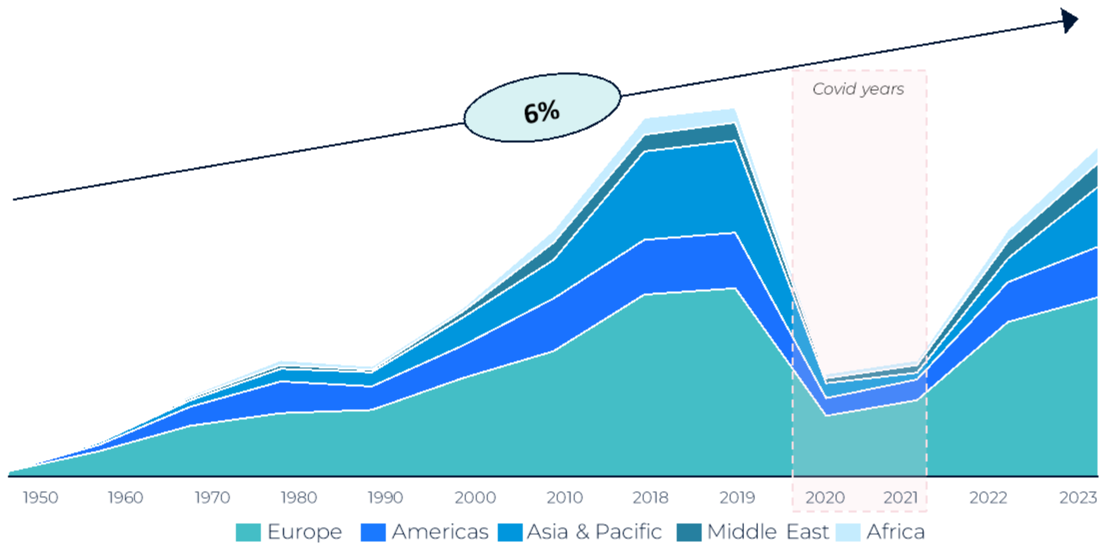
(2) 2023 and 2024 numbers directly from the World Travel & Tourism Council (WTTC).

(3) OC&C has projected market for 2025, 2026 and 2027; based on WTTC projection of Travel & Tourism share for 2034, assuming steady growth as a percentage of GDP. In reality, annual fluctuations might occur that are not captured in this methodology.

Some of the underlying growth dynamics, such as the rise in the global middle class, have been persistent historically. Other tailwinds have recently emerged and continue to strengthen growth in the sector, such as the growing adoption of travel technology, as the industry invests in digitalisation and connectivity to provide a better end-to-end travel experience, or the shift in consumer mindset from ownership to experiences, allocating increasing budget towards travel.

Travel and tourism have experienced consistent structural growth since the 1950s, outperforming the broader global economy. As illustrated by the graphic below, international tourist arrivals have grown steadily from 1950 to 2023 (except during the Covid-19 pandemic).

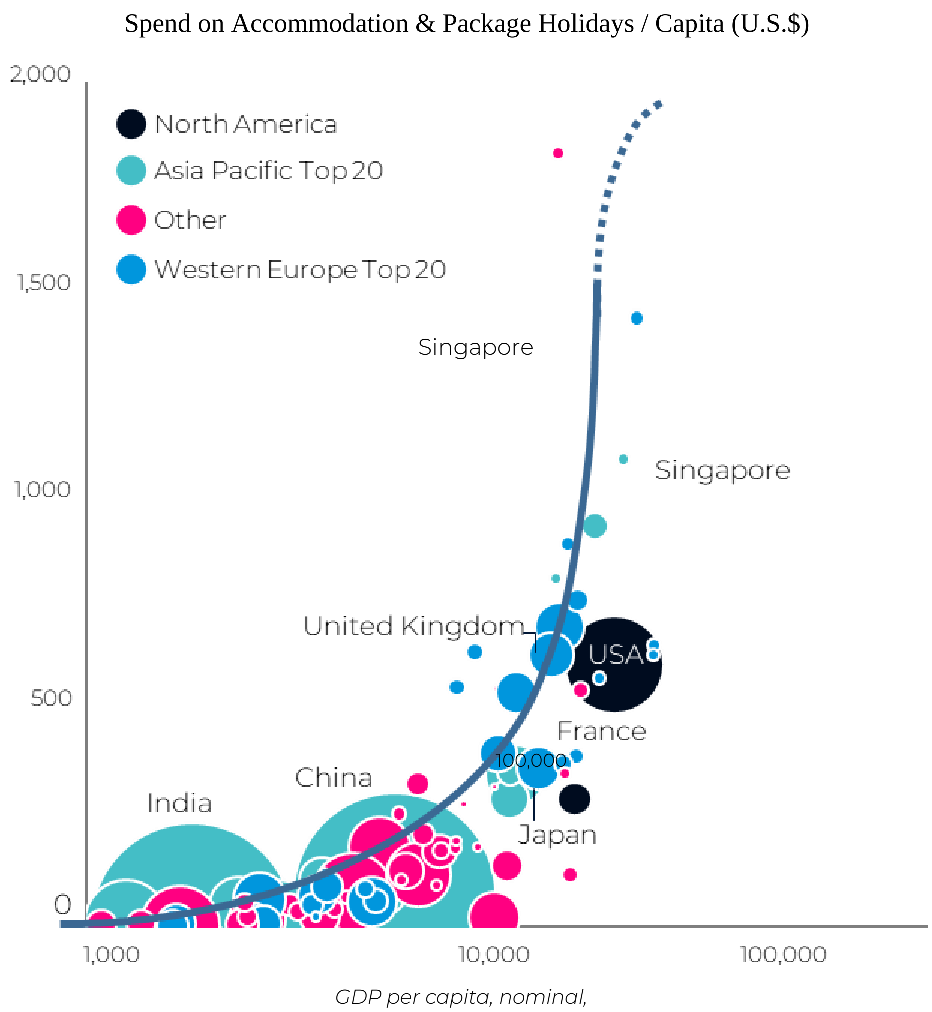
International tourist arrivals per region



Source: United Nations World Tourism Barometer (2023)
Note: International tourists are defined as those who stay overnight and whose main purpose for visiting is not commercial.

This historical growth has been supported by overall economic progress, as disposable income allocated to travel is strongly correlated with nominal GDP, with developed countries spending more on travel and tourism over total GDP and developing countries also increasing their spending as they move up an S-shaped curve, as highlighted in the following chart.

Correlation Between Spend on Accommodation & Package Holidays and Nominal GDP (2022, U.S.$)

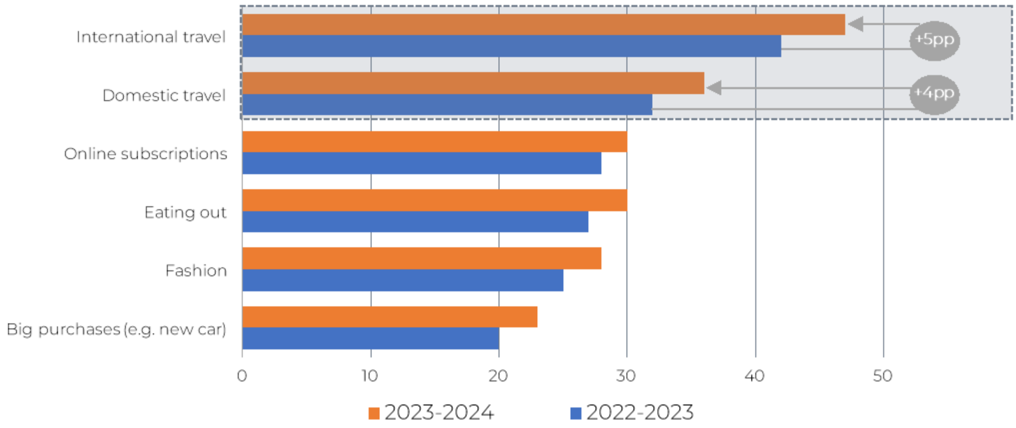


Source: Oxford Economics (2023), Company Industry Sources (2023)

Additionally, the travel and tourism industry is expected to continue to grow as travel remains the priority leisure spend area for consumers. Travel and tourism is a key emotional category for end consumers, with international and domestic travel at the forefront of priority discretionary spending. As illustrated in the chart below, international and domestic travel are ranked as the highest priority discretionary spending area for consumers and have also grown the most of all categories from 2022, which demonstrates a resilient and growing desire for travel and experiences.

Ranking among discretionary spending areas

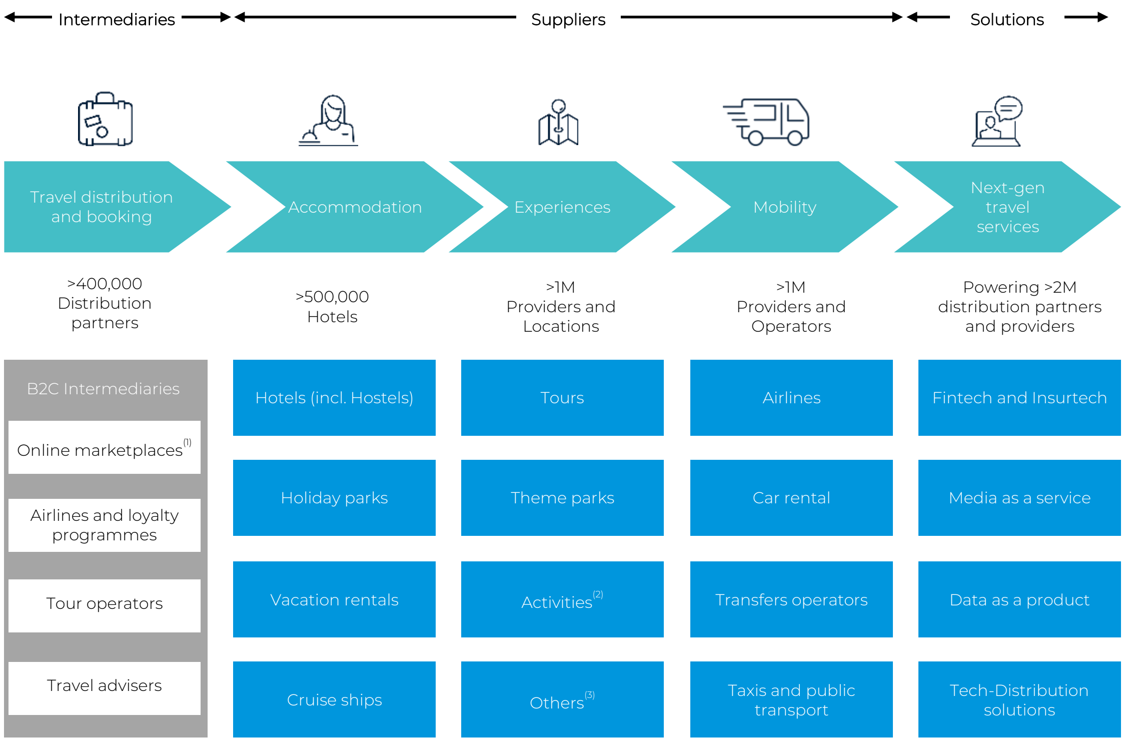
Share of respondents reporting travel as a "High Priority in next 12 months" (%, 2023-2024 vs 2022-2023)



Source: Consumer travel spend priorities' research by Outpayce (August 2023)

The travel and tourism industry is however also extremely fragmented, as it brings together millions of suppliers and hundreds of thousands of intermediaries operating across different travel verticals and geographies, all with their legacy systems, ways of working, languages, currencies, etc. On top of this, new innovative products and services are entering the travel industry, such as fintech or media as a service, which represent additional levers to bring value to end consumers, suppliers and B2C intermediaries.

The underlying travel and tourism complexity and fragmentation make the seamless access to all the above travel products and services a major challenge for all parties involved: end consumers, suppliers and intermediaries. As such, being able to connect the travel ecosystem through a unique value proposition is increasingly becoming a key differentiator in the market. The below graph provides a simplified overview of the overall travel and tourism ecosystem.



Source: Company Industry Sources (2023)

Notes:

(1) Online marketplaces including online travel agencies and new technology-based entrants.

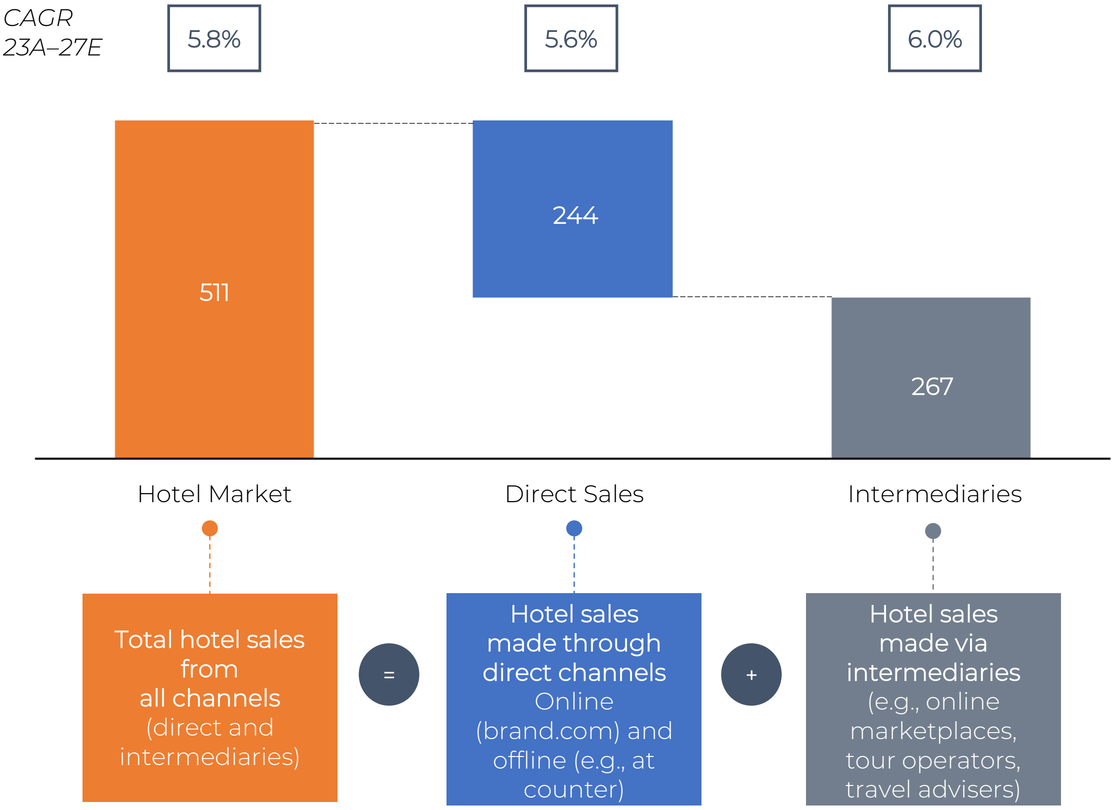
(2) "Activities" refers to the offering of travel experiences, including activities (such as outdoor/adventure, gastronomy, water and cruise tours) and attractions (such as city/cultural tours, day trips and excursions).

(3) "Others" refers to other touristic activities not falling into the categories of tours, theme parks, experiences or museums.

The Accommodation Market

Within the travel and tourism industry, the accommodation market is large and highly fragmented, consisting of more than 500,000 hotels and accounting for €511 billion globally in 2023 in terms of total transaction value ("**TTV**") (for details on the calculation of the Group's TTV[APM], see section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures—TTV[APM]*") (*source: Company Industry Sources, 2023*).

Accommodation TTV per Channel (2023A. € billion)



Source: Company Industry Sources (2023)

As shown in the graph above, the accommodation market is expected to show strong growth, at 5.8% CAGR from 2023 to 2027, still above historical demand trends, as travel demand is boosted by the secular tailwinds mentioned above.

The market is divided into two channels: direct sales and intermediaries channels. Direct sales comprise (i) low funnel sales, which focuses on driving existing demand through loyalty programmes that target existing or previous customers and search engine optimisation and metasearch engines aimed at untargeted and undifferentiated customers; and (ii) upper funnel sales, which focuses on driving incremental demand by addressing a more targeted audience through new, tailored marketing alternatives and through the use of third-party providers. Within direct sales, there is a general trend towards higher-cost upper funnel sales driven by new customer dynamics including increasingly younger customers and the increasing penetration of social media. The intermediaries channel drives approximately 52% of the total accommodation market in terms of TTV and is expected to outperform direct sales in the forecasted period (*source: Company Industry Sources, 2023*). This trend is not new, as intermediaries have historically and systematically gained share over direct hotel sales (except in 2020 and 2021 due to Covid-19 concerns for end consumers and a surge in domestic travel) (*source: Company Industry Sources, 2023*). This forecasted gain is primarily due to two factors. First, intermediaries usually offer a more rounded value proposition for end consumers, including better technology and user experience, more travel verticals in one place (accommodation, flights, car rental, activities, etc.), flexible and packaged deals and broader accommodation choices. Second, intermediaries help all hotel archetypes reach a global pool of end consumers without having to invest large marketing and development resources.

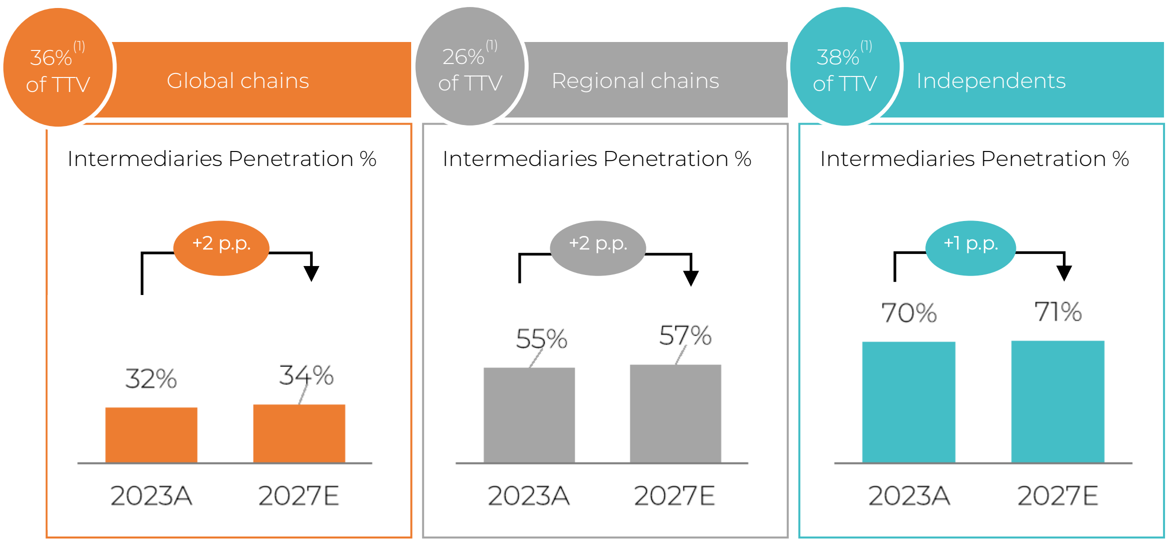
Supplier dynamics

The accommodation supplier market comprises three main hotel archetypes: independent hotels, regional chains and global chains:

- *Independent hotels*. Independent hotels, which accounted for approximately 38% of the global hotel TTV in 2023 as illustrated in the below chart, are hotels that are not owned by either national or international hotel chains, with sizes ranging from one unit to several hotels and often located within a single country. Given their smaller scale, independent hotels generally lack the same distribution capabilities and dedicated sales teams as larger chains and rely heavily on indirect distribution channels (approximately 70% of their volume in 2023, which is expected to increase to 71% of their volume in 2027) for hotel room allocation, market insights and access to travel technology to reach end consumers.
- *Regional chains*. Regional chains, which accounted for approximately 26% of the global hotel TTV in 2023 as illustrated in the below chart, share attributes with both independent hotels and global chains. Like global chains, larger regional chains operate centrally with less local geographic focus, while smaller regional chains focus on a maximum of two specific geographic regions or countries. However, like independent hotels, regional chains lack the travel technology capabilities and brand recognition of global chains. As a result, regional chains focus on their core markets and utilise indirect sale distribution channels (approximately 55% of their volume in 2023, which is expected to increase to 57% of their volume in 2027) that have effective booking systems and large B2C distribution portfolios within complementary geographic regions, to capture demand.
- *Global chains*. Large global chains, which accounted for approximately 36% of the global hotel TTV in 2023 as illustrated in the below chart, make distribution channel decisions centrally without geographic limitations. As a result of their scale, global chains primarily focus on direct distribution channels (approximately 68% of their volume in 2023, which is expected to decrease to 66% of their volume in 2027) through investments in brand and loyalty programmes. However, global chains are also expected to increase usage of indirect sales distribution channels to maximise occupancy and ADR in non-peak periods, as well as to capture leisure travel (versus corporate), reaching less brand-loyal end consumers worldwide and capturing part of the increasing demand for complex itineraries and multi-trip travel.

As shown in the graph below, penetration by intermediaries is expected to increase across all hotel archetypes as: (i) they provide increased distribution reach, granting access to high-value demand that would be otherwise unavailable through direct channels; (ii) they allow hotels to optimise demand (access to early and late sales), maximising profitability by improving occupancy control, revenue management and cash flow; and (iii) they provide hotels with advanced technology tools that help streamline sales process while offering quality data and reporting.

Intermediaries Penetration (2023A, 2027E)



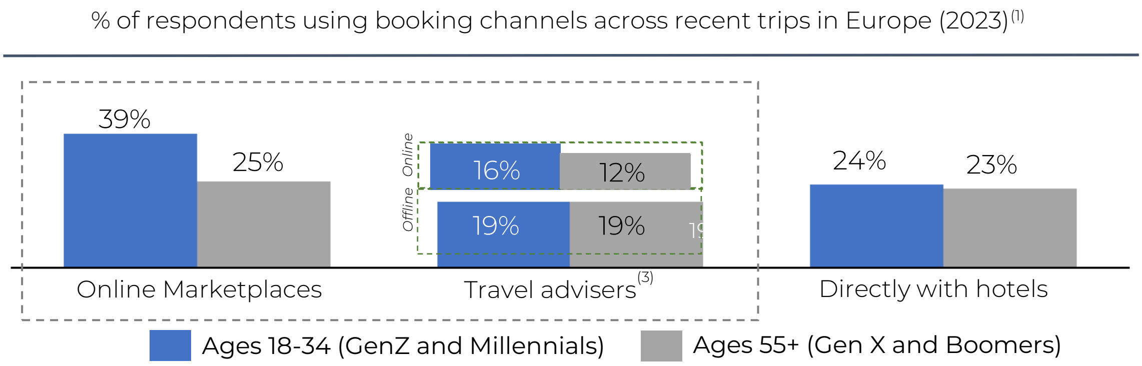
Source: Company Industry Sources (2023)
Note: (1) Of 2023 global hotel market TTV.

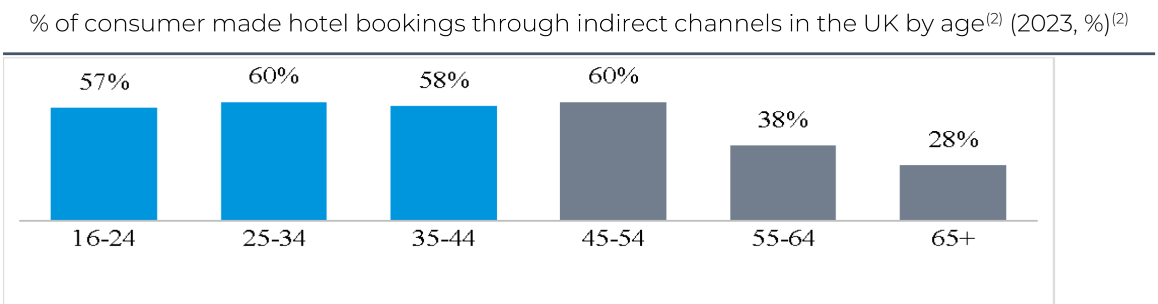
Younger generations' preferences

B2C intermediaries' increased penetration is also being supported by an important additional demand tailwind. According to OC&C, younger generations (i.e., ages 18 to 34) are more inclined to rely on B2C intermediaries (i.e., online marketplaces and travel advisors) than direct providers.

Some of the numerous perceived benefits by younger generations are (i) increased choice and visibility to help end consumers find the best end-to-end travel products that match their needs; (ii) unique ability to create customised and flexible trips to meet their expectations in providing memorable and meaningful experiences; (iii) digital user experience with features that can often be more modern and agile than the features used by direct providers; (iv) ability to secure highly personalised, unique luxury travel solutions; and (v) peace of mind in case of issue or the need of assistance at any point of their trip, as end consumers can contact the intermediary during booking, in-stay or post-trip for help or advice, or in case of any issue, such as losing a flight or a transfer or having a problem with their accommodation booking.

As an example, the charts below illustrate the higher use of indirect channels by younger generations across Europe and the United Kingdom, as expressed in surveys conducted by OC&C and Kantar Profiles/Mintel in 2023.





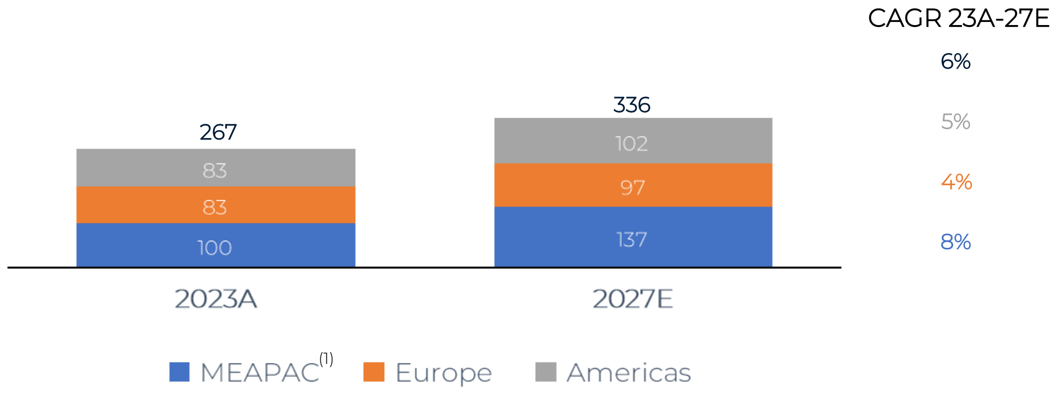
Sources: OC&C Strategy Consultants (2023), Kantar Profiles / Mintel (2023)
Notes:
(1) OC&C Consumer Survey December 2023 of N=2,076 European end consumers.
(2) Kantar Profiles/Mintel Survey – Hotels – UK – 2023 report.
(3) Travel advisers refers to two different segments: online agents and offline agents.

Accommodation Distribution Dynamics

The highly fragmented nature of the accommodation market poses significant distribution challenges, as more than 500,000 hotels globally look to connect with more than 400,000 distribution partners and billions of end consumers worldwide (*source: Company Industry Sources, 2023*).

As shown in the chart below, when broken down into source market regions, B2C intermediary TTV in MEAPAC is expected to grow strongly throughout the forecasted period (approximately 8% CAGR from 2023 to 2027) leveraging significant market tailwinds such as hotel infrastructure investment in key source markets (e.g., Saudi Arabia, Dubai), the rise of middle class across some of its largest countries (e.g., India, China) as well as expected pent-up travel demand from APAC, where international travel is still below 2019 levels. B2C intermediary TTV in Europe is also expected to experience growth driven by intra-regional travel strength to traditional Mediterranean destinations as well as lesser-frequented destinations such as Malta or the Nordics and sustained travel spending as inflation decreases. The Americas region is expected to experience increased international travel driven by the strong US dollar and improved air connectivity, competitive pricing and a rise in middle-class in LATAM. The chart below sets out the historical and projected TTV for B2C intermediaries by region from 2023 through 2027.

Evolution of B2C Intermediary TTV by Region (2023A, 2027E)
(€ billion)



Source: Company Industry Sources (2023)
Note: (1) MEAPAC includes the Middle East, Africa, Asia and the Pacific.

B2C intermediary archetypes (HBX Group distribution partners)

Many B2C intermediaries lack the global reach, close relationships or scale required to access the full, diverse worldwide hotel room portfolio at competitive pricing. Furthermore, B2C intermediaries tend to use different booking, reservation management and payment systems, with the added complexity of different languages, making technology integration challenging. As a result, many B2C intermediaries utilise B2B distributors to help them overcome these challenges in connecting to travel suppliers. As such, according to OC&C, B2C intermediaries expanding their share in the accommodation market create a tailwind demand for B2B distributors. As the Leading Independent B2B Travel Marketplace (see section "*Presentation of Financial Information and Other Important Notices—HBX Group market position*"), HBX Group is one of the key players that provides this crucial distribution link in the travel ecosystem.

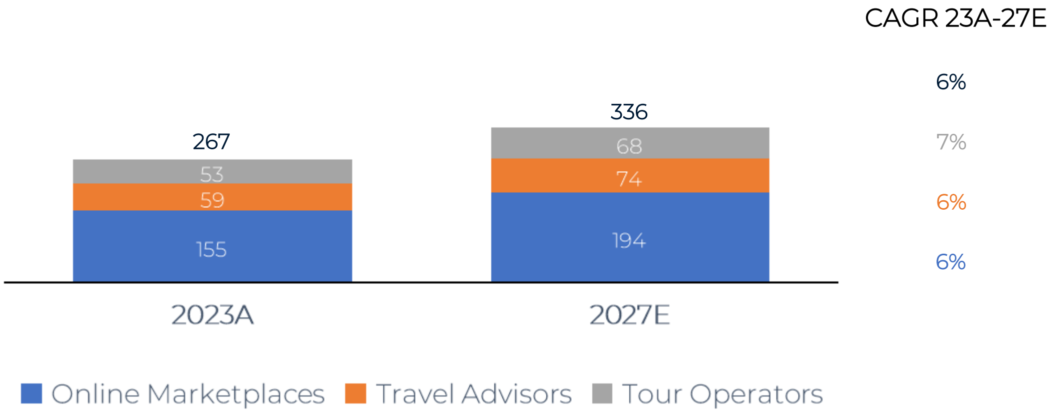
B2C intermediaries mainly include online marketplaces (online travel agencies, new technology-based entrants), airlines and loyalty programmes, tour operators and travel advisers:

- *Online marketplaces.* As illustrated in the graph below, online marketplaces accounted for approximately 58% of global hotel intermediary sales in 2023 and can be categorised into two segments: online travel agencies ("**OTAs**") and new technology-based entrants. OTAs include large global traditional players (such as Booking and Expedia), innovative OTAs (such as Hopper or Super), regional champions (such as Trip.com or MakeMyTrip) and a long tail of smaller OTAs with a limited geographical footprint. Global OTAs primarily use a direct and at-scale sourcing approach for most of their inventory and supplement the breadth of their hotel portfolio supply through B2B distributors. Innovative OTAs and regional champions focus more on the distribution side, leveraging new distribution channels (e.g., social media), products (e.g., fintech) and local value propositions and expertise to cater for end consumer needs. As such, they tend to leverage B2B distributors for sourcing a significant portion of their hotel room portfolio. New technology-based entrants and super-apps (e.g., Google, Revolut) are players that possess the capabilities and size to enter the travel industry at scale and include travel products to provide a more rounded offering to their end consumers. The Group expects such entrants to rely on large, sophisticated independent B2B distributors like HBX Group to provide inventory as the entrants focus on other key elements of their value proposition (such as technology or go-to-market) to penetrate the B2C travel space (*source: Company Industry Sources, 2023*).

- *Airlines and loyalty programmes.* Airlines and loyalty programmes, including loyalty programmes for banks, credit card issuers, retail consumer goods companies and airlines (e.g., cxLoyalty and Capital One Travel), consist of B2C intermediaries/travel suppliers offering packages (such as flight plus hotel) and membership programmes that provide end consumers with access to hotel rooms at discounted rates as rewards (such as closed user group rates). Airlines and loyalty programmes tend to be regional B2Cs that utilise indirect distribution channels to source hotel rooms and complement their value proposition towards their end consumers. As the accommodation market is complementary to the core business focus of airlines and loyalty programmes, they usually prefer to partner with global B2B distributors at scale to utilise their broad inventory of accommodation and complementary travel products, superior technology and servicing capabilities.
- *Travel advisers.* As illustrated in the graph below, travel advisers accounted for approximately 22% of global hotel intermediary sales in 2023 and utilise B2B distributors to plan and book travel for end consumers. Travel advisers can be categorised into two segments: high-touch travel agents (e.g., Hays Travel), which combine multiple brick-and-mortar flagship stores with digital tools to provide an omnichannel presence, and virtual travel advisers (e.g., Travel Counsellors), which are digital-native and leverage online models (video, chat) to interact with end consumers. Travel advisers heavily rely on B2B distributors due to the necessity of outsourcing the contracting and sourcing of hotel inventory and complementary travel products as well as a reliance on the travel technology offered by B2B distributors. This segment is expected to experience strong growth given market tailwinds, specifically the rise of luxury travel (85% of luxury end consumers view travel advisers as the best way to book personalised luxury travel; *source: Deloitte – The future of Luxury travel, May 2023*) and experiential travel (74% of US end consumers report that experiences have a crucial role in travel; *source: Skift Research – Online travel behaviour survey US, June 2024*). Travel advisers are uniquely positioned to capture this demand as they are experts in designing complex, personalised and flexible travel planning and utilise their connections to include local and immersive travel experiences for end consumers. Moreover, traditional high-touch travel advisers are investing in digital innovation, such as using new hybrid digital models to offer high levels of face-to-face service while also enabling end consumers to use online tools (e.g., digital agents, and travel companion apps). As they continue to migrate towards more technology-enabled offerings, it is expected that their usage of B2B distributors, such as HBX Group, will continue to increase.
- *Tour operators*: As illustrated in the graph below, tour operators accounted for approximately 20% of global hotel intermediary sales in 2023 and focus primarily on group travel, specialising in creating and selling travel packages. They can be categorised into two segments: traditional tour operators (e.g., TUI), which generally still control certain verticals (such as small airplane fleets or representatives at destination) and dynamic packagers (e.g., LoveHolidays), that are fully online and asset-light, leveraging technology to combine travel products to create the best package for the end consumer. Tour operators both (i) source hotel rooms directly from hotels in those geographic areas where they already possess significant scale and (ii) utilise indirect distribution channels, preferably large independent B2B distributors, to access hard-to-reach hotels at competitive rates in non-core destinations or offer deeper breadth in core destinations. Like travel advisers, tour operators are expected to leverage strong market tailwinds (international travel growth, the rise of experiential and luxury travel, etc.) to continue growing (*source: Company Industry Sources, 2023*). In addition, tour operators are investing heavily in dynamic packaging, online channels, product differentiation and in-destination services to differentiate themselves from generalist OTAs and continue to add value to their end consumers.

The chart below illustrates the historical and projected TTV by B2C intermediary archetype from 2023 to 2027.

B2C Intermediary TTV by archetype (2023A, 2027E)
(€ billion)



Source: Company Industry Sources (2023)
Note:
(1) Online marketplaces include OTAs, new technology-based entrants, airlines and loyalty programmes (included under online marketplaces as external data providers do not differentiate or provide a split between online segments).

B2B distributors

B2B is a large and fast-growing segment, as B2B distributors play a fundamental role in connecting the fragmented supply with the equally fragmented B2C intermediary landscape. B2B distributors connect B2C intermediaries and other B2B distributors with hotels and other travel verticals. Larger and more sophisticated B2B distributors utilise the scale and value of their distribution network, which includes hard-to-reach high-quality B2C intermediaries whose end consumers book earlier, stay longer and spend more than the rest of channels, to secure hotel rooms from key suppliers at a discounted rate.

As such, B2B distributors address the entire intermediary market (€267 billion in 2023; *source: Company Industry Sources*), catering to B2C intermediaries' needs by providing them with a value-adding and cost-effective supply channel.

Independent B2B distributors power crucial connectivity to the travel ecosystem as they sit between the fragmented supply and demand, helping solve pain points for both travel suppliers and B2C intermediaries:

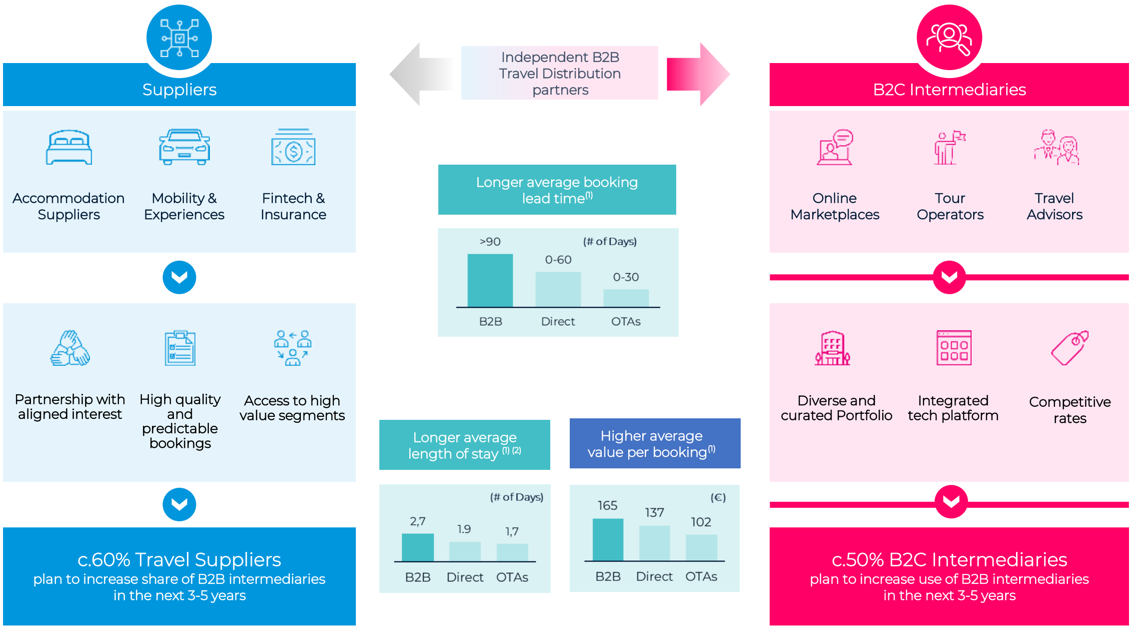
- *Travel suppliers.* Independent B2B distributors help suppliers by providing them access to their large high-value distribution networks, both locally and internationally, allowing them to reach untapped niche markets. They also help suppliers by providing them with high-quality and predictable bookings, bringing end consumers that on average book earlier, spend more and stay longer (as shown in the graph below) while providing useful market and data insights. Finally, independent B2B distributors have no conflict of interest with travel suppliers, meaning they do not compete with their direct sales, and the demand that they bring is fully incremental.

- *B2C intermediaries.* Independent B2B distributors help B2C intermediaries by providing them access to a diverse and curated inventory which is out of reach for most B2C intermediaries, adding bespoke services and value-added customer service through an end-to-end travel offering, helping B2C intermediaries provide a seamless experience to their end consumers. They also help solve complex booking processes, providing B2C intermediaries with an integrated tech platform, with a streamlined booking process and instant check of availability and pricing. Furthermore, they provide this curated supply inventory at highly competitive rates.

As shown in the chart below, independent B2B distributors bring compelling value to suppliers, by delivering higher quality bookings with longer booking lead times and higher in-destination spend as opposed to direct channels (comprising direct websites and other direct channels) and OTAs (comprising large OTAs B2C and other OTA B2C channels). According to the OC&C survey conducted in February 2024, the average booking lead time was approximately zero to 60 days for the direct channels and approximately zero to 30 days for OTAs, compared to more than 90 days for B2B distributors. Further, the average length of stay was around 1.9 days for the direct channels and around 1.7 days for OTAs, compared to approximately 2.7 days for B2B distributors. This translates to an implied average value of booking of approximately €137 for the direct channels and approximately €102 for the OTAs, compared to approximately €165 for the B2B distributors. In addition to higher implied average booking values, B2B distributors tend to offer the lowest possible commission or discount to suppliers. OTAs, while generally offering a lower standard commission, will often seek combinable discounts to maximise exposure (e.g., member rates, special deals, packages, etc.). These additional discounts in combination with the commission increase the net cost for suppliers (*source: Company Industry Sources*).

This key connectivity and the benefits that independent B2B distributors provide are driving most suppliers and B2C intermediaries to increase their reliance on B2B as a cost-effective and high-value channel, as more than 60% of travel suppliers and more than 50% of B2C intermediaries plan to increase their share of B2B in the next three to five years, as illustrated below.

B2B Distributors Bring Compelling Value to Travel Suppliers



Sources: OC&C Strategy Consultants (2024), Expert Interviews, Company Industry Sources (2023)
Notes:
(1) *Data refers to accommodation for 2023.*
(2) *Longer average length of stay estimate for direct and OTA (B2C) from Kalibri Labs for 'Brand.com' and 'OTA' for US hotels, respectively; estimate for wholesale based on management data.*

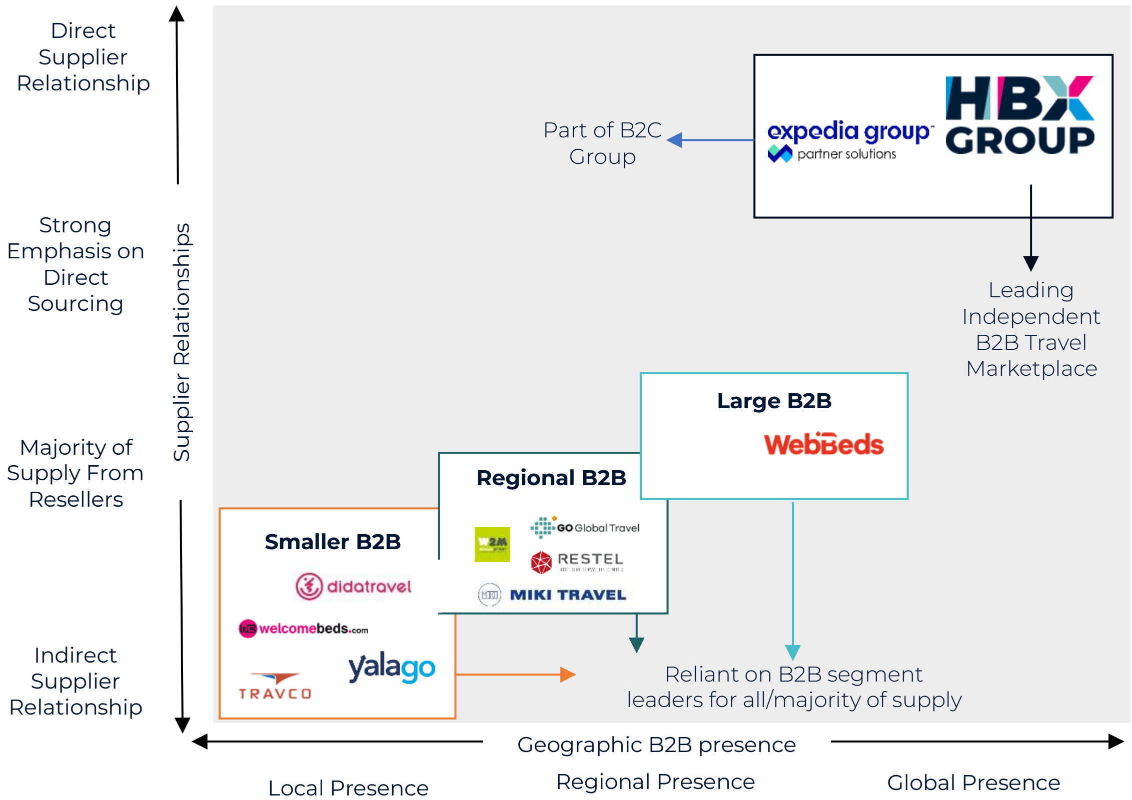
B2B competitive landscape

There are two main B2B categories into which B2B distributors can be segmented: (i) depth and breadth of supplier relationships and (ii) geographical presence, as shown in the graph below.

The players in the B2B distributor industry comprise: (i) HBX Group, a differentiated market maker with global scale, the Leading Independent B2B Travel Marketplace (see section "*Presentation of Financial Information and Other Important Notices—HBX Group market position*"); (ii) B2B operations of Expedia Group (online travel agency), a generalist B2B player with global scale; (iii) large independent B2B travel marketplaces, such as Web Travel Group or TBO, that rely heavily on indirect supplier relationships (reseller model) while focusing on connectivity to distribution side; and (iv) a long tail of thousands of regional and local B2B distributors that rely on larger B2B distributors for the vast majority or all of their supply portfolio.

The chart below illustrates the positioning of the various B2B distributor competitors:

B2B competitive landscape



Source: Company Industry Sources (2023)
Notes:
(1) HBX Group has a pure B2B focus and thereby not competing for the end consumer. "Leading" position in terms of TTV. See section "Presentation of Financial Information and Other Important Notices—HBX Group market position".
(2) Refers to the B2B brand of Web Travel Group.

The market share of the top four B2B distributors (Expedia B2B, HBX Group, Web Travel Group and TBO) accounts for approximately 10% of the hotel intermediary market (€267 billion TTV in 2023), which further evidences the fragmented nature of the travel industry (*source: Company Industry Sources*). Therefore, the Group believes there is significant room for key B2B distributors to grow without eroding the total market share from the other key B2B distributors for the next years.

The Group believes that the top four B2B players are growing strongly supported by key underlying segment dynamics: (i) B2B share within B2C intermediary sales is increasing, as B2B provide a differentiated value-adding and cost-effective supply channel; (ii) hotels and B2C intermediaries are progressively consolidating the number of B2B distributor connections, focusing on the top three to five largest, and favouring leading players; (iii) leading B2B players are taking market share from smaller B2B distributors that lack the resources to differentiate their value proposition; and (iv) independent B2B distributors are uniquely positioned to serve as gateway partner for new entrants entering the hotel industry, such as banks, loyalty programmes, retail, etc. As non-travel companies strive to improve their customer experience, they turn to large independent B2B distributors to power their travel portals through white label or B2B2C solutions.

Lastly, large independent B2B ecosystems, such as HBX Group, are further differentiated from the rest of independent and non-independent B2B distributors due to the breadth of their complementary travel products inventory and the ability to offer tailored services to B2C intermediaries.

Complementary Travel Products

Given their direct connectivity to both sides of the travel ecosystem (i.e., travel suppliers and B2C intermediaries), B2B distributors have been able to further expand their total addressable market with complementary travel products, consisting of, among others, hoteltech, mobility and experiences and fintech offerings.

Hoteltech

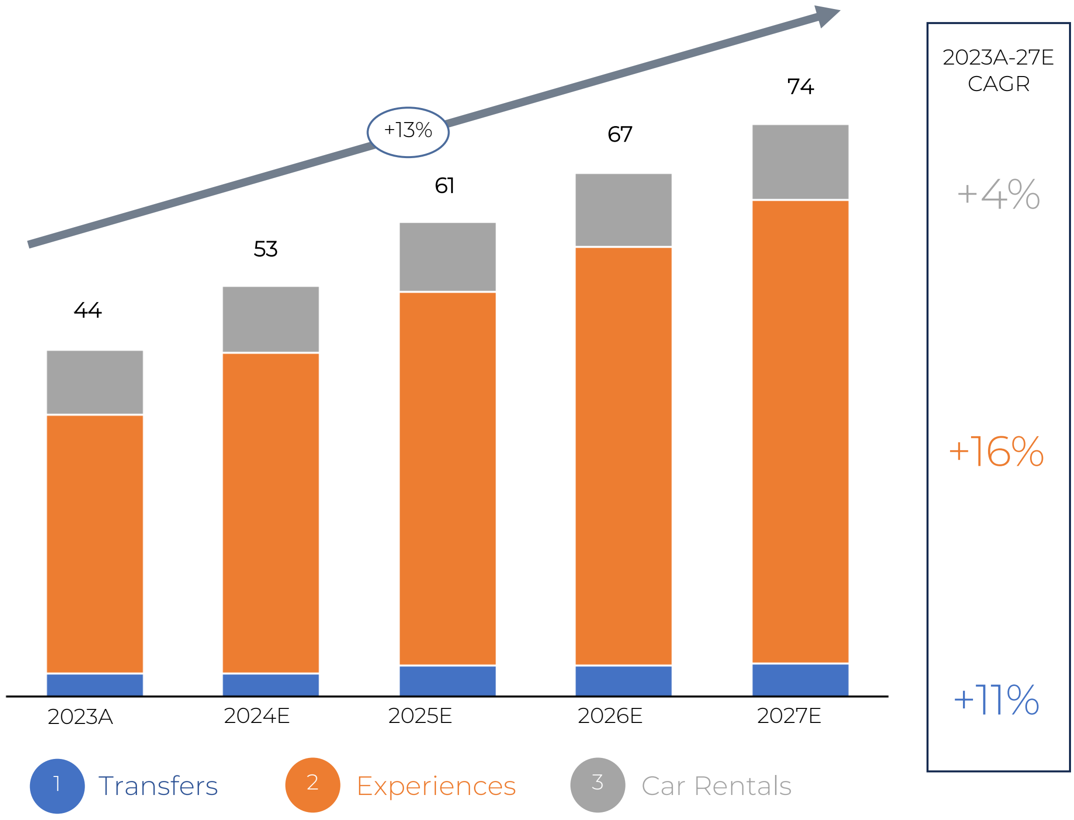
The global total size of directly distributed hoteltech TTV was estimated at approximately €244 billion in 2023 and is expected to grow at 5.6% CAGR from 2023 to 2027 (*source: Company Industry Sources, 2023*).

Hoteltech consists of the development and management of online direct channels for hotels. Although all hotel archetypes require technological solutions to be able to sell through online direct channels, global and large regional chains tend to develop these tools in-house. As such, mid- and small-sized hotel chains and independent hotels with limited capabilities to build and optimise their direct online channel are the main beneficiaries of third-party technological solutions such as the Group's Hoteltech offering. HBX Group operates in the hoteltech segment under the Roiback brand, which supports mid-size hotels to large chains to drive direct sales through digital go-to-market offering and personalised customer service (e.g., booking engine, web design, digital marketing). Other relevant hoteltech players include Amadeus Hospitality Solutions (Travelclick), Synxis (Sabre), Mirai, Paraty, Guestcentric/D-edge, Vertical booking and Avvio.

Mobility and experiences

The mobility and experiences market, which HBX Group operates in and includes transfers, travel experiences and car rentals, is highly fragmented and therefore shares many similarities with the accommodation market. Mobility and experiences is also still in the early stages of digitalisation and, as such, intermediaries play a critical role in connecting this market. Mobility and experiences provides an up-sell opportunity for HBX Group, which is uniquely positioned within the travel industry to connect B2C intermediaries with mobility and experiences suppliers. As seen in the below chart, mobility and experiences is a large and growing segment (even more than accommodation), as end consumers increasingly prioritise seamless, local and immersive experiences in their travel planning.

Mobility and Experiences Total Addressable Market[1] (2023A - 2027E)
(€ billion)



Source: Company Industry Sources (2023)
Note: (1) Refers to sales to B2C intermediaries.

- *Transfers*. Transfers refer to pre-booked ground transportation. The Group expects demand for transfers to grow as a result of an increase in long-haul and leisure travel in the overall travel and tourism industry.

Increased long-haul travel increases airport traffic, which creates a higher demand for pre-arranged transfers. New international corridors are also generating increased sources of demand. The transfer B2B distributor landscape is, however, a highly fragmented market characterised by a small number of generalist distributors (such as HBX Group, which operates under the Hotelbeds and Holiday Taxis brands, and other competitors such as Nexus Tours and Best Day) and specialist distributors (such as Cartrawler, Gett and Blacklane) and a large footprint of local destination management companies (such as Mapa Tours and SERHS). The Group estimates that the intermediary transfers market is expected to grow at 11% CAGR from 2023 to 2027 as shown in the above chart.

- *Travel experiences.* Travel experiences include attractions (including theme parks, zoos, aquariums, museums and monuments), activities (including cultural classes, spa & wellness, land/water rentals) and tours (including all day tours and tour guides). The travel experiences industry is expected to grow as suppliers continue to invest and prioritise connectivity and consumer demand for experiential travel rises. The B2B distributor travel experiences industry is driven by a variety of players, including global distributors (such as HBX Group, which operates under the Hotelbeds brand, and other competitors such as TUI and Viator), regional/local distributors (such as Ceetiz, Klook, Tiqets, GetYourGuide and Civitatis), destination management companies (such as Mapa Tours and HNA) and small online distributors (such as Mister Trip and BeMyGuest). The Group estimates that the intermediary travel experiences market is expected to grow at 16% CAGR from 2023 to 2027 as illustrated in the above chart.

- *Car rentals.* Car rentals are the most mature segment of the mobility and experiences market. The car rental supplier base is concentrated around key global players (such as Hertz, Avis and Enterprise) facilitating direct channel distribution. B2C intermediary distribution is largely concentrated with large OTAs, but B2B distributors play a key role in facilitating the aggregation of key suppliers with a fragmented long tail of regional/local suppliers (ACE Rent a Car, OK Mobility) to enable an expanded product offering for other B2C intermediaries, such as tour operators and travel advisers. The Group estimates that the total intermediary car rentals market is expected to grow at 4% CAGR from 2023 to 2027 as shown in the above chart.

Fintech offerings

The global fintech market, including travel, is estimated at approximately €330 billion in revenues in 2023 and is expected to grow at 22% CAGR from 2023 to 2027 (*source: Company Industry Sources, 2023*), with embedded finance at the forefront of industry change. Embedded financial products are on the rise in the travel and tourism sector, driven by rising customer expectations and a willingness by distributors in the travel industry to diversify and increase revenue streams. Fintech offerings in the travel and tourism industry notably include payment orchestration, FX services, cash advances, VCC issuing, B2C and B2B insurance and provision of payment hubs.

BUSINESS

Overview

HBX Group is the Leading Independent B2B Travel Marketplace (see section "*Presentation of Financial Information and Other Important Notices—HBX Group market position*"), bringing simplicity to the travel world by enabling crucial connectivity between travel suppliers and B2C travel distributors in a highly fragmented and complex market comprising accommodation and highly complementary travel products.

Through its proprietary 100% cloud-native travel tech platform, HBX Group acts as a crucial link in the global travel ecosystem between travel suppliers, on the one side, and B2C travel distributors, on the other, where both sides lack the necessary resources and capabilities to interact efficiently and to achieve global reach. In FY 2024, HBX Group offered a curated portfolio of more than 250,000 hotels in over 170 markets and a wide range of highly complementary travel products, such as transfers, car rentals and travel experiences to a broad base of high quality B2C travel distributors. Harvesting this extensive network of partnerships with both suppliers and travel distributors to distribute at scale and leveraging its on-the-ground commercial teams and the breadth and depth of its services offering across multiple distribution channels, HBX Group connects supply and demand for the distribution of accommodation and highly complementary travel products. As a trusted partner for both travel suppliers (including some of the largest global brands in the sector) and high quality B2C travel distributors, HBX Group is a critical enabler for both to access all parts of the travel market and maximise revenue.

Moreover, the rapidly changing environment of the travel industry has prompted the need for integrated tech-driven services and differentiated value propositions. Through its 100% cloud-native, scalable technology platform and highly differentiated, proprietary data capabilities, HBX Group provides its business partners with access to tailored technology services, including infrastructure, data and performance tools and dedicated customer service, which would otherwise be out of reach for many of them. HBX Group is also developing a wide range of innovative, partner-oriented end-to-end travel tech solutions across the value chain, including bespoke fintech and insurance solutions for the travel industry.

During FY 2024, HBX Group achieved TTV^{APM} of €7.7 billion (excluding amounts related to the Group's Hoteltech product line, as described below), which is approximately three times the size of Web Travel Group, its largest independent direct competitor in terms of TTV (*source: Company Industry Sources*), revenue of €693 million, gross profit of €685 million, EBITDA^{APM} of €363 million and Adjusted EBITDA^{APM} of €397 million (representing an Adjusted EBITDA Margin^{APM} of 57%) and a Take Rate^{APM} of 9%. During the same financial year, Operating Free Cash Flow^{APM} was €465 million and Cash Conversion^{APM} was 117%. See section *"Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures*" for an explanation and reconciliation of these and other APMs used in this section.

Since its inception over 20 years ago, HBX Group has evolved from a destination management company as part of the Barceló hotel group and, subsequently, a traditional accommodation wholesaler belonging to the First Choice and the TUI groups in 2007, into the Leading Independent B2B Travel Marketplace (see section "*Presentation of Financial Information and Other Important Notices—HBX Group market position*") following the acquisition of the Group by Cinven and CPPIB in 2016, with an average of 4,018 FTEs worldwide during FY 2024.

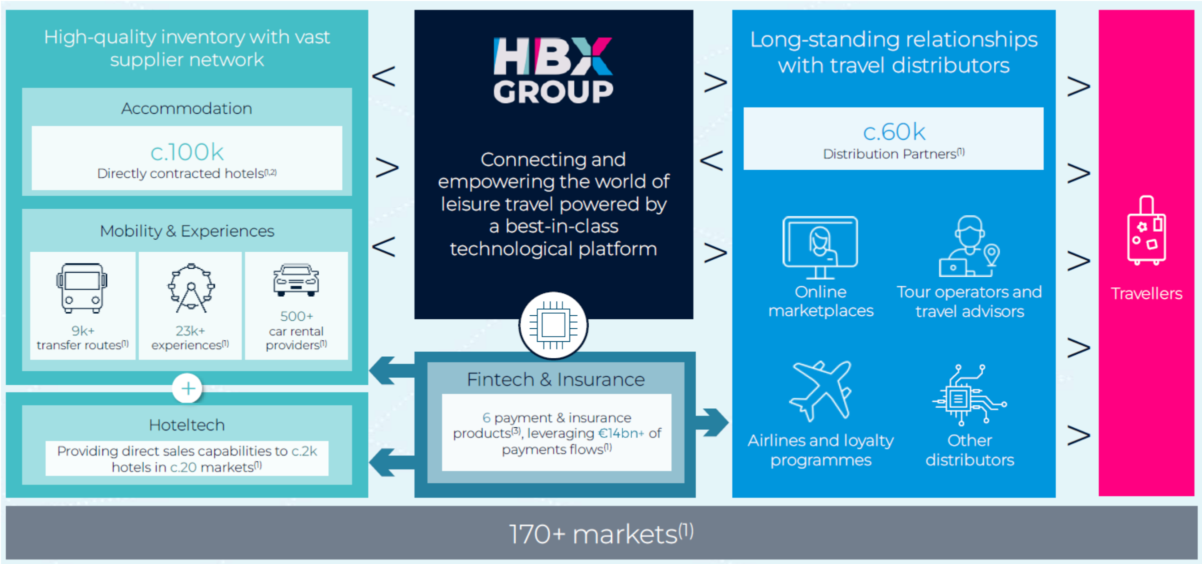
Through its proprietary travel tech platform, HBX Group acts as a critical facilitator to connect suppliers of hotel accommodation and B2C travel distributors for the sale of hotel rooms in a market characterised by high fragmentation and increasing complexity, where approximately 52% of hotel rooms were sold through third-party distributors and the remaining 48% were sold directly by hotels using their direct sales channels in 2023 (*source: Company Industry Sources*). During FY 2024, HBX Group offered more than 250,000 hotels in more than 170 markets to approximately 60,000 distribution partners. With approximately 100,000 directly contracted hotels in its accommodation inventory (which represented more than 85% of its Accommodation TTV^{APM} in FY 2024), HBX Group has built a large network of directly contracted hotels in the B2B travel ecosystem, which is supplemented by more than 150,000 additional hotels, which HBX Group sources indirectly through other B2B travel distributors ("**Third Party Suppliers**"). Direct contracting allows HBX Group to achieve a higher Take Rate^{APM} compared to sourcing from Third Party Suppliers as under the latter model the Group has less room for negotiation of attractive contract terms and the Third Party Supplier also charges a commission for the hotel room. In providing its distribution services for accommodation, HBX Group acts as merchant of record, negotiating discounted rates with hotels, and earning a mark-up on the sale of hotel rooms to its distribution partners. HBX Group's business is strategically positioned to serve higher-growth segments of the market, including international over domestic travel and leisure over business travel. HBX Group's Accommodation product line is its core business accounting for 88%, 88% and 86% of the Group's revenue for FY 2024, FY 2023 and FY 2022, respectively.

As a natural evolution of the Group's B2B travel marketplace offering, and further to its accommodation offering, HBX Group leverages its large network of suppliers and distribution partners and its scalable technology stack to offer highly complementary strategic verticals across its Hoteltech, Mobility & Experiences and Fintech & Insurance product lines with the aim of expanding its value proposition across the travel ecosystem. This allows HBX Group to become further embedded with its suppliers and distribution partners and increase its share of wallet to capture more of the end consumer's travel journey:

- ***Mobility & Experiences***. This product line focuses on the distribution of complementary travel products, such as transfer services, car rentals and travel experiences through its proprietary travel tech platform. During FY 2024, HBX Group offered full transfer coverage in over 9,000 routes, car rentals through more than 500 car rental providers and over 23,000 travel experiences, such as theme parks, attractions and tours, in more than 170 markets. As a one-stop-shop for distribution partners, the Group's Mobility & Experiences offering enhances HBX Group's value proposition as a single point of contact for client attention, customer service and technology model by combining highly complementary travel products with its core Accommodation offering, thereby benefitting from significant operating synergies, such as cross-selling. In providing its distribution services for such complementary travel products, HBX Group is able to provide a highly differentiated value proposition to its distribution partners, which the Group monetises by earning a commission on the sale of such products. This product line represented 8%, 9% and 9% of the Group's revenue for FY 2024, FY 2023 and FY 2022, respectively. See "*—The Group's Business—Complementary travel products—Mobility & Experiences*" below.
- ***Fintech & Insurance***. This product line represents the latest addition to the Group's product offering. Launched in January 2023, it focuses on developing financial products with strategic partners through HBX Group's 100% cloud-native travel tech platform to both (i) optimise HBX Group's core business by reducing its cost of operations, and (ii) expand its services offering to distribution partners and suppliers with innovative end-to-end payment, financial and insurance solutions. The Group's commercial fintech and insurance solutions leverage the large volume of transactions it manages (more than €14 billion of total payment flows for FY 2024 comprising incoming payments from distribution partners and outgoing payments to suppliers). The Group plans to offer solutions that are tailored to the specific needs of its suppliers and distribution partners. As at the date of this Prospectus, HBX Group is already offering six payment and insurance products, three of which are fully operational and three of which are at an early stage or pilot phase. This product line represented less than 1% of the Group's revenue for FY 2024. See "*—The Group's Business—Complementary travel products—Fintech & Insurance*" below.
- ***Hoteltech***. Operating under the "Roiback" brand, this product line focuses on providing customised travel technology solutions for hotels to optimise their direct online channel. Through its Hoteltech business, HBX Group provides an all-in-one offering comprising a direct channel booking engine, web design tools focused on content and usability and digital marketing and customer service solutions to approximately 2,000 hotels in 20 markets during FY 2024. This enables HBX Group to further deepen its relationships with hotels and monetise hotels' direct channel sales. This product line represented 4% of the Group's revenue for FY 2024, FY 2023 and FY 2022. See section "*—The Group's Business—Complementary travel products—Hoteltech*" below.

HBX Group's ambition is to be the preferred travel tech all-in-one ecosystem player for travel suppliers and B2C travel distributors, providing end-to-end solutions in a large, fragmented, complex and changing travel ecosystem and HBX Group has already built strong foundations to deliver on this ambition. In addition, the Group is already planning to include new services to increase the value it provides to its travel partners, including "Marketing as a Service" or "Data as a Service".

The diagram below illustrates HBX Group's central position in the global travel and tourism industry as the critical enabler for connecting supply and demand.



Notes:

(1) Figures from FY 2024.

(2) Approximately 100,000 directly contracted hotels and more than 250,000 total hotels (of which more than 150,000 are sourced from Third Party Suppliers) for FY 2024.

(3) Fintech & Insurance includes three products that are fully operational (pay-in, pay-out, FX) and three which are at an early stage or pilot phase (cash advance, VCC issuing, insurance).

Key Performance Indicators

The following table sets forth certain information regarding HBX Group's business performance for FY 2022, FY 2023 and FY 2024, respectively.

	FY 2022	**FY 2023**	**FY 2024**
	(€ in millions, unless indicated otherwise)		
TTV^{APM} (1)	4,977	6,860	7,667
Revenue(2)	434	656	693
Take Rate^{APM}(3)	8.7%	9.6%	9.0%
Gross profit(2)	403	633	685
EBITDA^{APM} (4)	152	336	363
Adjusted EBITDA^{APM} (5)	160	354	397
Adjusted EBITDA Margin^{APM} (6)	37%	54%	57%
Operating profit or loss(2)(7)	44	235	260
Operating Free Cash Flow^{APM} (8)	384	457	465
Cash Conversion^{APM} (9)	240%	129%	117%

Notes:

HBX Group's financial year begins on 1 October and ends on 30 September each year.

(1) TTV^{APM} represents the amount charged to distribution partners, excluding sales taxes such as VAT and GST and excluding amounts related to the Group's Hoteltech product line and corresponds to revenue plus cost of sales. See section "Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures—TTV^{APM}" for an explanation and reconciliation of this APM.

(2) As per the Special Purpose Consolidated Financial Information.

(3) Take Rate^{APM} corresponds to revenue as a percentage of TTV^{APM}. See section "Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures—Take Rate^{APM}" for an explanation and reconciliation of this APM.

(4) EBITDA^{APM} represents operating profit or loss excluding depreciation and amortisation. See section "Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures— EBITDA^{APM}" for an explanation and reconciliation of this APM.

(5) Adjusted EBITDA^{APM} represents operating profit or loss adjusted to exclude amortisation and depreciation, non-underlying items and other non-recurring items. See section "Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures—Adjusted EBITDA^{APM}" for an explanation and reconciliation of this APM.

(6) Adjusted EBITDA Margin^{APM} represents Adjusted EBITDA^{APM} divided by revenue. See section "Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures—Adjusted EBITDA Margin^{APM}" for an explanation and reconciliation of this APM.

(7) Operating profit or loss represents the Group's profit from business operations before deduction of interest and taxes.

(8) Operating Free Cash Flow^{APM} represents the sum of Adjusted EBITDA^{APM}, Capital Expenditure and Change in Working Capital. See section "Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures—Operating Free Cash Flow^{APM}" for an explanation and reconciliation of this APM.

(9) Cash Conversion^{APM} represents Operating Free Cash Flow^{APM} divided by Adjusted EBITDA^{APM}. See section "Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures—Cash Conversion^{APM}" for an explanation and reconciliation of this APM.

History

HBX Group was created under the ownership of the Barceló Group and formed part of the Barceló Travel Division, which offered accommodation as well as transfers and activities across main destinations in Spain, Portugal and the Caribbean to Tour Operators in Europe and the Americas.

In 2001, Barceló Travel Division was sold to First Choice Holidays plc ("**First Choice**"), a British online travel agency and tour operator, headquartered in Crawley, United Kingdom. In 2003, "Bedsonline" (one of the Group's brands to this date) was launched to address the booking needs of travel agencies and the Group's first XML connection to source accommodation was established. Since then, the Group's online presence has continued to evolve and grow.

On 14 December 2004, Hotelopia, a subsidiary of First Choice, became the official accommodation partner for Easyjet through "EasyJetHotels". As at the date of this Prospectus, Hotelopia is a B2B2C dedicated subsidiary with immaterial retail activity as well as an HBX Group brand.

In 2007, First Choice merged with the tourism division of TUI AG, to create TUI Travel plc ("**TUI Travel**"), with "Hotelbeds" and "bedsonline" as its primary brands for its wholesale and retail businesses, respectively, in its accommodation & destinations business ("**TUI A&D**").

In 2013, the Mobility & Experiences product line was launched in order to expand TUI A&D's offering to include other complementary travel-related services.

Subsequently, in 2014, TUI Travel merged with TUI AG creating the TUI Group and acquired several individual travel services companies, including Global Obi, S.L.U. ("**Global Obi**"), as part of its transition into the E2E travel tech ecosystem. As of the date of this Prospectus, Global Obi operates the Group's Hoteltech product line under the Roiback brand. On 22 December 2014, TUI A&D changed its name to Hotelbeds Group, S.L.U. ("**Hotelbeds**").

On 28 April 2016, Cinven, a European private equity firm and CPPIB reached an agreement to acquire Hotelbeds from the TUI Group. The acquisition of Hotelbeds by Cinven and CPPIB was completed on 12 September 2016.

In 2017, Hotelbeds acquired Tourico Holidays Inc ("**Tourico**") and GTA Travel Holding Ltd and Kuoni Holdings Plc (together, "**GTA**"), two of the largest players in the B2B travel distribution space at the time (*source: Company Industry Sources*), and following a complex two-year integration process, both companies were successfully integrated during 2019. As a result, Hotelbeds facilitated a market consolidation and it became one of the leading accommodation providers in the B2B travel space.

In 2018, HBX Group acquired HolidayTaxis, a leading B2B transfers platform, reinforcing its Mobility & Experiences product line and its already existing transportation value proposition.

In 2019, HBX Group implemented "Fit-for-Growth", a cost savings plan to rightsize the Group's costs post-integration of Tourico and GTA.

In 2020, in order to reduce the adverse impact on its business deriving from the global lockdowns imposed by governments across the world in response to the Covid-19 pandemic, HBX Group launched a Covid-19 savings programme, which included the implementation of working time reductions and relocations as well as the reduction of over 1,000 FTEs to optimise the personnel needs of the Group going forward.

During 2021 and 2022, under the leadership of Nicolas Huss as the new CEO and several new key senior executives, HBX Group carried out a thorough analysis of the competitive strengths and weaknesses of the business with a view to repositioning the Group to successfully capture the post-Covid 19 market recovery growth and take advantage of new opportunities in the changing travel ecosystem.

To that end, HBX Group continued the implementation of its Covid-19 savings programme until the end of 2022 and reorientated its targets to include more domestic business (such as "staycations", i.e., a holiday at source or near the end consumer's home instead of a holiday in a different destination). The Group also leveraged investment in digital tools, such as dynamic packaging tools, and intensified its focus on its online distribution channels in order to reduce the adverse impact of the Covid-19 pandemic on its business. The Group believes such measures were instrumental to its recovery post-pandemic.

During 2023, the Group implemented a re-platforming of its technology stack moving to a unified, fully integrated 100% cloud-native infrastructure, which was completed during FY 2024. HBX Group believes this infrastructure will allow it to operate more dynamically and swiftly adapt to changes in the travel ecosystem. The Group also launched a new product line focused on developing complimentary financial services as it aims to expand its marketplace to build the preferred end-to-end B2B ecosystem (see "*—The Group's Business—Complementary travel products—Fintech & Insurance*" below).

Furthermore, in 2023, Hotelbeds was rebranded and became "HBX Group" to mark the transformation to become a global travel tech platform. The "X" represents the "multiplier effect" of its frictionless end-to-end travel experience as well as the four branches of the Group: Technology, Data, Product and People. However, the rebranding has no impact on its principal commercial brands, such as "Hotelbeds" and "bedsonline", which the Group continues to operate.

On 20 December 2023, the Company was incorporated and, on 6 January 2025, it was re-registered as a public limited company.

During 2024, the Group has been primarily focused on growing its core Accommodation business while expanding its marketplace. Some tangible examples of this are the launch of a new luxury brand and product line, the highly synergistic partnership with PerfectStay to strengthen HBX Group's B2B2C value proposition and technical capabilities (see "*—The Group's Business—Complementary travel products—New product offerings—PerfectStay*" below), the roll-out of new Fintech & Insurance products as well as setting the foundations for a new Target Operating Model in Mobility & Experiences to further incorporate both product lines into the Group's end-to-end value proposition.

Key Strengths

The Group believes that the following factors contribute to HBX Group's market position and the strength of its comprehensive offering across a wide range of product lines and geographies:

Leading independent player connecting and empowering the world of travel with a successful track record and significant growth opportunities

As the Leading Independent B2B Travel Marketplace (see section "*Presentation of Financial Information and Other Important Notices—HBX Group market position*"), HBX Group acts as a crucial link in the large, highly fragmented, structurally high growth leisure travel sector (see section "*Industry Overview*"). HBX Group sits at the centre of the global travel ecosystem facilitating the connection between travel suppliers, such as hotels and providers of complementary travel products, and a global, diverse base of travel distributors, such as travel advisers, tour operators, online marketplaces, airlines and operators of loyalty programmes, enabling them to access all travel product verticals and maximise revenue. As an independent B2B distributor, HBX Group acts as a truly unconflicted partner. This independence stands out versus other large B2B distributors, such as large online travel agencies, that also offer B2C intermediation and therefore compete with hotels and other suppliers for end consumers.

For travel suppliers, including hotels and providers of complementary travel services, HBX Group provides tangible benefits: HBX Group's scale and global reach gives travel suppliers privileged access to a global network of high-quality and profitable distribution partners, whose end consumers tend to book longer hotel stays, book earlier and pay more per room when compared to end consumers booking through hotels' direct channels or through online travel agencies (*source: OC&C Strategy Consultants, 2023*). This allows hotels to increase volume and capture attractive and fast-growing pockets of incremental demand which they would otherwise find difficult to reach. As online travel agencies tend to request combinable discounts in addition to their base commission, HBX Group is able to offer more competitive rates as it does not request similar discounts, reducing the net cost to suppliers. Moreover, while HBX Group does not compete directly with suppliers' direct channels, it offers lower cost sourcing than higher-cost upper funnel sales, which constitute an increasingly large share of the direct channel market, offering additional value to suppliers. Through HBX Group's market and competitive knowledge as well as its advanced data analytics and market insights, suppliers get improved visibility on level of demand and pricing levels to enhance their business. Through its innovative Hoteltech solutions, HBX Group also allows hotels to optimise their direct channel offering and HBX Group is working on offering end-to-end fintech and insurance solutions to its suppliers to streamline their operations and maximise revenue.

HBX Group's distribution partners, on the other hand, benefit from access to a vast, high-quality inventory of accommodation and complementary travel products across the world at preferential rates, which includes the Group's large network of directly contracted hotels as well as additional travel services, including transfer services, car rentals and travel experiences. Through HBX Group's on-the-ground commercial teams strategically located across Europe, the Americas and MEAPAC, the Group's distribution partners benefit from exceptional support and strong local expertise and market knowledge, which, together with HBX Group's 100% cloud-native, scalable technology platform, is necessary to satisfy the evolving demands in the travel distribution space for increasingly tailored solutions, such as bundling, dynamic packaging and itinerary builder. HBX Group is also the partner of choice for technology disruptors seeking to enter the B2C travel intermediation market, as it has the scale, technology mindset and flexibility to adapt to the needs of such companies, unlike other large travel tech players such as large online marketplaces.

Over the years, HBX Group has developed strong, lasting competitive advantages:

- HBX Group has built a large network of directly contracted hotels in the B2B travel ecosystem, comprising approximately 100,000 hotels and which generated more than 85% of the Group's Accommodation TTV[APM] in FY 2024. Directly contracted relationships are a key criterion for success, delivering supply at favourable commercial conditions. HBX Group's large portfolio of directly contracted hotels is supplemented by approximately 150,000 additional hotels, which HBX Group sources indirectly through Third Party Suppliers. Depth and breadth of supply leads to stronger propositions for distribution partners and right-to-win. As a result, scale drives improved financial performance, and resultant cash flows enable investments in technology and data capabilities, creating a virtuous cycle. This large volume of directly contracted hotels in its inventory is a key differentiator for HBX Group and allows it to provide a tailored value proposition to both hotels and distribution partners, resulting in better contract terms and higher profitability.
- Through the use of supplier preferential agreements ("**SPAs**"), HBX Group provides a highly attractive commercial structure to its key accommodation suppliers, which are those that HBX Group identifies as strategically important, those with which it has long-standing relationships or which are materially relevant in terms of TTV[APM] contribution. Under SPAs, which in FY 2024 represented 21% of the Group's Accommodation TTV[APM], HBX Group typically agrees certain predetermined volumes (in terms of monetary value) of hotel rooms to be sold during a certain period via the Group's platform in exchange for commercial terms that are favourable to HBX Group, such as price discounts or flexible availability. SPAs also allow HBX Group to achieve higher margins when compared to suppliers where no SPA is in place. HBX Group mitigates inventory risk through monitoring and contractual protection mechanisms (see "*—The Group's Business—Accommodation—Suppliers—Supplier Preferential Agreements*" below). The Group believes it is imperative for B2B distributors to understand specific needs of different suppliers with differing scale and offerings in order to add value beyond volume, such as helping hoteliers ensure that the right rates reach the correct types of distribution channel, enabling access to specific types of high-spend end consumers and different booking curves.
- HBX Group works with an extensive network of B2C intermediaries across the world. During FY 2024, the Group served approximately 60,000 distribution partners, of which 65% (in terms of Accommodation TTV[APM]) were high-value distributors. These high-value distributors have end consumers with higher spending patterns that tend to book longer hotel stays, book earlier and spend more per room, thereby generating higher TTV for the hotels. The Group's high-value distributors include, among others, airlines which offer accommodation services as part of their booking funnel or as a package, travel advisers that provide personalised travel planning and recommendations to create tailored travel, tour operators that offer flight, accommodation and in-destination services to travellers or affiliates that allow their customers to redeem points from their loyalty plan in exchange for travel services.
- Operating as a global B2B travel tech distribution platform, HBX Group's reach spans across the world. During FY 2024, HBX Group offered hotels and Mobility & Experiences services in more than 170 markets to distribution partners, with Europe accounting for 53% of the Group's Accommodation TTV[APM] (in terms of location of hotels), the Americas for 28% and MEAPAC for 19%. Compared to other large B2B distributors, HBX Group has a solid presence in all three of these regions and is best positioned in terms of scale, with its large inventory of directly contracted hotels, and maintains close, long-standing relationships with high-value distributors.
- One of HBX Group's key differentiating factors is its global reach with local expertise via an on-the-ground commercial team of approximately 1,000 FTEs strategically located in Europe, the Americas and MEAPAC to provide support to both travel suppliers and travel distributors and which is difficult for competitors to replicate. To operate successfully, B2B distributors need to build strong relationships with

local suppliers to access a broader network of hotel rooms. This usually requires deploying on-the-ground commercial teams, building and maintaining relationships focused on supplier success and creating partnerships aimed at developing tailored solutions to maximise an individual supplier's revenue. As an independent B2B travel marketplace, HBX Group is not competing for end consumers, which has allowed HBX Group to become a trusted partner to its suppliers and distribution partners, building long-standing, high-quality relationships, based on a multi-year track record of working together and being fully embedded in day-to-day workflows.

- HBX Group has a state-of-the-art 100% cloud-native, scalable technology platform, allowing both travel suppliers and B2C travel distributors to connect efficiently through a variety of access channels and which provides HBX Group with highly differentiated, proprietary data capabilities. This allows HBX Group to analyse and process a wide array of data insights to enable smarter decision-making for its suppliers and distribution partners. A modern technology platform can be a critical differentiator for a B2B distributor, as it is a core part of a distributor's interaction and conversion process with suppliers and distribution partners. Technology platforms provide up-to-date content, ensuring operational effectiveness and providing data and analytics tools. Furthermore, a single booking platform utilised by a B2B distributor can streamline the booking and billing processes, saving distribution partners time by reducing the need to manage reservations on multiple platforms. HBX Group's technology platform provides functionality for direct connectivity (Application Programming Interface or "**API**") as well as a useable interface (web platform), both of which can be customised by suppliers and distribution partners based on their preferences.

The Group believes that all of the above competitive advantages have enabled HBX Group to become the preferred all-in-one marketplace for both suppliers and B2C intermediaries, bringing a solid value proposition across the value chain.

Global team with local relationship network and differentiated on-the-ground expertise and customer support

One of the Group's key assets is its on-the-ground commercial team, which allows it to effectively build and maintain strong, local, partnership-based relationships with both travel suppliers and B2C intermediaries, while operating as a global company on a global scale. As of 30 September 2024, HBX Group's total on-the-ground workforce for its suppliers and distribution partners comprised over 820 and over 240 FTEs, respectively, strategically located across three regions (Europe, the Americas and MEAPAC). The Group also applies a data-driven management approach and uses innovative technologies such as AI or ML to increase sales intensity and improve execution. These capabilities allow the Group to leverage sourcing and sales efficiencies and strengthen its ability to serve both distribution partners and suppliers with a tailored value proposition that the Group believes is difficult for competitors to replicate. The Group also believes that the network of local expertise and face-to-face relationships is a competitive advantage for HBX Group versus its key competitors, none of which have a similar capability of a global network for suppliers and distribution partners.

HBX Group operates global relationship contact centres located in eight hubs across Europe, the Americas and MEAPAC under a "Follow-the-Sun" operations concept that provides 24/7 support in over 13 languages. HBX Group has achieved superior customer service levels and high customer satisfaction. During FY 2024, HBX Group answered 96% of calls from distribution partners in less than 40 seconds. During the six months ended 30 September 2024, only 1.4% of the Group's bookings required assistance, resulting in HBX Group recording 93% positive feedback from its distribution partners and customer satisfaction (CSAT) scores of 8.4 out of 9.0. All of the above has been achieved while improving operational efficiency between 40% to 50% on a cost-per-room night basis between FY 2022 and FY 2024, while maintaining high employee satisfaction levels (+47 eNPS in FY 2024).

The Group's commercial teams work under a clearly defined incentive plan and a system that tracks employees' individual performance and HBX Group prioritises the ongoing development and support of its salesforce through regular training programmes and performance reviews.

Clear expansion strategy to grow and create value, built on strong foundations

HBX plans to achieve growth in its Accommodation product line by leveraging its extensive relationships with its broad base of suppliers and distribution partners globally and its 100% cloud-native travel tech platform. The Group believes this puts it in a unique position to continue to expand its current offering, entering and gaining share in selected markets where HBX Group has identified the opportunity to further expand its activities (see "—*Growth Strategy—Growing in Accommodation—Unlocking growth in promising markets*" below), and focusing on strategic partnerships to accelerate growth, as the Group has recently done with "PerfectStay" and "The

Luxurist" (see "*—The Group's Business—Complementary travel products—New product offerings—The Luxurist*" below).

Expanding the Group's ecosystem is key to its growth. This includes the offering of highly complementary and synergistic travel products across its Hoteltech, Mobility & Experiences and Fintech & Insurance product lines. Cross-selling, improving bundling and packaging of the various solutions available in its marketplace using core capabilities increases the basket value of bookings, cements distribution partner loyalty and reduces churn. Through its Fintech & Insurance product line, HBX Group is developing fintech solutions tailored to the specific needs of its suppliers and distribution partners, such as VCC issuing, payment optimisation and insurance solutions, to streamline their operations, improve their offering, reduce costs and increase margins. This allows the Group to strengthen its relationships with its partners and generate additional sources of revenue. Finally, through its Hoteltech product line, HBX Group provides a suite of advanced white label software solutions and analytics services for hotels' direct channel booking engines, web design focused on content and usability, digital marketing and customer service, addressing the needs of hotels to gain more control over their inventory distribution and allowing HBX Group to benefit from hotels' direct channel sales. Hoteltech plays a highly strategic role for HBX Group as it helps deepening its relationships with hotels.

The Group believes that each of these solutions benefits from favourable market dynamics that HBX Group is well positioned to capitalise on: the ongoing expansion into these new growth engines, combined with improved packaging and scale allow HBX Group to diversify its revenue streams, enhance its value proposition and cement its position as the Leading Independent B2B Travel Marketplace (see section "*Presentation of Financial Information and Other Important Notices—HBX Group market position*"), and a trusted technology partner offering sophisticated end-to-end technology solutions to empower businesses in a highly fragmented and complex travel market. See section "*Industry Overview*".

Lastly, HBX Group expects to continue to drive profitability by enhancing pricing and content; benefitting from its investment in technology, data and AI, evolving its commercial position with higher specialisation and curation and leveraging scale and operational efficiencies to maximise conversion of TTV[APM] and revenue growth to its bottom line.

100% cloud-native, scalable, proprietary technology platform enabling superior data analytics capabilities and working to create a preeminent data offering

HBX Group has developed a modern, secure and highly scalable proprietary technology platform that serves as the cornerstone for its business. The Group has implemented fundamental strategic initiatives to outgrow the market and increase its market share by developing an exceptional technology platform that goes beyond traditional B2B travel distributor operations, with its technological capabilities expanding into the areas of fintech and hoteltech and is also capable of analysing and processing a wide array of data insights to enable smarter decision-making for the Group's suppliers and distribution partners. Moreover, the Group allows its distribution partners to access all functionalities through a plethora of channels, such as mobile, tablet, computer or web, thereby adapting to the relevant distribution partner's preferences.

In addition, to deliver products and services quickly to distribution partners or suppliers or take advantage of new market opportunities, HBX Group complements its technology platform with third-party solutions and service providers for certain product lines where specialism is required or where the Group has not yet developed such functionalities on its platform. To that end, HBX Group selects and engages with third parties to enable implementation by connecting their capabilities to the Group's API or connections. This enables the Group to accelerate time-to-market, refine and optimise solutions before allocating resources to fully integrate the capability into its core transaction platform.

As the Leading Independent B2B Travel Marketplace (see section "*Presentation of Financial Information and Other Important Notices—HBX Group market position*"), HBX Group provides its suppliers and distribution partners with a high-end, secure technology platform for the sale of hotel accommodation and complementary travel products, which can be accessed through multiple channels, such as web or API. Through the use of API software, HBX Group's inventory and booking engine can be directly integrated into suppliers' and distribution partners' own systems, which enables them to transact business in real time and monitor demand trends across HBX Group's key markets. The 100% cloud-native, high-performance and efficient technology platform has significant search, storage and processing capabilities. HBX Group's platform handled 6.2 billion daily searches at peak in FY 2024, showing the huge capacity of the technology platform. It is also capable of managing approximately 80,000 available requests per second and has more than 635,000 direct connections with travel players, which demonstrates how connected the Group is in the travel ecosystem. The platform has an availability exceeding 99% and an approximate time response of 20 milliseconds via API in Europe (as of September 2024) using streaming technology to support large volumes of data ingestion and distribution. It also provides access to a huge amount of near real-time and historic transaction data included in a travel data lake comprising over 400TB of information (as of September 2024), which HBX Group leverages to deliver more value to suppliers and distribution partners and create new products. See "*—The Group's Business—New product development*" below. In particular, HBX Group delivers different data functionalities through specific tableau reports to a limited number of users who access the Group data or as partner insights delivered through its partner extranet, "MaxiRoom", available on HBX Group's portal. Additionally, HBX Group is leveraging AI and ML to unlock data insights, providing consultancy-like advice to distribution partners. Using the Group's data lake, HBX Group provides suppliers and distribution partners with access to data which they are unable to reach or capture themselves. The Group also priced 9 million valuations per day on average during FY 2024, with supplier extranet capability to ensure that hotels and other suppliers are able to manage their own data, pricing and data without needing to contact the Group's customer service team or account managers.

Between FY 2022 and FY 2024, the Group's Total Technology Investment^{APM} amounted to approximately €200 million (€53 million, €69 million and €82 million in FY 2022, FY 2023 and FY 2024, respectively) in its technological infrastructure and completed a technological transformation in FY 2024. This has delivered a new technology platform based on a next generation and scalable technology stack, 100% cloud-native, agile and secure, which allows for seamless integration across operations, limits ongoing maintenance costs and allows the Group to automate processes internally and externally, driving significant efficiencies. The Group's technology platform's open-source code and modular features, through API technology and integrations, enable HBX Group to scale fast and build an entire technology solution ecosystem, including the launch of new "as a Service" products based on data insights and technological services in the future.

HBX Group is already leveraging AI and ML in its day-to-day technology services and plans to further automate and digitalise both its processes and customer service, delivering additional operational savings.

Financial profile with structurally strong growth, profitability, and cash generation capabilities

The Group believes that HBX Group offers an exceptional combination of scale, growth, margin and cash generation capabilities.

During FY 2024, HBX Group achieved TTV^{APM} of €7.7 billion (€6.9 billion and €5.0 billion during FY 2023 and FY 2022, respectively), revenue of €693 million (€656 million and €434 million during FY 2023 and FY 2022, respectively) and Adjusted EBITDA^{APM} of €397 million (€354 million and €160 million during FY 2023 and FY 2022, respectively).

Following the challenging economic cycle caused by the Covid-19 pandemic and the strategic repositioning of the Group, the Group's business strongly recovered. The Group believes that this growth was driven by a combination of external factors, such as positive market trends and structural growth in the B2B segment as well as a number of internal factors. These include the ongoing consolidation of the Group's directly contracted hotels offering, enhancements in operational efficiency through digitalisation and automation and the crystallisation of strategic investments made over the past six years, such as optimisation of SPAs and improvements made to the Group's pricing model to enhance competitiveness and profitability. It is also a result of the Group's strategic shift towards a heightened focus on technology and data, which has significantly expanded HBX Group's value proposition. This has also enabled HBX Group to command a Take Rate^{APM} of 8.7%, 9.6% and 9.0% during FY 2022, FY 2023 and FY 2024, respectively.

Operational leverage is a key strength of the Group and is driven by continuous platform investments, which have contributed to a significant improvement of the Group's Adjusted EBITDA Margin^{APM}, which reached 57% in FY 2024 (54% and 37% in FY 2023 and FY 2022, respectively). The Group's refined commercial model is strategically positioned to serve higher-growth segments of the market and the continued impact of shifting its product mix to achieve an increased weight of its non-Accommodation businesses. Lastly, HBX Group benefits from a scalable cost base and its well-invested technology platform, which limits the requirement for significant further investments in the medium term. The Group continuously seeks operational improvements to optimise its operating leverage, including through the use of technology.

HBX Group benefits from a meaningful, structurally positive working capital inflow leading to strong cash flow generation as the business scales. This reflects the payment cycle in its operations, with a typical lag between the moment when HBX Group collect payments from its distribution partners and the time when they are passed on to suppliers. This supports a structurally superior cash flow profile. Additionally, there is an intra-year working capital swing driven by the seasonal profile of its business demand. In particular, the Group's business demand peaks during the summer season driven by summer bookings and is lowest during the winter season, when working capital increases due to the settlement of payables arising in the summer.

World-class management team with proven track record of success and committed to leading ESG standards

The Group has a highly experienced management team that is characterised by its extensive operational and sector expertise, with an average of over 25 years' experience in both executive and non-executive positions. In 2021, the Group bolstered its senior management team with the hire of new CEO Nicolas Huss as well as key senior executives with ample experience in some of the key growth areas of the Group, such as technology, fintech and payments. The members of the Executive Committee, comprised of nine senior executives, have a strong technology background and have proven the ability to consolidate the market and integrate businesses successfully. For example, they have already executed strategic changes successfully, making HBX Group the Leading Independent B2B Travel Marketplace (see section "*Presentation of Financial Information and Other Important Notices—HBX Group market position*"), and transforming the Group into a more diversified business.

HBX Group's Executive Committee is supported by a team of sector experts with a wealth of experience gained at major travel tech and payments companies, such as Amadeus, AvantCard, Grupo Barceló, Ingenico, TUI or Visa. The Group also believes it has an exceptional talent pool across its wider employee base, composed of both industry veterans and newer, strategically selected specialists.

HBX Group also has a clear strategy and action plan to become a leader in ESG. On the environmental side, the Group is dedicated to reducing its environmental footprint and collaborates across its value chain for larger impact. On the social side, HBX Group prides itself in promoting an inclusive and respectful workplace grounded in diversity and equal opportunities and having a positive impact on the communities in which HBX Group operates. Lastly, on the governance side, HBX Group is committed to the highest governance and compliance standards and ensuring privacy and security of managed data. See "—Employees & Culture—*ESG*" below.

Growth Strategy

HBX Group has devised a well-defined plan to execute the Group's vision and deliver future growth, leveraging its new technology platform to drive innovation, scalability and operational efficiencies. By expanding the number of suppliers on the one hand, the number and breadth of distribution partners on the other hand, and the type and breadth of services and products being offered to both sides of the ecosystem, HBX Group expects to increasingly monetise each transaction and further leverage the advantage of scale contributing to value accretive growth for shareholders, and further differentiation versus other B2B distributors. HBX Group's growth plan is designed around (i) cultivating its strengths in the Accommodation and Mobility & Experiences product lines, by increasing the value HBX Group brings to its existing and new distribution partners; (ii) expanding the ecosystem by adding new partners and features to its platform and cross-selling into other travel services; and (iii) driving profitability by leveraging best-in-class technology and pricing capabilities. HBX Group plans to execute its growth plan by leveraging its strong existing foundations of scale, mission-critical role in the travel ecosystem, next-generation technology stack and local market expertise.

Growing in Accommodation

Accommodation growth driven by increasing supply and demand

The Group aims to continue enhancing and curating its accommodation offering by: (i) adding new properties and distribution partners to the marketplace and (ii) growing the share of inventory with existing suppliers and distribution partners.

To that end, a dedicated sourcing team, leveraging the Group's strong local presence, is expected to help add new directly contracted hotels to the Group's portfolio, especially from global chains. This team will also negotiate exclusive or semi-exclusive discounts for strategic destinations, offered by regional chains and independent hotels for limited periods and aims to consolidate the sales and distribution relations around fewer players. Additionally, HBX Group plans to streamline the onboarding process using optimised technology, supported by a digital team.

In this context, HBX Group, with its specialist teams, plans to leverage SPAs for closer commercial partnerships to further optimise SPA terms tailored to each hotel with the aim of improving availability, competitiveness and contractual terms and continuously improving the business selection processes.

HBX Group also expects to benefit from B2C intermediaries' willingness to consolidate the number of their B2B distributors to focus on the ones delivering differentiated content at scale.

Lastly, HBX Group plans to also focus on Third Party Suppliers through negotiating more tailored commercial conditions, including override agreements and margin action agreements, consisting of discounts made available to HBX Group by certain third-party suppliers over a limited time.

Unlocking growth in promising markets

HBX Group believes it is well-positioned to take advantage of tapping into significant growth opportunities in a number of markets and geographies. To that end, the Group has identified a series of markets, both developed and at developing stages, which it plans to strategically target to unlock future growth. These markets include Canada, Colombia and Brazil in the Americas, Italy, France and Germany in Europe and Egypt, India, Saudi Arabia and Japan in MEAPAC. This pipeline of specific geographies includes certain countries and territories in respect of which HBX Group plans to deploy a series of key levers to increase its footprint and gain market share. These include the expansion and enhancement of commercial teams focused on such countries, accelerating the signing of SPAs with local travel suppliers, implementing dedicated Client Relationship Centres ("**CRC**"), providing marketing communication in the relevant local language, launching loyalty programmes, offering bundled services and offering market-specific technical developments, such as XML integrations and system connection to distribution partners' platforms. HBX Group also aims to establish a cross-functional team to oversee and support the targeted growth in these countries by providing swift validation of transactions and support to drive further opportunities.

Expanding the ecosystem

Building industry-leading dynamic packaging capabilities

One of the Group's key priorities is to strengthen its B2B2C value proposition and technical capabilities, for which it has developed a highly synergistic partnership with PerfectStay through an investment from HBX Group in this company. See "*—The Group's Business—Complementary travel products—New product offerings—PerfectStay*" below. PerfectStay is a leading dynamic packaging technology provider, with vast customer experience, real time automation, smart pricing and AI driven curation, and able to generate highly tailored products for improved cross-selling and new marketing channels that improve sales conversion. Following the investment of HBX Group in PerfectStay, the Group has signed agreements with three airlines, which together served approximately 120 million airline passengers in 2023, and has a pipeline which includes ten additional airlines, which together served approximately 500 million airline passengers in 2023, as well as other commercial partners including e-commerce players, financial institutions, hotels and retailers.

There is a clear rationale for HBX Group to have partnered with PerfectStay, supported by its dynamic packaging capabilities to strengthen its B2B2C value proposition, its ability to generate highly tailored products for improved cross-selling and new marketing channels that improve sales conversion.

Expanding into the high-opportunity areas of Fintech & Insurance, leveraging strong, proven demand from the market and HBX Group's quality of teams and technology

The Group's strategic evolution also involves expanding its Fintech & Insurance product line. This includes continuing the development and launch of new and innovative financial solutions for distribution partners. As at the date of this Prospectus, the Group offers six Fintech & Insurance products, of which three are fully operational (Pay-in, Pay-out and FX) and three (Cash Advance, VCC issuing and insurance) are at an early stage or pilot phase. HBX Group believes that it is well-positioned to take advantage of growth opportunities in this area through the extensive technological and fintech expertise of its management team and by capitalising on its large network of distribution partners, suppliers and external strategic partners and by leveraging existing commercial, billing and technical relationships. The Group believes it has identified a clear demand for such services in the travel industry with approximately 50% of travel companies expected to increase investments in fintech as of October 2023 (*source: Company Industry Sources*). What is more, the legacy payments infrastructure with multiple costly transactions and currency events currently used by a large part of travel suppliers and B2C intermediaries provides scope for optimisation. To that end, HBX Group plans to implement a go-to-market strategy driven by leveraging its core commercial team, its sophisticated 100% cloud-native technology platform as well as the know-how of its management team and that of its strategic partners.

During FY 2024, HBX Group managed over €14 billion in payment flows (comprising incoming payments from distribution partners and outgoing payments to suppliers) across all product lines and over 20 million transactions, and approximately 60% of bookings made on the Group's platform had an FX component, thereby providing a significant opportunity for its Fintech & Insurance solutions.

Opportunities for growth in adjacent areas

HBX Group aims to accelerate and increase its ecosystem play by growing and maximising growth opportunities in adjacent areas and thereby capturing more of the traveller's journey as well as, over time, increasing the weight of its non-Accommodation product lines relative to its Accommodation product line.

The Group is actively pursuing cross-selling opportunities into other travel services, aiming to maximise synergies between its core Accommodation offering and complementary travel products, such as transfers, car rentals and travel experiences. This strategic initiative includes a number of key levers, such as increasing “share of wallet” by encouraging distribution partners to contract multiple complementary products, leveraging the Group’s global base of distribution partners, developing multi-product offerings that utilise technology, such as API packaging, providing distribution partners with bundled services and an integrated, seamless and frictionless experience and creating a new sales operating model accelerating such cross-selling capabilities.

HBX Group believes it is also well-placed to become the leader in the attractive and growing luxury B2B travel space. Luxury is a fast-growing sector with lower cyclicality in downturns and an estimated spend of approximately €1.3 trillion, of which €83 billion corresponded to hospitality in 2023 (*source: Company Industry Sources*). HBX Group aims to use a joint venture approach with first-rate luxury players to ensure agility and to capture high-growth potential and best market exposure. One clear example of this approach is the Group’s recent partnership with “The Luxurist”. See *“—The Group’s Business—Complementary travel products—New product offerings—The Luxurist*” below.

Luxury brands are generally reluctant to distribute their content through traditional bedbanks, and existing specialised players lack the scale and end-to-end service offering to cater to the needs of such brands. Additionally, the standard model of online marketplaces does not provide the necessary personalised and tailored services (such as concierge services) or luxury perks (such as late check-outs by default). On the other hand, small regional players provide the local expertise and presence but have limited scalability and no access to global supply and distribution and B2C luxury distributors have a limited client base and supply reach. The Group believes that all of the above makes HBX Group a clear partner both for destination management companies and luxury partner distributors.

Through this product line, HBX Group expects to be able to not only capture additional revenues streams via concierge fees or travel app companion, but also increase its base of suppliers and distribution partners through AI and data driven scalable models with the aim of outperforming volume growth and achieving higher margins.

In addition, HBX Group aims to expand its inventory in the Americas and MEAPAC regions to offer more complementary travel products in these regions, such as ski passes or theatre tickets, onboard and manage long-tail products in a scalable and efficient manner, leveraging Third Party Suppliers where appropriate and develop a new product roadmap by exploring the offering of on-demand transfers and multi-day experiences. HBX Group believes that such complementary travel products offer a significant incremental revenue opportunity for both HBX Group and distribution partners by aggregating a long tail of products (such as theme parks, transfers and experiences) into solutions to drive higher attachment into travel journeys.

Driving virtual cycle of profitable growth

Developing new levers of growth such as data analytics, gen-AI enabled solutions and “Data as a Service” tech

The Group aims to provide a comprehensive travel ecosystem to distribution partners, prioritising flexible and seamless API integration of new products with reduced time-to-market and with a focus on evolving and expanding its 100% cloud-native proprietary travel tech platform, intending to deliver a full suite of capabilities across new business segments. The Group aims to leverage its new technology platform to increase automation, driving reduced costs while continuing to build on the ecosystem capabilities, such as bundling services, white-label solutions, Fintech & Insurance and customer loyalty.

The Group also intends to concentrate its efforts in connected travel, providing a seamless travel experience for end consumers, whereby technology allows for multiple touchpoints throughout the end consumer journey across several travel product categories, centralised under a unique booking platform and customer service. This is expected to enable more efficient operational processes through automation and the integration of AI, allowing HBX Group’s employees to focus on more value-accretive roles, with the goal of achieving a seamless end-to-end user experience, while broadening HBX Group’s range of service offerings. An example of these automation and AI integration process within HBX Group lies in customer interaction where distribution partners will be able to access a new AI platform that will automatically identify the intent of the distribution partner’s request and either automatically fulfil such request or classify it to be more efficiently and effectively managed through a high-touch approach. Another example is the use of AI-generated distribution partners’ avatars in the training of newly-hired customer service agents, with the purpose of providing better training for the resolution of real distribution partner needs from day one. These solutions are expected to result into a faster and better quality of service to HBX Group partners and subsequently increased distribution partner satisfaction.

Additionally, the Group aims to further increase its profitability and enhance its competitiveness through a series of key initiatives. At the heart of the pricing strategy lies the development of a dynamic pricing model, which would allow HBX Group's pricing strategy to be automatically calibrated and tailored in real time. Currently, HBX has an automated model that factors features of distribution partners and sensitivity to price evolution to support mark-up decisions. Additionally, they have increased their data sources to enhance the use of customer and platform data to drive their pricing decisions. Lastly, HBX Group plans to leverage innovative AI and data analytics tools, including ML algorithms to optimise the pricing decision-making process and deliver automated demand-based considerations to optimise pricing results. Through the use of such a dynamic pricing model, HBX Group expects to be able to improve its margins through optimised pricing, grow TTV[APM] and capture additional demand and improve distribution partner satisfaction by better addressing their needs as they would also be able to monitor and respond faster to competitors' pricing.

Continue to explore potential M&A opportunities allowing to expand HBX Group geographically with regional leaders, accelerate across other strategic verticals or capture best-in-class tech players with differentiated value creation potential

HBX Group takes a proactive approach to potential M&A opportunities in the market through regular market scanning and assessments, hence targeting the acquisition of third-party suppliers or service providers with the purpose of ensuring that HBX Group has full control of the end-to-end service provided to its distribution partners. The Group has successfully integrated all its acquisitions and demonstrated volume and value growth following completion of the integration process within HBX Group's ecosystem.

HBX Group has historically been one of the key consolidators in a structurally fragmented market, with further opportunities for consolidation to grow and integrate new verticals into its business. Its experienced management team has a proven track record to drive synergistic value from acquisitions, most recently with the three-way integration of GTA, Tourico and the Group between 2017 and 2019 and the acquisition of Holiday Taxis in 2018. As part of its growth strategy, HBX Group continues to explore potential opportunities in complementary, underpenetrated, high-growth geographies, with regional B2B distribution leaders or through new partnerships to integrate new verticals to further support its ecosystem play.

HBX Group will continue exploring partnerships and joint ventures to support the expansion of the ecosystem and will remain open to pursue M&A opportunities under the right circumstances in the context of a fragmented market.

See also section "*Risk Factors—Risks relating to the Group and its business—Risks Related to HBX Group's Strategy—The Group may not be able to successfully implement its strategy*".

The Group's Business

The Group operates under a single segment offering with an array of products and services that include its Accommodation, Mobility & Experiences, Fintech & Insurance and Hoteltech offerings.

The table below sets forth the Revenue Breakdown by Product[APM] of each of the Group's product lines for FY 2024, which has been derived from the Special Purpose Consolidated Financial Information.

	FY 2022	**FY 2023**	**FY 2024**
	(€ millions, unless otherwise stated)		
Accommodation	375	574	611
divided by revenue from contracts with customers	434	656	693
Accommodation (%)	**86.4%**	**87.5%**	**88.2%**
Mobility & Experience	41	59	52
divided by revenue from contracts with customers	434	656	693
Mobility & Experiences (%)	**9.4%**	**9.0%**	**7.5%**
Hoteltech	18	23	30
divided by revenue from contracts with customers	434	656	693
Hoteltech (%)	**4.1%**	**3.5%**	**4.3%**

Note:

The Fintech & Insurance product line was launched in FY 2023 and accounted for less than 1% of the Group's revenue in FY 2024.

The table below sets forth the Revenue Breakdown by Geography[APM] for FY 2022, FY 2023 and FY 2024, which has been derived from the Special Purpose Consolidated Financial Information.

	FY 2022	**FY 2023**	**FY 2024**
	(€ in millions, unless indicated otherwise)		
Spain	53	73	82
Other European countries	156	239	261
Europe (%)	*48%*	*48%*	*50%*
USA	93	123	123
Other American countries	67	96	95
Americas (%)	*37%*	*33%*	*31%*
MEAPAC	65	125	132
MEAPAC (%)	*15%*	*19%*	*19%*
Total revenue	**434**	**656**	**693**

Accommodation

Overview

Through its proprietary travel tech platform, HBX Group's mission is to bring simplicity to the travel world, acting as a critical facilitator to connect suppliers of hotel accommodation and B2C distributors for the sale of hotel rooms in a market characterised by high fragmentation and increasing complexity and where approximately 52% of volumes were sold through third-party distributors in 2023 (*source: Company Industry Sources*). During FY 2024, HBX Group offered more than 250,000 hotels in more than 170 markets to approximately 60,000 distribution partners. During FY 2022 and FY 2023, HBX Group focused on market recovery from the Covid-19 pandemic, increasing its share with existing suppliers and distribution partners. As a consequence, the Group achieved similar metrics in terms of overall number of suppliers and distribution partners and number of markets.

With approximately 100,000 directly contracted hotels (which represented more than 85% of its Accommodation TTV[APM] in FY 2024), HBX Group has built a large network of directly contracted hotels in the B2B travel ecosystem, which is supplemented by approximately 150,000 additional hotels, which HBX Group sources indirectly through Third Party Suppliers. Direct contracting allows HBX Group to achieve a higher Take Rate[APM] compared to sourcing from Third Party Suppliers as under the latter model the Group has less room for negotiation of attractive contract terms and the Third Party Supplier also charges a commission for the hotel room. In providing its distribution services for accommodation, HBX Group acts as merchant of record, negotiating discounted rates with hotels, and earning a mark-up on the sale of hotel rooms to its distribution partners.

During FY 2024, an average of 3,418 FTEs (including outsourced workers) were working for the Group's Accommodation product line (3,419 and 3,055 in FY 2023 and FY 2022, respectively).

Suppliers

HBX Group sources its accommodation inventory from hotels through direct contracts, representing more than 85% of the Group's Accommodation TTV[APM] during FY 2024, FY 2023 and FY 2022, respectively, and indirectly via Third Party Suppliers which represented less than 15% of the Group's Accommodation TTV[APM] during FY 2024, FY 2023 and FY 2022, respectively.

As HBX Group operates exclusively in the B2B market, it does not directly or indirectly compete with hotels for end consumers. See section "*Presentation of Financial Information and Other Important Notices—HBX Group market position*". The Group uses two different ways of integrating directly contracted hotels within its distribution platform: hotels are either uploaded by HBX Group onto its booking engine or the hotels are integrated directly into the Group's travel tech platform through technological connections such as API, web or apps. The ways of integration are defined based on hotel preference and technical capabilities.

For directly contracted hotels, HBX Group enters into supply agreements with hotels which contain pricing and other terms, such as among other things, the number of rooms that the relevant supplier reserves for HBX Group for a given date, the type of room that the relevant supplier offers HBX Group for a given date or the provision of additional tech-enabled services for the offer and sale of accommodation via HBX Group to B2C travel distributors. If those rooms are not sold by a certain point in time, they are released and made available for the hotel to sell, without cost for HBX Group. In addition, for certain suppliers, in particular suppliers from regional chains and independents but also for global chains, HBX Group negotiates SPAs. SPAs deliver benefits to both

HBX Group and its suppliers, as hotels gain superior customer reach and higher volume, while HBX Group obtains more attractive commercial terms. See "*—Supplier Preferential Agreements*" below.

HBX Group also distributes hotel rooms sourced through Third Party Suppliers through technological connections such as API, web or apps. Third Party Suppliers complement the Group's directly contracted hotel portfolio by feeding its curated portfolio with hotels in markets which the Group considers to be non-core destinations, where barriers of entry exist or where direct contracting is not economically efficient as a result of low volumes. This supplier structure allows HBX Group to provide its distribution partners with access to the best possible accommodation offering. Each Third Party Supplier is subject to financial, regulatory, security and technological assessment before any connection is established. During the connectivity building process, HBX Group carries out tests in specific designed environments with the purpose of assessing that such connection is performing according to each party's expectations and acceptance criteria. HBX Group has a dedicated team who monitors and manages these connections. Any performance or security issue triggers an action by this dedicated team and results in disconnection or changes in the existing configuration.

The Group has procedures in place designed to ensure the quality of the products it offers on its platform, considering elements like hotel ratings (with most of its accommodation portfolio being composed of three to five-star hotels), sustainability and health and safety standards. HBX Group also has the ability to terminate contracts with any supplier if it considers that it does not meet the quality required to be distributed through its platform.

As a result, by providing suppliers with access to the Group's distribution partner network, including high-value distributors, the former are able to maximise the volumes that they can obtain using this channel.

Archetypes of suppliers

The Group distinguishes between three main archetypes for its accommodation supplier base: global chains, regional chains and independent hotels. See section "*Industry Overview—The Accommodation Market—Supplier dynamics*" for a description of these archetypes.

The following table sets out the evolution of the split of the Group's Accommodation TTV^{APM} (including directly contracted hotels as well as Third Party Supplier sourced hotels) between the different archetypes of accommodation suppliers for FY 2022, FY 2023 and FY 2024, respectively.

	FY 2022	**FY 2023**	**FY 2024**
Global hotel chains	28%	27%	24%
Regional hotel chains	44%	44%	48%
Independent hotels	28%	29%	28%
Total	**100%**	**100%**	**100%**

HBX Group's primary sourcing in its Accommodation product line derives from regional chains and independent hotels, as their distribution characteristics are more favourable to B2B travel marketplaces, such as the Group, or other B2B distributors. Global chains tend to have a higher weight in direct channel distribution due to their size and scale but also rely on distribution by B2B travel marketplaces, such as HBX Group, or other B2B distributors for an important part of their sales.

Third Party Suppliers

HBX Group engages in commercial relationships with Third Party Suppliers to enlarge the property portfolio offered to its distribution partners in markets which the Group considers to be non-core destinations, where barriers of entry exist or where direct contracting is not economically efficient as a result of low volumes. Through Third Party Suppliers, such as other B2B travel distributors, HBX Group is able to access accommodation inventory from hotels that do not have a direct contractual relationship with the Group. In these cases, the Group's commission over the Third Party Suppliers' price for such hotel rooms is calculated before they go live on the Group's platform. During FY 2024, hotel rooms sourced through Third Party Suppliers accounted for less than 15% of the Group's Accommodation TTV^{APM}.

HBX Group does not use a defined contracting model for sourcing hotel rooms from Third Party Suppliers. Instead, the price of the rooms sourced through Third Party Suppliers that HBX Group offers to its distribution partners is determined in the Third Party Supplier's booking engine at the same time that such hotel room is acquired by HBX Group's distribution partners.

Global footprint of HBX Group's Accommodation supplier base

HBX Group benefits from global reach with an accommodation inventory sourced from more than 250,000 hotels in more than 170 markets during FY 2024, of which approximately 100,000 were directly contracted and over 150,000 were sourced through Third Party Suppliers. HBX Group has a strong supplier footprint in Europe, where 53% of the Group's Accommodation TTV^{APM} (in terms of location of hotels) was generated during FY 2024, followed by the Americas, which accounted for 28% and MEAPAC which accounted for 19%.

The following table sets forth a breakdown of the Group's Accommodation TTV^{APM} by region and accommodation supplier archetype for FY 2022, FY 2023 and FY 2024.

	FY 2022			FY 2023			FY 2024		
	Europe	**Americas**	**MEAPAC**	**Europe**	**Americas**	**MEAPAC**	**Europe**	**Americas**	**MEAPAC**
Global hotel chains	15%	44%	31%	15%	41%	25%	14%	43%	26%
Regional hotel chains	49%	39%	43%	50%	41%	48%	51%	40%	49%
Independent hotels	36%	17%	26%	35%	17%	26%	35%	17%	25%

Supplier concentration

HBX Group believes it benefits from a well-diversified supplier base in terms of supplier category, geography and size. During FY 2024, the top 1,000 suppliers (excluding Third Party Suppliers) in terms of cumulative TTV^{APM} accounted for approximately 22% of the Group's Accommodation TTV^{APM} (22% during FY 2023 and 24% during FY 2022). During the same financial year, the top five Third Party Suppliers in terms of cumulative TTV^{APM} represented less than 10% of the Group's Accommodation TTV^{APM}. Moreover, during FY 2024, 53% of the Group's Accommodation TTV^{APM} (in terms of location of hotels) was generated in Europe, of which 13% derived from Spain, 7% from Italy and 5% from the United Kingdom, while 28% was generated in the Americas, of which the United States accounted for 16%, and 19% was generated in MEAPAC. As a result, HBX Group believes that it benefits from a relatively low supplier concentration risk.

Supplier turnover (churn)

The Group benefits from long-standing relationships with a large number of its suppliers and, as a result, its supplier turnover (or churn) is low, amounting to less than 1% for FY 2024. The Group calculates supplier churn for a particular financial year (the "**relevant financial year**") by identifying those suppliers that generated TTV^{APM} in the financial year immediately prior to the relevant financial year (the "**previous financial year**") but had no TTV^{APM} contribution during the relevant financial year and dividing their aggregate TTV^{APM} in the previous financial year by the total Accommodation TTV^{APM} of the relevant financial year. In FY 2024, hotels representing approximately 85% of the Group's Accommodation TTV^{APM} for directly contracted hotels had been with HBX Group for at least six years on average.

The Group believes that this low churn ratio evidences the highly beneficial value proposition that HBX Group offers its suppliers.

Supplier contracts and pricing

HBX Group believes the tailored value proposition it offers to its suppliers is a main driver of its competitiveness.

The Group has a fully dedicated and specialised commercial team in charge of negotiating and putting in place contracts with its directly contracted suppliers. HBX Group's team is focused on the ongoing optimisation of such contracts with the objective of offering attractive market conditions. Contracts with suppliers have typically a duration of one year and often include customary renewal clauses. Such contracts are also the subject of ongoing revisions and renegotiations.

The Group engages with suppliers using bespoke strategies, providing HBX Group with flexibility to make tailored propositions while keeping a high level of control over the commercial relationship. For example, certain suppliers offer HBX Group their hotel rooms under a "free sale model" where HBX Group sells rooms to its distribution partners until the supplier notifies the Group that there are no more rooms available for a given date or for a specific category. Other suppliers agree on an allotment size with HBX Group, meaning that a given number of rooms for a given date are reserved for HBX Group to sell. If those rooms have not been sold by a specific date, these rooms are released and made available for the supplier to sell via its own direct distribution channel, without cost for HBX Group.

In relation to cancellations, for those rates that allow cancellations, each supplier has the flexibility to choose the period until when a cancellation may be possible, as well as the cost of such cancellation. Cancellation terms are agreed with the supplier and provided to the distribution partner when using the Group's platform, as well as to the end consumers at the moment of the booking. In the event of a cancellation where penalties apply, these are enforced throughout the value chain which means these cancellation penalties are ultimately paid by the end consumer. In certain cases, HBX Group also agrees specifically with suppliers that in the event a booking is cancelled, HBX Group is entitled to offer that room again. During recent years cancellation rates have been stable with the exception of the Covid-19 period, when suppliers were more flexible towards end consumers in relation to cancellation policies.

In addition, for certain suppliers, the Group enters into override agreements, under which the Group agrees to receive a specified financial incentive from the supplier upon reaching predetermined hotel room distribution volume thresholds. These agreements may also include collaborative marketing initiatives executed by the Group to promote hotels, enhancing their visibility and driving additional bookings.

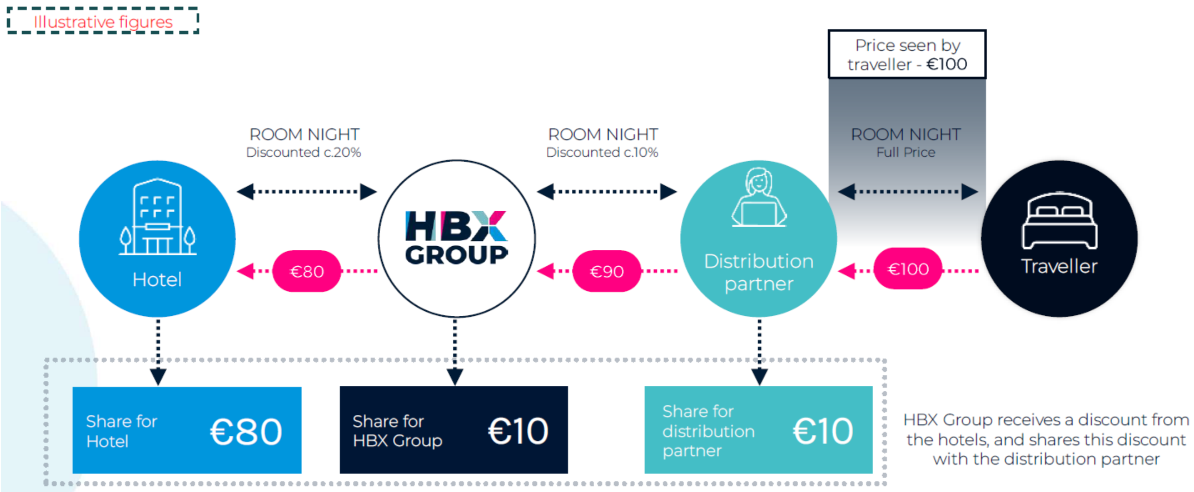
Lastly, for certain suppliers, in particular regional hotel chains and independent hotels but also for global chains, HBX Group negotiates SPAs. Under these agreements, HBX Group typically negotiates attractive conditions (like pricing, availability or a combination of both) with directly contracted hotels in exchange for differentiated commercial arrangements such as, among others, rate differentials, larger allotments or exclusivity related to a market. See "—*Supplier Preferential Agreements*" below.

Although hotel room prices for end consumers may fluctuate throughout the year, mostly based on seasonality, the mark-ups agreed upon for a specific rate type (as a percentage over the hotel room price) remain stable regardless of the time of year. However, hotels may offer different rate types, and the availability of these rate types is determined by each supplier on an individual basis.

With regard to pricing strategies, HBX Group's policy is to follow the needs and preferences of its suppliers, considering the negligible implications on the Group from a margin perspective.

In relation to the payments flow, hotels usually receive payment for the rooms from HBX Group after HBX Group has received the net room price (i.e., the final room price minus the mark-up for the distribution partner) from its distribution partners and the Group's commission has been deducted. This commission is deducted from the selling price at the time the booking for a room is generated. The payment period for HBX Group to pay hotels in FY 2024 was approximately 40 days after the scheduled check-in date of the relevant end consumer, while the payment period for the distribution partner to pay HBX Group was approximately 15 days. This difference between days receivables and days payables generated negative working capital for HBX Group during FY 2024. The amounts so received by distribution partners are added to cash before payment is made to suppliers. See section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Cash flows—Net cash inflow from operating activities*".

In providing its accommodation distribution services, HBX Group acts as merchant of record, negotiating discounted rates with hotels, and earning a mark-up on the sale of hotel rooms to its distribution partners. The below diagram depicts an illustrative and simplified version of the Group's Accommodation business model.



Lastly, HBX Group plans to leverage innovative AI and data analytics tools, including ML algorithms to optimise the pricing decision-making process and deliver automated demand-based considerations to optimise pricing results. Through the use of such a dynamic pricing model, HBX Group expects to be able to improve its margins through optimised pricing, grow TTV[APM], capture demand and improve customer satisfaction by better addressing customer needs.

Supplier Preferential Agreements

For certain suppliers, in particular suppliers from regional chains and independents but also for global chains, HBX Group negotiates SPAs. SPAs deliver benefits to both HBX Group and its suppliers, as hotels gain superior customer reach and higher volumes, while HBX Group obtains more attractive commercial terms (like pricing, availability or a combination of both) with directly contracted hotels in exchange for differentiated commercial arrangements such as, among others, rate differentials, larger allotments or exclusivity related to a market. Most of these predetermined volumes are for annual or multiannual periods and also cover high seasons. During FY 2024, SPAs were signed with approximately 6,200 hotels, representing 21% of the Group's Accommodation TTV^{APM}. The remaining components of the Group's Accommodation TTV^{APM} during FY 2024 corresponded to directly contracted hotels where no SPA was in place (66%) and Third Party Suppliers (13%).

During FY 2024, a study conducted by one of HBX Group's top distribution partners using a sample of 265 directly contracted hotels that had entered into SPAs with the Group during FY 2024 showed how distribution partners benefit from access to the Group's global and curated hotel portfolio, with 46,000 hotels booked across all supplier archetypes in more than 3,300 destinations worldwide. This study also evidenced the prevalence and the value that the directly contracted hotel portfolio of the Group created, representing approximately 89% of the bookings. In addition, suppliers which had entered into an SPA with the Group during FY 2024 experienced a 240% increase in terms of distribution reach and volumes as well as a 15% increase in length of stay and a 26% increase in booking lead time by end consumers compared to FY 2023 when no SPA was in place.

Finally, with the purpose of assessing and mitigating any inventory risk in connection with SPAs, HBX Group has developed certain monitoring and contractual protection mechanisms. These include tools designed to forecast and monitor sales volumes. If HBX Group identifies a risk that agreed volumes are unlikely to be met for the period, it seeks to renegotiate terms with the suppliers (such as the hotel agreeing to roll over the excess allotment size). In the event that renegotiation of the terms with the supplier is not a viable option, SPAs also include termination clauses, which allow HBX Group to early terminate SPAs at any time by providing prior notice to the supplier. In the event that HBX Group is unable to renegotiate the agreed revised terms of the SPA with the supplier or to terminate the agreement, HBX Group may be required to compensate the supplier for any unsold rooms that are part of the predetermined volumes agreed under the SPA. However, no material inventory risk under SPAs has materialised in the past, including during the Covid-19 pandemic.

Advanced analytics system and comprehensive data offering for hotels

The Group has developed an advanced analytics system and a comprehensive data offering for the travel sector to provide suppliers with valuable insights that go beyond simply comparing their performance to competitors. Leveraging its technology platform, HBX Group is able to provide actionable data analytics and insights to hotels with a view to improving their business through analytics by providing access to customised benchmark data across key metrics such as ADR, lead time and length of hotel stay. These analytics not only highlight new growth opportunities for hotels but also deliver actionable plans for potential improvements. This enables hotels to increase their TTV through optimised pricing, distribution and customer strategies by offering suppliers better visibility into end consumer preferences and trends. Additionally, analytics help suppliers optimise their workforce throughout the year, benchmark against competitors, refine pricing strategies, and achieve higher occupancy rates through data-driven recommendations on pricing and availability management.

As of the date of this Prospectus, such analytics are provided to the hotels, predominantly global chains, free of charge as a loyalty tool.

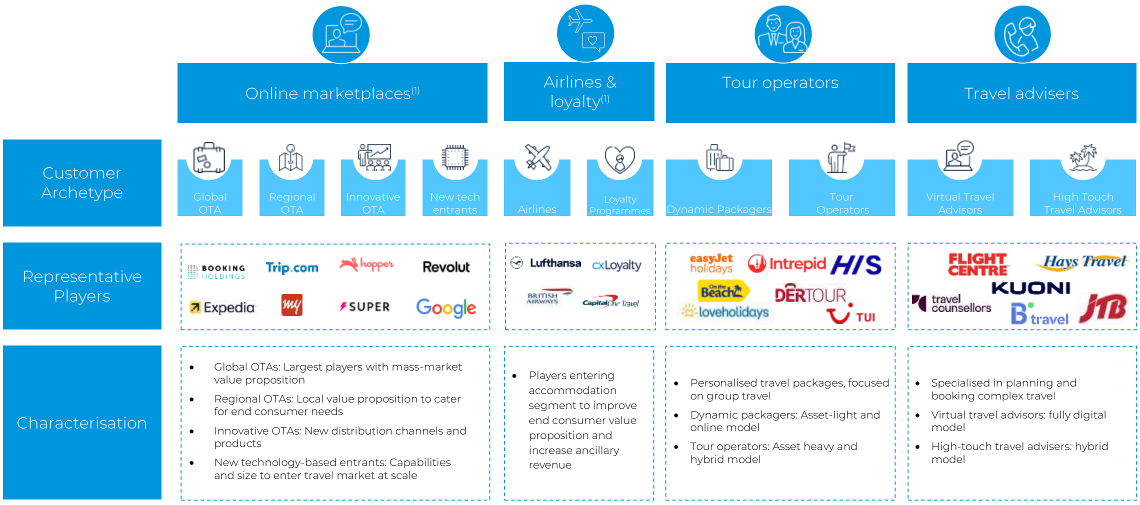
Distribution partners

HBX Group offers its accommodation inventory via its travel tech distribution platform to a broad global distribution partner base. During FY 2024, approximately 60,000 distribution partners accessed HBX Group's inventory of accommodation through its travel tech platform.

Archetypes of distribution partners

The Group's main distribution partners comprise online marketplaces, tour operators, travel advisers and airlines and loyalty programmes. See section "Industry Overview—The Accommodation Market—Accommodation Distribution Dynamics—B2C intermediary archetypes (HBX Group distribution partners)" for a description of the different archetypes of distribution partners.

The following diagram sets forth the different archetypes of HBX Group's distribution partners.



Notes:

(1) Airlines, loyalty programmes and new technology-based entrants included under Online marketplaces as external data providers do not generally differentiate or provide split between online segments.

(2) Airlines and loyalty programmes consist of B2C intermediaries/travel suppliers offering packages (such as flight plus hotel) and membership programmes that provide end consumers with access to hotel rooms at discounted rates as rewards (such as closed user group rates).

During FY 2024, 65% of the Group's distribution partners (in terms of Accommodation TTV^{APM}) were high-value distributors.

Global footprint of HBX Group's Accommodation distribution partner base

HBX Group believes its business is well established in attractive and resilient regions, such as North America and Europe, while still having significant scope for potential growth in a series of markets, both developed and at developing stages, which it plans to strategically target to unlock future growth. These markets include Canada, Colombia and Brazil in the Americas, Italy, France and Germany in Europe and Egypt, India, Saudi Arabia and Japan in MEAPAC.

In FY 2024, 47% of the Group's Accommodation TTV^{APM} derived from distribution partners in Europe, with 15% of the Group's Accommodation TTV^{APM} being generated from distribution partners in UK, 11% from distribution partners in Spain and 5% derived from distribution partners in Germany, while the United States accounted for 20%.

In addition, during FY 2024, the Group's top ten distribution partners in terms of cumulative TTV^{APM} accounted for approximately 28% of the Group's Accommodation TTV^{APM}. The Group believes that it has a healthy concentration profile, where no distribution partner has a large share of the Group's Accommodation TTV^{APM} or a long tail of clients representing a large portion of the Group's Accommodation TTV^{APM}. During FY 2024, no distribution partner (including those relating to the Group's Mobility & Experiences offering) represented more than 10% of the Group's TTV^{APM}. In addition, all of the Group's top 20 distribution partners in terms of Accommodation TTV^{APM} have been with the Group since FY 2019 or earlier.

Distribution partners turnover (churn)

The Group benefits from long-standing relationships with a large number of its distribution partners and, as a result, its distribution partner turnover (or churn) is low, amounting to less than 1% for FY 2024. The Group calculates distribution partner churn for a particular financial year (the "**relevant financial year**") by identifying those distribution partners that generated TTV^{APM} in the financial year immediately prior to the relevant financial year (the "**previous financial year**") but had no TTV^{APM} contribution during the relevant financial year and dividing their aggregate TTV^{APM} in the previous financial year by the total Accommodation TTV^{APM} of the relevant financial year. Out of HBX Group's distribution partners that generated 80% of the Group's TTV^{APM} in 2024, approximately 90% of these distribution partners had been with HBX Group for at least six years.

Additionally, the Group's Net Promoter Score ("**NPS**") in 2024 was 33 reflecting a highly satisfied distribution partner base. NPS is based on the likelihood of recommending a given business and answers can range from –100 to +100.

Distribution partner contracts

HBX Group believes the tailored value proposition it offers to its distribution partners is a main driver of its competitiveness, offering its distribution partners access to a large and curated inventory of hotel rooms across the world.

The Group has a fully dedicated and specialised commercial team in charge of negotiating and agreeing contracts with its distribution partners. HBX Group's team is focused on the optimisation of such contracts with the objective of offering attractive market conditions.

HBX Group typically enters into an API Integration Agreement with those distribution partners who connect directly to HBX Group's travel tech platform ("**API Distribution Partners**"), such as online marketplaces with their own websites, B2B distributors with their own provider system to their clients or tour operators with their own system for the retail channel, while distribution partners who connect through the Group's website (e.g., more traditional brick-and-mortar retail agencies) agree to a standard set of contracting terms and conditions when accessing the website ("**Web Distribution Partners**"). Connecting to the Group's platform via API requires certain degree of technological development on the distribution partner side, either to connect to the Group's platform directly or to connect to an intermediary third party platform. Development time depends on the capacity and resources of the distribution partner and on whether the intermediary third party platform (if applicable) is already connected to the Group's platform. See "—Key features of HBX Group's technological infrastructure" below for further information on the Group's platform architecture.

API Integration Agreement. Under this type of agreement, API Distribution Partners are granted direct access to the Group's inventory of both accommodation and Mobility & Experiences products and the Group's booking engine, which are integrated into the distribution partners' own systems via the Group's API software. The terms and conditions under the agreement apply uniformly to all products intermediated through the travel tech platform and encompass pricing (including pre-agreed commissions which are negotiated with distribution partners on an individual basis and which apply during the term of the agreement), payment mechanisms and restrictions. Such restrictions include the unauthorised blocking of rooms, which HBX Group can identify by analysing distribution partners' historical cancellation patterns or by the existence of multiple bookings under the same end consumer name.

API integration agreements can be entered into following either the "prepayment" or the "credit" model:

- *Prepayment model*: distribution partners need to pay HBX Group for the hotel room upfront to be able to complete the booking.
- *Credit model*: distribution partners can complete the booking and pay for the hotel room at a later stage.

Under either model each booking is subject to its own cancellation terms, which establish the latest time a booking can be cancelled at no cost.

API Integration Agreements typically have a term of one year with automatic annual renewals.

Web Collaboration for Non-API Distribution Partners. Web Distribution Partners agree to a standard set of terms and conditions (including standard commission) on the use of the registered web account to access the offered accommodation and Mobility & Experiences inventory and the services of the Group, when they access the Group's website. Therefore, the fees for the distribution of accommodation or Mobility & Experiences products are not individually negotiated with Web Distribution Partners but follow standard fees ranges determined by the Group for the relevant markets, although the Group may pre-agree fees with certain retail consortia whose members access HBX Group's travel inventory through its website.

HBX Group may also enter into override agreements with certain distribution partners (both API Distribution Partners and Web Distribution Partners). Override agreements complement the existing contractual relationships and can include terms, such as discounts in the form of paybacks once a certain pre-agreed volume has been reached or exclusivity (where a distribution partner agrees to use the Group as its exclusive supplier). Such paybacks are usually not immediately settled after exceeding the pre-agreed volumes. During FY 2024, the Group had override agreements in place with distribution partners which represented 55.7% of the Group's Accommodation TTV^{APM}.

HBX Group pre-screens distribution partners before they become active to identify and reject non-valid or duplicate prospects. In order to improve the Group's fraud prevention effectiveness, HBX Group is currently in the process of implementing a "Know your Client/Know your Business" solution with LexisNexis as solution provider ensuring validation against fraud and compliance criteria for all new distribution partners that access HBX Group platform through digital channels.

Advanced analytics system and comprehensive data offering for distribution partners

The Group has developed two main advanced analytical offerings for distribution partners called "Bedsonline insights" and "Compass Pro". Leveraging its proprietary technology platform and data lake, HBX Group can provide actionable data analytics and insights to distribution partners to improve their business through analytics. As of the date of this Prospectus, such tools are provided to distribution partners free of charge as a loyalty tool.

Bedsonline insights. This is a web-based portal specifically designed for Web Distribution Partners. It allows distribution partners to access markets trends and demand to enable them to anticipate end consumers' preferences and adapt their offering and pricing. It includes AI-powered data analysis into trending destinations, hotels and experiences as well as real-time market-specific data and insights.

Compass Pro. Compass Pro is a web-based portal specifically designed for API Distribution Partners. It allows the Group to deliver data and market intelligence in a user-friendly and visual format to enable distribution partners to identify pricing opportunities by type of hotel and market.

HBX Group commercial teams for suppliers and distribution partners

HBX Group is focused on establishing and maintaining strong, long lasting, partnership-oriented relationships with its suppliers and distribution partners. As a result of the operationally complex nature of the travel sector, failures and friction points frequently arise in the value chain. HBX Group has built a comprehensive customer service model, delivered from eight hubs worldwide and leveraging advanced technological and AI capabilities, to provide distribution partners and suppliers with fast, reliable service. As at the date of this Prospectus, these hubs are located in:

- Cancun, Mexico
- Barranquilla, Colombia
- Jundiai, Brazil
- Palma de Mallorca, Spain
- Bangkok, Thailand
- Beijing, China
- Tokyo, Japan
- Cebu, Philippines

As of 30 September 2024, HBX Group's on-the-ground commercial teams for suppliers and distribution partners comprised more than 820 FTEs and 240 FTEs, respectively, strategically located across Europe, the Americas and MEAPAC.

The presence of the Group's supplier commercial team in key markets ensures constant up-to-date local knowledge and expertise, which HBX Group believes, together with its face-to-face supplier relationships, creates a significant competitive advantage over its peers in the industry.

The Group's distribution partner commercial team is strategically organised twofold: by distribution partner type and by region (Europe, the Americas and MEAPAC). The team is also focused on digitalisation, which HBX Group believes is an essential tool to enable the Group to continually improve price control to minimise potential rate parity issues and enhance quality of service as well as to provide its distribution partners with detailed market insights.

The following table sets outs details of the Group's on-the-ground FTEs dedicated to suppliers and distribution partners split by regions as of 30 September 2024:

	FTEs	
	Commercial team for suppliers	**Commercial team for distribution partners**
Europe	408	108
The Americas	237	74
MEAPAC	178	65
Total	**823**	**247**

HBX Group also operates dedicated relationship contact centres to assist the Group's suppliers and distribution partners with virtual assistance and tailored support services across its eight hubs located across North America, Europe and MEAPAC.

The Group's customer service operators in these relationship contact centres can manage bookings, modifications and cancellations. Services are available 24 hours every day of the year, with an average response time of less than 30 seconds during FY 2024 with 96% of the calls answered in less than 40 seconds, only 1.4% of the bookings requiring assistance second half of FY 2024, with 93% positive feedback and high customer satisfaction with CSAT scores at 8.4 out of 9.0 during the second half of FY 2024. Additionally, there is very high employee satisfaction (employee NPS is above 47) and low attrition for FY 2024.

Complementary travel products

Further to its core Accommodation product line, HBX Group also carries on three additional product lines: Mobility & Experiences, Fintech & Insurance and Hoteltech.

Mobility & Experiences

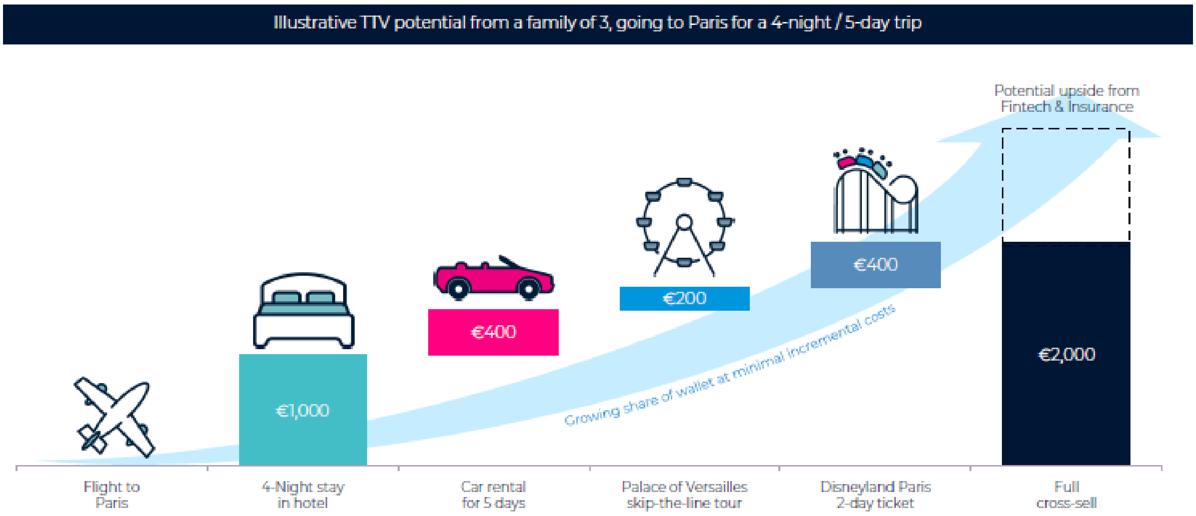
This product line focuses on the worldwide distribution of Mobility & Experiences products, such as transfer services, car rentals and travel experiences. As the market for these products is characterised by a lack of standardisation, immature technology and high fragmentation, HBX Group leverages its scale, expertise and distribution partner base by acting as an aggregator for the offer of a wide variety of Mobility & Experiences products across the world. The business model is similar to that of the Accommodation product line, yet the additional added value in this case lies in the digitalisation and sale of the services in a scalable manner, which the Group believes would otherwise be hard for Mobility & Experiences suppliers to achieve, given their lower digitalisation level and the dependency on tech platforms and other aggregators (which is particularly relevant for activities, but also small and medium transfers and car rental businesses). HBX Group offers these products to its distribution partners by leveraging the same proprietary travel tech platform and channels used in the Group's Accommodation product line (i.e., API and web), thereby allowing distribution partners to search for Mobility & Experiences products using the same interfaces as for accommodation products. This product line significantly enhances the Group's overall value proposition by combining highly complementary travel products with its Accommodation product line to create an all-in-one B2B travel marketplace. During FY 2024, 20% of transactions in the Accommodation business line were attached to a transaction in the Mobility & Experiences business line, whereas the majority of transactions in the Mobility & Experiences business line were attached to a transaction in the Accommodation business line.

During FY 2024, an average of 320 FTEs (including outsourced workers) were working for the Group's Mobility & Experiences product line (286 and 246 in FY 2023 and FY 2022, respectively).

HBX Group's ambition to be the preferred travel tech all-in-one ecosystem player for travel suppliers and B2C travel distributors drives the need for leadership in complementary travel products, such as those offered in the Group's Mobility & Experiences product line. The connected trip is the next phase in travel distribution as it digitises all segments in the travel industry along the entire journey and provides tangible benefits to end consumers such as simplified booking process, reduced friction, personalised recommendations and reduction of travel inconveniences and uncertainties. HBX Group acts as a single source for its distribution partners and indirectly for end consumers to be able to book an end-to-end journey with a single intermediary that offers all services and products as a one-stop-shop significantly reducing the end consumer's efforts to manage its bookings, including modifications and cancellations thereof, if necessary.

The total addressable market for complementary travel products represented approximately €44 billion in 2023 and is fast growing with 13% expected growth in the 2023-2027 period (all figures referring to B2C distributors; *source: Company Industry Sources*). It is also seen as a natural adjacency for HBX Group's Accommodation proposition as it combines highly complementary products with accommodation, yields significant operating synergies, leverages the Accommodation distribution partner base and acts as an incubator and growth engine for Accommodation due to the underpenetration of the end markets. Accordingly, the Group benefits from a loyal base of distribution partners for this product line, with 90% of the Group's top ten distribution partners having been with HBX Group since 2018. Moreover, market research shows that approximately 69% B2B distributors should increase business with their accommodation partners based on their Mobility & Experiences offering (*source: Company Industry Sources*).

The Group's Mobility & Experiences product line shares a similar business model with its Accommodation product line, leading to substantial operational synergies. HBX Group leverages its distribution capabilities and relationships from its Accommodation product line to offer specialised complementary travel products to its distribution partner base, many of whom lack the scale to source such types of products directly from suppliers. The Mobility & Experiences product line capitalises on cross-selling opportunities throughout the entire journey of the end consumer, allowing HBX Group to increase its "share of wallet" while maintaining the distribution partner acquisition cost for HBX Group as well as the end consumer acquisition cost for distribution partners intact. The following diagram illustrates how the connected trip allows for significant cross-selling opportunities.



In providing its distribution services for Mobility & Experiences products, HBX Group arranges the sale of such travel products between suppliers and distribution partners and earns a mark-up on the sale. In relation to cancellations, each booking is subject to its own cancellation terms, which establishes the latest time a booking can be cancelled at no cost. Cancellation rates are based on the relevant supplier contract. In case of transfers, the Group's current contract allow for cancellation 24 hours prior to pick-up and are standardised across the Group's supplier terms, while in case of car rental and experiences, cancellation is based on the relevant supplier cancellation policy, which varies from supplier to supplier. During FY 2024, approximately 18.6% of the services initially contracted under this product line were cancelled (18.5% in FY 2023 and 21.4% in FY 2022) of which 26% related to experiences, 15% related to transfers and 26% related to car rentals.

Transfers

HBX Group provides access to pre-booked ground transportation, offering both private and shared transfer options. During FY 2024, the Group's transfers supplier base comprised approximately 350 suppliers and offered transfers in over 9,000 routes and more than 170 markets worldwide through its travel tech platform.

HBX Group's pre-booked ground transportation offering comprises a wide selection of transfer services, including, among other things, private transfers (which can include meet and greet services at airports), shared vehicles across a global network (including standard and premium shuttles) as well as bespoke transfers such as complex group transfers, luxury transfers, limousines, water taxis and helicopters.

Through its curated complementary offering of transfer services, HBX Group provides a simplified and standardised product offering to B2C travel distributors and is able to cater to any type of distribution partner on most routes from most airports globally. As an example, private door-to-door transfers is seen as an especially good fit for high-value distributors while HBX Group also offers high quality shared vehicles at competitive rates for other distribution partners.

Additionally, and with the aim of ensuring a high-quality service, HBX Group has a strict supplier vetting process in place to ensure suppliers meet compliance standards such as service-level agreements and health and safety requirements.

Travel experiences

With the rise of experiential travel, the travel experiences product line is essential for the full ecosystem offering that HBX Group aspires to provide to new and existing distribution partners alike. For FY 2024, HBX Group offered more than 23,000 travel experiences in over 780 destinations sourced from approximately 2,000 suppliers.

HBX Group's travel experiences portfolio offers a wide range of experiences including, among other things, iconic theme parks, water parks, a large variety of guided tours (such as art and culture, zoo, aquarium and nature tours), day and multi-day city and cultural tours, trips and excursions and other activities (such as spa passes, air, helicopter and balloon tours, adventure, outdoor, gastronomy and nightlife activities) worldwide.

The travel experiences offering is considered a high-growth vertical which is of interest to HBX Group. While, as of the date of this Prospectus, there are no significant barriers to entry, the market is highly fragmented and the supply side remains largely undigitalised. These challenges are mitigated by the integration of various platforms, including those in which HBX Group is involved. In addition, HBX has a range of diversified partnerships for travel experiences with renowned operators of theme parks, such as Disneyland (Paris, Orlando and California) and Universal and providers of sightseeing tours, such as Big Bus, City Wonders and Go City.

Car rentals

The Group's car rental offering is the most mature vertical of the Mobility & Experiences product line. For FY 2024, the Group's car rental supplier base comprised over 500 suppliers, of which approximately 75% were local suppliers and included over 30,000 car rental pick-up points in over 170 markets and over 2,000 destinations. HBX Group was the second largest player worldwide in terms of TTV in the B2B car rental sector in 2023, which is a market with high barriers to entry, with Cartrawler being the leading direct competitor (*source: Company Industry Sources*). The car rental market is subject to some market concentration of dominant international players such as Avis or Hertz, complemented by local small and medium-sized players that provide expertise and knowledge in each market. The ability to provide a mix of international and local products is crucial to an appealing value proposition to distribution partners. Given the high fragmentation of local players in this market, the Group believes that building a network of relevant suppliers represents a barrier to entry.

Through its car rental offering, HBX Group aims to consolidate and simplify a complex and fragmented car rental market, offering competitive prices through its relationships with supplier partners and advanced pricing tools. HBX Group's global and diversified supplier base includes a number of major global suppliers in the car rental industry and is complemented by a network of long-tail suppliers which are leisure-focused and with which the Group negotiates competitive tailored rates due to its privileged relationship with suppliers. HBX Group's standardised portfolio includes a variety of different car types.

The Group believes its differentiated travel experiences offering provides it with vast cross-selling and packaging opportunities within its existing distribution partner base in a very fragmented, under-digitilised way. HBX Group aims to continue to focus on curated offerings of top selling activities to increase recurrent sales. For example, 67% of theme park products sold by the Group during FY 2024 were purchased by repeat distribution partners.

Hoteltech

Operating under the "Roiback" brand, this product line focuses on offering white label tailored software solutions and analytics services for hotels to optimise their direct online channel booking engines, web design focused on content and usability, digital marketing and customer service, addressing the needs of hotels to gain more control over their inventory distribution and allowing HBX Group to benefit from hotels' direct channel sales. HBX Group provided an all-in-one offering booking engine, web design, digital marketing and customer service solutions to approximately 2,000 mid- and small-sized hotels in 20 countries during FY 2024.

During FY 2024, an average of 244 FTEs (including outsourced workers) were working for the Group's Hoteltech product line (210 and 158 in FY 2023 and FY 2022, respectively).

HBX Group's hoteltech tools supports a wide range of hotels, from mid-size hotels to large chains, allowing their business to meet end consumer demand directly through a digital go-to-market strategy and tailored customer service. Roiback allows hotels to optimise their direct online sales channels, thereby increasing their direct channel sales and protecting their margins. To that end, Roiback provides a number of tailored tech solutions:

- *Booking engine*: Roiback's booking engine solutions cover the whole sale cycle of the direct sales channel, from search to booking and sending the booking confirmation and is available for all hotel categories. This also includes a "lite" version, which is more standardised and scalable, to address the needs of smaller independent hotels with a user-friendly three-step booking process. For this solution, Roiback won the World's Best Hotel Booking Solutions Provider award at the World Travel Tech Awards in 2021, 2022, 2023 and 2024.
- *Web development*: Roiback offers web design services, including, among other things, content creation and usability performance assessment. One of the key products offered under this service is the design of personalised webpages for all hotel categories, capable of delivering tailormade websites with SEO-friendly content, available in more than 20 languages.

- *Online marketing*: Roiback also provides digital marketing services aimed at increasing the performance of paid and unpaid traffic and web analytics reporting tools. These online marketing services include, among other things, SEO, SEM, display retargeting, affiliate and email-marketing, metasearch, social media management and booking recovery services. The booking recovery services activate when the relevant end consumer abandons the shopping cart or does not complete the payment process. In these cases, the system generates reminder messages to help the end consumer finalise the booking or payment process.
- *Customer service solutions*: Roiback supports hotels building and executing their direct channel strategy allocating specialists who participate in this process. This service is perceived by hotels as a high value service as the Group has built an expert team whose aim is to optimise the hotels' technology. Furthermore, these solutions also include call centre customer service options.

For these services, HBX Group charges either (i) a variable commission on sales of hotel rooms made through the relevant hotels' direct online channel or (ii) a technology fee, which is a flat fee payable on an annual basis.

- *Variable commission*: the commission obtained by Roiback is based on the number of core services contracted by the hotel (e.g., booking engine, web development or digital marketing). The more services contracted, the higher the final commission charged to the distribution partner. Additionally, Roiback applies discounts based on expected volumes either directly on the commission or through cumulative tiers based on volumes reached. However, all commissionable contracts require a minimum fee to guarantee a minimum profitability.
- *Technology fee*: this annual flat fee is charged where the Group considers the variable commission model not to be attractive. For example, in the case of global chains, Roiback negotiates ad hoc prices based on the hotel's size within the chain and the number of services contracted, while in the case of independent hotels or small chains, Roiback provides a "Software as a Service" model with packs at different prices based on the number of services contracted.

Additionally, in some instances, the Group also charges a recurring fixed digital services fee relating to standalone digital marketing services, which is linked to the marketing investment committed by the relevant hotel. The scope of these services as well as the fixed fee amount are recorded in annual agreements.

Fintech & Insurance

This product line represents the most recent addition to the Group's product offering and aims to leverage the large distribution partner network and volume of transactions HBX Group manages (approximately 20 million transactions per year and €14 billion of total payment flows for FY 2024, comprising both inbound and outbound payments). Launched in January 2023, it focuses on the offering and development of financial products with strategic partners, such as Mastercard, Voxel, JP Morgan Chase, Citi, Barclays, Wex, Adyen, Klarna, Stripe, Worldpay or Battleface, through HBX Group's 100% cloud-native proprietary tech platform to both (i) optimise HBX Group's core business by reducing costs and increasing revenue and (ii) offer innovative payment, financial and insurance solutions to its distribution partners and suppliers ensuring that HBX Group is able to scale new products at a faster pace into its ecosystem. The Group's commercial fintech and insurance solutions are and will be aimed at enabling its suppliers and distribution partners to unlock additional value through multiple tech-based optimisation and commercial initiatives providing significant savings for distribution partners. As at the date of this Prospectus, HBX Group is offering six payment and insurance products, three of which are fully operational and three of which are at an early stage or pilot phase.

During FY 2024, an average of 28 FTEs (including outsourced workers) were working for the Group's Mobility & Experiences product line (7 in FY 2023 and none in FY 2022, respectively).

The Group's strategy involves leveraging its existing core salesforce, 100% cloud-native technology platform, internal know-how and strategic partnerships with leading third-party service providers to offer an innovative, integrated and diversified suite of financial services offerings. With the idea of expanding their customer base through lower cost payments, reduced fraud rates, lower transactions decline rates and more payment methods accepted.

The cloud-native platform enables HBX Group to offer financial services seamlessly worldwide while complying with local regulation at minimal cost (i.e., no physical infrastructure). Additionally, the extensive integration ecosystem (i.e., from property management to booking systems) minimises the investment in financial products and at the same time enables building a sophisticated and open-source technology to develop new products efficiently, with accurate risk profiling and pricing models with historical transaction data both from suppliers and distribution partners.

The Group is implementing initiatives for the monetisation of multiple fintech revenue streams, which can be mainly classified in:

- *Open loop flows*: transactions where HBX Group's distribution partners use the HBX Group VCC to pay other suppliers. The VCC programme unlocks a new revenue stream by collecting fees on travel agency transactions with other B2B players. HBX Group estimates its current addressable market for open loop flows at around five times the current trading volume that HBX Group currently makes, i.e., the VCC opportunity stands at approximately €12 billion of which HBX Group's addressable flow is about €2.3 billion.
- *Closed loop flows:* transactions where HBX Group's distribution partners use the HBX Group virtual card to pay HBX Group. HBX Group is able to capture incremental revenue from transactions with existing distribution partners through the VCC programme, opening a significant market opportunity. HBX Group estimates its current addressable market for closed loop transactions at around €2.3 billion out of the €7.1 billion total third-party collections it has. This results from excluding markets where HBX Group's partner does not have licence to operate (€0.9 billion), where the distribution partner is too large to be addressed as it already has a similar solution from a bank (€3.2 billion) and where distribution partners are not currently in scope for the programme (€0.7 billion).

Current solutions and tools – internal optimisation tools

As of the date of this Prospectus, HBX Group has launched three fintech tools to optimise its own payment operations.

Pay-In. This tool leverages the Group's new payment orchestration capabilities, optimising the payment performance for payments from its distribution partners and thereby reducing the Group's costs associated with accepting such payments. The Pay-In solution was launched in March 2023 and includes the integration of dynamic routing in incoming payment processes through multiple payment service providers based on defined criteria as well as the optimisation of incoming credit card payments from distribution partners. This results in increased rebates for such transactions and reduced merchant fees payable by HBX Group for such incoming payments. This process is mainly applicable for B2B2C transactions where the Group acts as merchant of record, i.e., where payments from end consumers are received by HBX Group and where the Group subsequently pays the relevant commissions to each of the parties involved in such transactions.

Pay-Out. This tool was launched in January 2023 and is deployed by HBX Group to increase rebates on VCC based payments made by the Group to hotels. Income is dependent on the volume and amount of the incentives paid to the Group by the provider (issuer) of these cards for payments made to suppliers. HBX Group's manages a portfolio of issuers through the Group's in-house fintech team that negotiates commercial terms and incentives with issuers and card plans and allocates spend among issuers to maximise revenue and payment acceptance performance.

FX. HBX Group uses certain FX fintech tools for optimising the FX costs related to its business. These solutions are being deployed in conjunction with a strategic partner and were launched in July 2023. HBX Group deploys an internal hedging strategy hence managing exchange events by leveraging its presence among multiple currency regions through the netting of core FX flows in key currency pairs to match incoming and outgoing payments, thereby reducing FX costs. During FY 2024, approximately 60% of bookings involved an FX component.

Future solutions and tools

HBX Group plans to launch additional fintech solutions and tools for its distribution partners and suppliers in the near future. It also plans to become an insurance marketplace for B2B insurance and act as an enabler for B2C insurances for HBX Group's distribution partners and sourcing network. However, the Group is not planning on offering any of these products or solutions to its competitors.

Cash Advance. This product would offer distribution partners and suppliers access to fast and flexible financing. This solution would be particularly aimed at smaller distribution partners or hotels, which may require cash during periods of low trading due to seasonality. The Cash Advance solution would be offered by the Group as a "white label" product in a partnership model with a third-party lender. HBX Group would connect potential borrowers with the third-party lender and receive an upfront commission based on the borrowed amount once a financing application of a distribution partner or supplier is approved. Such commission would not be subject to chargeback in the event the borrower defaults, i.e., HBX Group would take on no credit risk on the borrower and retain the commission in any event.

VCC (Virtual credit card). As a natural evolution of the successful inhouse VCC programme, the group plans to expand this offering to its distribution partners, meaning that a travel adviser will get access to HBX Group VCC and earn an incentive every time it is used to pay for a B2B travel event. HBX Group has built this solution together with Mastercard and a set of issuing banks. *Buy-Now Pay-Later.* As part of the payment orchestration platform HBX Group plans to offer *Buy-Now Pay-Later* as a payment method. This initiative involves distribution of *Buy Now Pay Later* payment option to the Group's distribution partners and suppliers for their end consumers using a portfolio of leading providers with a particular focus on deploying in markets where installments are a preferred or emerging payment option, thereby increasing basket size and conversion rates. This solution would work on a referral basis, where HBX Group would not conduct any consumer credit activities and such referral would not create a direct relationship between HBX Group and end consumers.

Insurance. HBX Group plans to offer two different insurance solutions. The first relates to business insurance for its suppliers and distribution partners that cover specific risks affecting their businesses in the travel ecosystem (e.g., insolvency or civil liability insurance) where HBX Group would connect suppliers and distribution partners with insurance providers. The second relates to B2C insurance, where HBX Group would act as a technical service provider for selected insurance products aimed at the traveller market and which distribution partners could add to their B2C offering through e-commerce channels. HBX Group would monetise these solutions by earning a commission when such insurances are sold through its travel tech platform. Both solutions would work on a referral basis, where HBX Group would not conduct any insurance or reinsurance brokering activities and such referral would not create a direct relationship between HBX Group and end consumers.

New product offerings

HBX Group constantly thrives to innovate and to expand into other strategic verticals, such as dynamic packaging and luxury travel solutions.

<u>PerfectStay</u>

PerfectStay is a leading dynamic packaging technology provider, with vast customer experience, real time automation, smart pricing and AI driven curation, and able to generate highly tailored products for improved cross-selling and new marketing channels that improve sales conversion.

On 19 June 2024, the Group acquired a minority stake (25%) in PerfectStay for a total amount of €32 million with the purpose of developing a highly synergistic partnership. The Group also has two call options to acquire the remaining shares in PerfectStay. The first call option provides for a consideration of a fixed amount totalling €101,250,000 (subject to increases at a 20% annual interest rate adjusted quarterly until 28 February 2026) for the remaining 75% stake and can be exercised after signing until 28 February 2026. The second call option's consideration is split in two instalments that consist of a fixed amount of €112,500,000 and a second instalment to be calculated based on PerfectStay's performance in the financial year 2026. The second call option may be exercised from 1 March 2026 until 31 May 2026. As at the date of this Prospectus, the Group has not yet made a decision regarding the exercise of these options and the relevant funding source that it would use to pay the relevant consideration thereunder.

Following the investment of HBX Group in PerfectStay, the Group has signed agreements with three airlines, which together served approximately 120 million airline passengers in 2023, and has a pipeline which includes ten additional airlines, which together served approximately 500 million airline passengers in 2023, as well as other commercial partners including e-commerce players, financial institutions, hotels and retailers (such as Veepee, Showroom Privé and HolidayPirates, among others).

Leveraging advanced technology and data, HBX Group and PerfectStay aim to boost revenues and improve user experience while also enhancing customer loyalty programmes and consumer platforms ensuring a seamless and rewarding travel experience for end consumers. The Group believes PerfectStay is the perfect match for HBX Group to strengthen its B2B2C offering, its ability to generate highly tailored products for improved cross-selling and new marketing channels that improve sales conversion.

<u>The Luxurist</u>

Luxury is a fast-growing sector with lower cyclicality in downturns and an estimated annual spend of approximately €1.3 trillion in 2023, of which €83 billion corresponded to hospitality (*source: Company Industry Sources*). On 25 November 2024, the Group decided to partner with David Amsellem, former founder and CEO of John Paul (acquired by Accor) in relation to "The Luxurist", a first-rate luxury player, with the purpose of establishing a joint venture that could ensure agility and capture the high-growth potential and best market exposure within the luxury market.

Luxury brands are generally reluctant to distribute their content through traditional bedbanks, and existing specialised players lack the scale and end-to-end service offering to cater to the needs of such brands. Additionally, the standard model of online marketplaces does not provide the necessary personalised and tailored services (such as concierge services) or luxury perks (such as late check-outs by default). On the other hand, small regional players provide the local expertise and presence but have limited scalability and no access to global supply and distribution and B2C luxury intermediaries have a limited client base and supply reach. The Group believes that all of the above makes HBX Group a clear partner both for destination management companies and luxury partner distributors.

The Luxurist aims to be the premier ecosystem connecting the world's leading luxury travel professionals with exceptional properties in an industry that is seeing strong demand for innovation. The platform, which has a portfolio of over 3,300 properties across 141 countries, is dedicated to elevating the luxury travel experience by making it seamless, reliable, and extraordinary through the use of AI and its unique software capabilities. The Luxurist serves as a concierge empowering travel advisors with a curated collection of world-class destinations and properties, providing hoteliers with access to high-value guests, and offering travellers exclusive privileges and benefits.

Through this product line, HBX Group expects to be able to not only capture additional revenues streams via concierge fees or travel app companion, but also increase its base of suppliers and distribution partners through AI and data driven scalable models with the aim of outperforming volume growth and achieving higher margins.

Key features of HBX Group's technological infrastructure

A key feature of HBX Group's technological infrastructure is its capability to use APIs to seamlessly integrate suppliers' and clients' own systems and platforms into HBX Group. Moreover, the Group's platform is modular in nature, allowing HBX Group to offer both stand-alone and bundled solutions to its distribution partners. It is provided on an omni-channel basis, delivering user access via a range of different media, including apps, web or APIs. HBX Group's platform is also capable of analysing and processing a wide array of data insights to enable smarter decision-making for its distribution partners and other clients. Through the use of innovative AI and ML technology, HBX Group also provides predictive models (such as algorithms with ML capabilities), revenue maximisation and fraud management tools to distribution partners and suppliers.

HBX Group's platform's open-source approach offers a number of benefits:

- *Cost-effectiveness*: more economical than proprietary solutions, contributing to cost savings;
- *Enhanced accessibility*: commonality of code makes it easier to access resources, such as software engineers;
- *Scalability*: its open-source nature allows for increased scalability, enabling the incorporation of new code to introduce new initiatives and bundle products; and
- *Vendor flexibility*: the platform's design provides the flexibility to work with a wide array of vendors, offering a broader range of options for collaboration and integration.

Digitalisation and automation

The re-platforming initiative fully implemented by HBX Group in FY 2024 allows for increased E2E automation in the user workflow, both between suppliers and distribution partners as well as within internal processes. This enhancement has increased the Group's operational efficiency.

Technology and data are at the core of HBX Group with a team of more than 338 FTEs and eight proprietary algorithms as of 30 September 2024.

The Group has focused on streamlining E2E workflows between business partners through the automation of processes:

- *Digital Onboarding*: client and supplier onboarding procedures have streamlined, automating the process and drastically reducing the duration of the process from a former 30-day period in FY 2023 to two to three days in FY 2024;
- *Inventory Management*: a comprehensive E2E inventory workflow automation, covering inventory uploads, booking and pricing management; and
- *Pricing and booking:* real-time access to pricing and booking functionalities facilitates the interactions and contacts with suppliers and distributors;

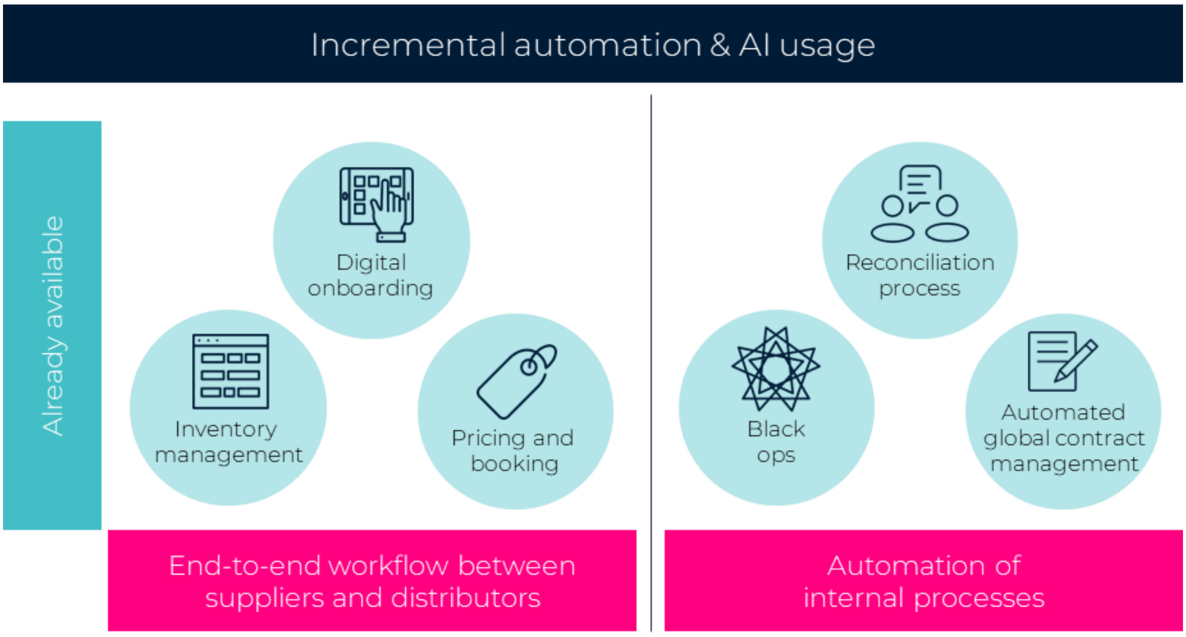
Furthermore, the Group has automated or is in the process of implementing certain internal processes to help its technology productivity:

- *Reconciliation Process:* by creating unique transaction IDs to link bookings and re-bookings, the Group has automated the reconciliation of partner contracts and transactions;
- *Automated Global Contract Management System:* centralising and making contracts accessible will significantly enhance the experience for the Group's legal team, reduce costs as well as the risk of contract voidance and potential litigations; and
- *Black Ops:* a fully integrated, automatised and centralised repository of all HBX Group's "Building Block" that include attributes such as infrastructure, design, technology, quality, cost and version.

Additionally, the Group expects to be able to develop further capabilities during 2025 to leverage AI with the purpose of enhancing its platform experience, placing particular emphasis on customer service and personalised search features.

- *Foundation:* market-leading capabilities and software for workforce management, communication, and customer relationship management (CRM), which, as at September 2024, is 100% in place.
- *Generation*: GenAI-generated customer avatar for agent training, improving speed to proficiency and customer service, which, as at September 2024, is 100% in place.
- *Classification*: automated intent recognition and classification in all channels, enabling specialised management, which, as at September 2024, is 70% in place.
- *Automation:* automated fulfilment of responses to distribution partners creating operational efficiency and speed of service, which, as at September 2024, is 50% in place.
- *Translation*: real-time translation between distribution partners and service agents, de-coupling local services vs footprint, which, as at September 2024, is in implementation.

The diagram below illustrates the incremental automation and AI usage, their role within HBX Group and its suppliers and distribution partners and its current status.



Note:

(1) The diagram centres on examples of digitisation, automation and AI workflows opportunities within and beyond the Group. It is not intended to represent a product development cycle.

Data and analytics capabilities

HBX Group is able to capture high volumes of data and information from both suppliers and distribution partners through its proprietary technology platform. As of September 2024, the Group had already collected more than 400TB of information, laying the foundation for the development of new solutions that HBX Group intends to monetise.

The development of these new capabilities will be driven by the Group's AI tools and will provide HBX Group's distribution partners with useful insights on different topics, such as market performance or end consumer characteristics, which HBX Group believes will allow its distribution partners to grow and rapidly adapt to shifts in market trends.

New product development

Between FY 2022 and FY 2024, the Total Technology Investment^{APM} of the Group amounted approximately to €200 million (€53 million, €69 million and €82 million in FY 2022, FY 2023 and FY 2024, respectively). Moreover, the re-platforming undertaken by HBX Group, which was fully implemented in FY 2024, has allowed the acceleration in the development of new products, resulting in reduced time-to-market.

The table below presents the breakdown of the Group's investment in Total Technology Opex^{APM} and Total Technology Capex^{APM} for the periods indicated.

	FY 2022	**FY 2023**	**FY 2024**	**Total**
Operations & Enabling technology	19	27	33	79
Other	5	7	7	19
Total Technology Opex^{APM}	**24**	**34**	**40**	**98**
Intangible assets: computer software	27	32	41	**100**
Property, plant and equipment (excluding right of use assets)	2	3	1	6
Total Technology Capex^{APM}	**29**	**35**	**42**	**106**
Total Technology Investment^{APM}	**53**	**69**	**82**	**204**
Divided by revenue	434	656	693	1,783
Total Technology Investment Over Revenue^{APM} (%)	**12.2**	**10.5**	**11.8**	**11.4**

Additional improvements are expected, as the Group is planning on streamlining the cost base, expanding existing tech capacity with same resource cost, reducing OpEx, reinvesting capacity in growth and new functionalities and autoscaling without impacting stability and performance. HBX Group will also seek operational efficiencies such as automation and enhancement across functions, data structures to enable automation and frictionless processing, and data quality and governance improving accuracy and service provision. As at the date of this Prospectus, HBX Group expects that the Total Technology Investment Over Revenue^{APM} will remain at similar levels in FY 2025 and FY 2026 compared to FY 2024, although it will be dedicated to new product development following the completion of the Group's re-platforming.

One of HBX Group's targets involves the launch of incremental products, taking advantage of its extensive travel data lake comprising over 400TB of information (as of September 2024), which, together with its proprietary technology infrastructure, the Group believes qualifies it as a "large data player" in the travel B2B ecosystem.

By using analysis processed by algorithms, the Group is planning to enrich its distribution partners' databases to create insightful dashboards. These dashboards offer market insights, enabling distributors to adapt their strategies based on this information. The multiple uses of these processes include performance analysis through descriptive analytics, anticipation of events based on predictive analysis and optimised recommendations on the back of prescriptive analytics.

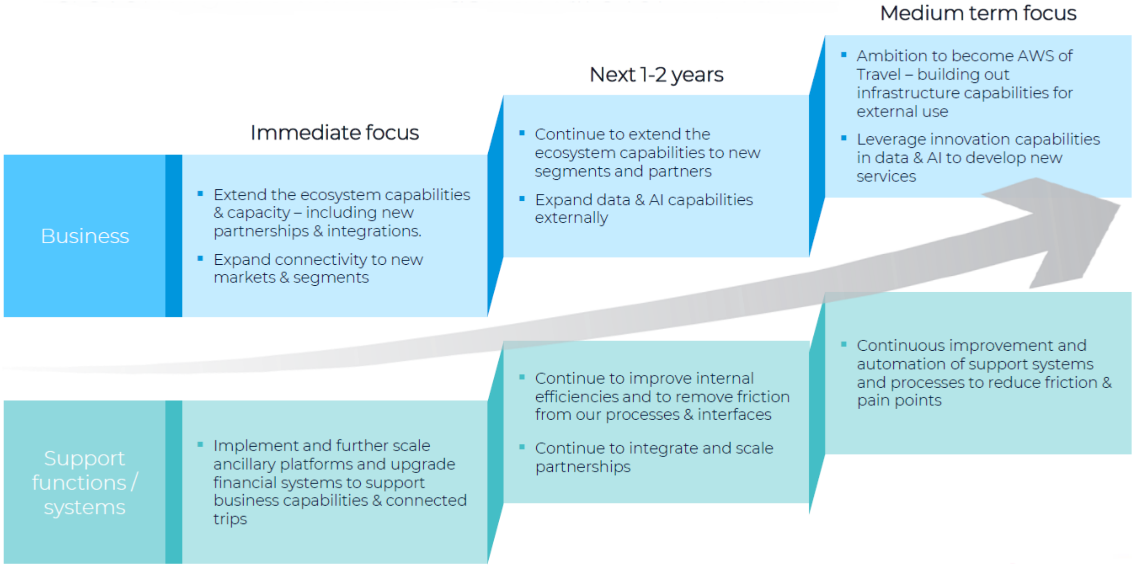
HBX Group also uses generative AI in very targeted use cases to support and optimise interaction with distribution partners and other partners. In the data analytics realm, the long-term vision of the Group is to create AI agents leveraging data platform and micro-services architecture to replace human agents for simple interactions with distribution partners and hotels.

Key areas of cost-savings and reinvestment strategy

The Group believes that the completion of its re-platforming will provide substantial cost savings, which are envisaged to be strategically reinvested to support new projects, limiting the need for additional capital and optimising available resources. The cost savings expected from the investments in efficiencies are included in the cost budgets for FY 2025 and FY 2026.

The Group's technology strategy is aimed at delivering ecosystem capabilities at scale and evolving the travel infrastructure for the future. Digitalisation and automation initiatives offer a comprehensive set of adjacent markets and services. In the immediate term, this includes adding new partnerships and integrations while also expanding connectivity to new markets and segments. Towards the medium term, the Group aims to further develop data and AI capabilities whilst building out infrastructure capabilities for external use. Other initiatives include the implementation of an automated global contract management system, streamlined reconciliation processes, finance transformation and taking advantage of AI and LLMs to optimise customer care services and enable further internal efficiencies by removing process and interface frictions.

The following diagram illustrates HBX Group technology strategy for the immediate, short and long term.



Employees & Culture

During FY 2024, the Group had an average of 3,582 FTEs worldwide (3,400 and 3,047 during FY 2023 and FY 2022, respectively). The increase in the number of FTEs during this period is related to the expected business development of the Group and the investment in key areas such as legal and compliance, among others, to support the Offering and the creation of new product lines such as Fintech & Insurance. During FY 2024, approximately 700 FTEs were located in the Americas, 2,200 in Europe and 700 in MEAPAC.

As of 30 September 2024, 56% of the workforce was female and 50% of the Group's management positions (i.e., positions to which employees report) were held by women. HBX Group's workforce demographics are diverse, comprising individuals from 89 different nationalities and spanning 58 countries where HBX Group operated as of 30 September 2024.

The table below presents a breakdown of the Group's average FTEs for the periods indicated.

	FY 2022	FY 2023	FY 2024
Executive and senior managers	728	731	743
Information technology	174	255	338
Commercial	1,106	1,240	1,093
Back-office	410	407	483
Customer service	629	767	925
Total internal FTEs	3,047	3,400	3,582
Outsourced workers[(1)]	420	529	436
Total with Outsourced workers	3,467	3,929	4,018

Notes

(1) *Outsourced workers are concentrated in the Group's global operations, providing back-office capabilities and, to a lesser extent, front line agent services.*

- The table below presents a breakdown of the Group's average FTEs by product line for the periods indicated.

	FY 2022			FY 2023			FY 2024		
	Internal	Out sourced	Total	Internal	Out sourced	Total	Internal	Out sourced	Total
Accommodation	2,635	420	3,055	2,902	517	3,419	3,015	404	3,418
Mobility & Experiences....	246	0	246	286	0	286	311	8	320
Hoteltech	158	0	158	199	11	210	225	19	244
Fintech & Insurance..........	0	0	0	6	1	7	24	4	28
Central costs	8	0	8	7	0	7	7	0	7
Total FTEs......................	**3,047**	**420**	**3,467**	**3,400**	**529**	**3,929**	**3,582**	**436**	**4,018**

The Group's culture is results-oriented rewarding high-performing employees and encouraging constant progress and skills development.

Between FY 2022 and FY 2024, the Group launched a people's strategy aimed at transforming the culture while attracting, developing and retaining HBX Group teams. This strategy is based on certain key pillars:

- A communication strategy that promotes a constant two-way dialogue through active listening to employees and taking action based on their feedback. As part of the Group's communication framework, the Group launched "Workvivo", a social platform that allows ongoing connection, feedback and interaction of employees from all countries and which held more than 60 listening events in FY 2024, such as round tables, question and answer sessions and co-creation sessions).
- A focus on leadership development is also an important aspect of the Group's people strategy with the aim of turning its managers into world-class leaders who inspire employees to exceed expectations. To this end, the Group has launched certain key initiatives, such as the "Aspire" programme to help develop leaders in management positions and future leaders and has established the "Big Book of Leadership", a framework of leadership capabilities.
- The Group places a strong emphasis on talent, striving to encourage agility, constant development and impactful contributions. HBX Group has launched certain initiatives for this purpose that represent a comprehensive development offering channelled through the "TheUni", which comprises, among other things, a mentoring programme and learning platforms, and has promoted internal mobility, such as lateral moves and promotions, based on skills and supported by technology, creating an "Opportunity Market Place" for internal talent.
- HBX Group has focused on creating an engaging, inclusive and flexible working environment that promotes recognition and a sense of community and belonging while generating a high-performance culture. Key initiatives launched by the Group include, among other things, an inclusion council and a wellbeing movement that encompasses mental, social, financial and physical wellbeing. Additionally, HBX Group has embraced a hybrid working model and introduced a "Work from anywhere" policy for four weeks a year, allowing for flexibility while ensuring valuable face-to-face interactions.

During FY 2024, the Group's people strategy resulted in a voluntary retention rate of 88.9% (up from 85.5% in FY 2023 and 80.0% in FY 2022). Voluntary retention rate measures the percentage of employees who choose to stay with a company over a specific period, excluding those who leave voluntarily (e.g., through resignations). It is calculated as the proportion of employees who were present at the start of the period and remained at the end, minus those who voluntarily left. This metric helps assess employee satisfaction and the effectiveness of retention strategies. Additionally, employee Net Promoter Score ("**eNPS**") reached a score of +43.1 points in September 2024, compared to 39.4 points in May 2023, 33.5 points in October 2022 and 26.9 points in May 2022, on a standard NPS scale from +100 (highest score) to -100 (lowest score).

HBX Group aims to continue developing its people strategy, with a particular focus on the following:

- *Taking the Employee's Experience to the Next Level*: incorporating an integrated and holistic approach that considers the employee journey as a whole and interlinks key professional and personal life moments that make every moment count. For that purpose, the Group has created an interactive and immersive web platform that allows employees to understand the Group's promise to employees, what resources and initiatives are available for them and what to expect in each step of their career.
- *Consolidating leadership*: embedding the Group's Leadership Capability Framework which aims to develop and support its people managers.
- *Building out ecosystem play*: supporting the business to keep transforming and developing the operating model and organisational design required, creating or consolidating teams in new and existing product

lines and underpenetrated markets and ensuring HBX Group has the right talent and capabilities to fulfil its strategy.

To promote a high-performance culture, HBX Group has in place different annual incentives and bonus models adapted to the different nature of roles in the Group.

In particular, with the purpose of incentivising employees performance and share success at the time of a successful exit event (e.g., an M&A sale or a listing), the Group established an incentive plan effective as of 1 October 2023 and valid until December 2025 (the "**EIP**"), in favour of all senior active employees (excluding members of the Executive Committee and all senior managers eligible for the New MIP (as defined below)) with more than 12 months of seniority and a certain individual performance rating resulting in a total number of beneficiaries of approximately 2,800. This plan will be funded by the primary proceeds of the Offering and will be liquidated and payable in cash following Admission. Provided that Admission takes place on or before 31 December 2025 and assuming the Offering Price is within the Offering Price Range, the amount payable would be €17.2 million, excluding social security costs. At 30 September 2024, the vesting conditions were not expected to be met and therefore no accrual was recognised for FY 2024 in the Special Purpose Consolidated Financial Information. In October 2024, the vesting conditions of the EIP were amended such that the incentive plan is now expected to vest in FY 2025, contingent upon Admission.

ESG

A summary of HBX Group's Environmental, Social, and Governance ("**ESG**") practices is set out below.

HBX Group is committed to contributing to creating a sustainable future for the planet and society. HBX Group's ESG mission is making travel a force for good and a catalyst for sustainable growth. It aims to accomplish this by developing, encouraging and executing programmes and initiatives that aim to maximise the Group's positive contribution to society and the environment, while also minimising its negative impact on the life, culture and nature of the local communities where it operates.

HBX Group:

- leverages its strategic position in the travel ecosystem to promote strategic partnerships and to influence and collaborate in joint initiatives to foster sustainable practices within the industry;
- offers products and services that respond to the sustainability demand of end consumers;
- is committed to the sustainable growth of the Group with the collaboration of all areas, ensuring a responsible management approach that takes into account ESG impacts, while continuously seeking new markets to add value to and new business opportunities;
- actively involves its workforce towards the achievement of its ESG goals; and
- has a strong aspiration and alignment between members of its Executive Committee and Board to expand its ESG agenda and consolidate a robust position in sustainability in its sector.

<u>*ESG plan*</u>

HBX Group's ESG strategy has been informed by the following:

- *ESG Context Study*. This step involved an in-depth examination of the ESG landscape encompassing a comprehensive analysis of both generic and industry-specific risks, opportunities and trends.
- *Benchmarking exercise*. A benchmarking exercise versus other key players in the travel tech sector was conducted. By evaluating its peers, the Group set its starting point to identify potential ESG initiatives and determine its market position within the ESG spectrum.
- *Double Materiality Assessment.* An extensive analysis that identified the key material topics to HBX Group by consulting with its key stakeholders through interviews, focus groups and surveys. Double materiality consists of identifying which sustainability issues are most material to the Group and its stakeholders by assessing the Group's impact on environmental and social factors (inside-out perspective) while considering how these factors influence the Group (outside-in perspective). It also considered the financial impact that ESG issues can have on the Group.
- *Regulations and reporting requirements*. In addition, HBX Group mapped the regulations and reporting requirements associated with ESG. This includes adherence to international and sectoral standards, frameworks, certifications and ratings to promote sustainability. Starting with FY 2023, HBX Group will prepare a statement of non-financial information in accordance with Spanish law rules and follows GRI

(Global Reporting Initiative) and SASB (Sustainability Accounting Standards Board) standards. The Group will also implement applicable Corporate Sustainability Reporting Directive (the "**CSRD**") standards in its reporting starting with FY 2025 (including by adapting its double materiality analysis according to the European Financial Reporting Advisory Group (EFRAG) methodology under CSRD).

The Group's ESG strategy has three pillars (Environmental, Social and Governance). Below the three pillars, there are ten commitments each corresponding to one of the material issues identified in the double materiality assessment (i.e., local communities and innovation). Those material issues sit at the core of the strategy.

The Group has launched ten key strategic projects aimed at supporting the achievement of the Group's ESG commitments as well as 75 actions or smaller initiatives with the aim of consolidating the Group's position in sustainability over the next three years. The Group's ESG commitments have been mostly covered in FY 2022, FY 2023 and FY 2024. In particular, as at 30 September 2024, the Group's ESG commitments have been covered at 85%. The Group expects to finalise in FY 2025 all ongoing projects to cover all ESG commitments. In particular, due to the entry into force of the CSRD, the Group has conducted a gap analysis in relation to ESG reporting and new regulatory requirements. This gap analysis has resulted in a list of new projects to be developed during FY 2025 in order to comply with the first year of implementation of the Corporate Sustainability Reporting Directive:

- Climate risk mapping: the purpose of this project is to identify the climate risks in relation to the Group's business.
- IROs analysis and double materiality analysis according to the new European Financial Reporting Advisory Group methodology. These analysis focus on including the identification of the entire value chain in the IROs analysis (i.e., in the analysis of impacts, risks and opportunities).
- New environmental policy: this policy focus on outlining the Group's environmental expectations and commitments.
- Decarbonisation and energy transition plan: this plan considers the 3 scopes of the carbon footprint.
- Environmental taxonomy: this classification system aims to classify which investments and economic activities are sustainable in the context of the European Green Deal.

All these material issues, commitments and projects have been mapped to the UN Sustainable Development Goals ("**SDGs**") and HBX Group is a signatory to the UN Global Compact.

Together with the Group's ESG strategy, other strategies or plans across HBX Group cover specific material issues in more depth, such as people strategy, innovation strategy, cybersecurity and data strategies, among others.

Environmental pillar

Under the environmental pillar, HBX Group has dedicated efforts to reduce its environmental footprint. The Group's commitment goes beyond internal initiatives, actively involving partners such as hotels, distribution partners and industry organisations to collectively magnify their impact.

Given the nature of the Group's business, with services and products distributed mainly via its 100% cloud-native platform, the Group's emissions are mainly indirect (Scope 3), deriving from the value chain, corporate travel and the Group's digital footprint. The Group also produces, on a smaller scale, direct and indirect emissions (Scope 1 and 2), which have been significantly reduced due to the adoption of hybrid working following the Covid-19 pandemic.

Several milestones serve as evidence of HBX Group's environmental commitments, including:

- achieving carbon-neutral certification in 2023 (Scope 1 and 2), certified by Carbon Neutral LTD;
- 9.2% reduction in energy consumption between the years 2022 and 2023.
- Approximately 40,000 hotel properties included as of 30 September 2024 within sustainable travel programmes, which are the Group's hotel portfolio that has a sustainability certification created by the Global Sustainable Tourism Council ("**GSTC**").
- Approximately 16,000 trees planted through HBX Forest, covering 10.46 hectares, representing an offset of 2,911.69 t CO_2, according to Tree-Nation.
- Almost 6,000 hotels in the Group's supplier base were single-use-plastic-free establishments as of 30 September 2024.

- The Group has created specific tags on its distribution platform with three sustainability concepts (reduction in the use of single-use plastics, accessibility and electric chargers) to be able to filter the offered properties and to be able to respond to the growing demand by distribution partners for sustainable travel.

The Group has established, among others, the following environmental strategic projects:

- *Sustainable Travel Programme*. Leveraging its position in the travel ecosystem, HBX Group has launched a programme that aims to respond to the increasing demand from travellers to travel more sustainably. The programme gives enhanced visibility in the Group's portfolio to those properties and brands committed to sustainable standards and practices and is certified as sustainable under GSTC criteria or that have programmes in place aligned with these criteria, which include criteria relating to sustainability planning, social and economic benefits for local communities, cultural heritage and reduction of negative impacts on the environment. The Sustainable Travel Programme promotes these properties among HBX Group's distribution partners to ultimately allow end consumers to select sustainable products. As at 30 September 2024, the Group had approximately 40,000 of such hotels in its portfolio. They demonstrate higher year-on-year growth in search demand than the remainder of the properties in HBX Group's portfolio.
- The Sustainable Travel Programme also includes "Sustainable Waves" which are marketing campaigns to create awareness, promote adoption and give visibility of specific property features linked to sustainability, such as single-use plastic free, availability of electric chargers and access for people with reduced mobility. This programme won an award as "Best project to fight against climate change" by A World for Travel in November 2024.
- *Sustainability Partners Hub.* In July 2024, the Group created the Sustainability Partners Hub which is an online platform that focuses on generating collaboration, sharing best practices, fostering networking and sharing ESG projects and actions. In particular, it aims to support small and medium-sized partners to start or navigate their sustainability journey. For these purposes, the Sustainability Partners Hub offers guidance on how to obtain sustainability certifications endorsed by GSTC or the World Travel & Tourism Council ("**WTTC**"). While HBX Group does not finance ESG certifications, it enhances the visibility of certified hotels on its platform, thereby driving sales and profits. Additionally, the Group has launched a campaign to sponsor 100 WTTC mentoring short programmes to obtain a WTTC basics verification for small and medium-sized hotel companies, encouraging them to embark on their sustainability journey.
- *ESG Influencers.* In 2024, the Group also established the initiative "ESG Influencers", which focuses on equipping all HBX Group employees with ESG basics. The programme includes mandatory basic ESG training for all existing employees and new hires, ensuring an understanding of the core principles of ESG practices, creating awareness of the Group's ESG strategy and what their role is in achieving the Group's ESG commitments. In addition, the Group's salesforce receives specific training on leveraging ESG factors as a commercial element, promoting sustainable practices in their interactions with suppliers and distribution partners, to become ambassadors for sustainability. Additionally, specialised training is provided for employees involved in complex corporate volunteering programmes who collaborate with the ESG area of the Group in the implementation of sustainability initiatives in the different countries where HBX Group is present.
- *HBX Group Forest*. HBX Group also participates in reforestation projects around the world to fight climate change, offset emissions, protect biodiversity and air quality and engage partners. For this purpose, HBX Group partners with Tree-Nation and contributed to physical reforestation projects in Thailand, Spain and Dubai, with regular planting and conservation activities by employees, suppliers and distribution partners. Through this initiative, the Group has funded or supported the planting of approximately 16,000 trees resulting in the reforestation of 10.46 hectares.
- *Decarbonisation Plan*. The Group's specific commitment to address CO_2 emissions and its digital footprint includes ongoing endeavours to track and reduce greenhouse gas emissions. In addition, HBX Group is committed to developing a specific risk map for climate risks and aims to renew its decarbonisation plan by including certain material Scope 3 categories during 2025.

Social pillar

HBX Group is committed to ensuring stable and good quality relations with its employees, favouring good working conditions and a positive working environment in all countries in which it operates. The Group works towards promoting an inclusive, respectful and fair workplace grounded in diversity and equal opportunities and promotes continuous personal and professional development of its employees and their wellbeing.

HBX Group is also committed to making a positive impact in the communities and destinations where it operates. The Group's goal is to empower these communities to create their prosperity while safeguarding their natural and cultural resources.

Several milestones serve as evidence of HBX Group's commitments, including:

- approximately 3,600 employees provided over 12,000 volunteer hours during FY 2024, a 33% increase when compared to FY 2023;
- 96% of employment agreements were permanent as of 30 September 2024;
- 56% of the workforce was female as of 30 September 2024;
- 58% of the promotions were female promotions in FY 2024;
- 50% of management positions were held by women as of 30 September 2024 (in particular, 22.22% of the members of the Executive Committee were women). Upon Admission, 43% of the members of the Board will be women;
- according to the study "Woman Matter", there was no material gender pay gap in 2023; and
- 89 different nationalities represented in the Group's workforce as of 30 September 2024.

Within the social pillar, the Group has established, among others, the following social strategic projects:

- *Think Big:* One of the Group's commitments is to work with local communities in the destinations where it operates to ensure they are positively impacted by travel. This project aims to develop sustainable tourism in micro-destinations or alternative touristic routes that allow local communities to prosper, avoid the depopulation of rural areas and preserve culture and traditions. It also responds to a trend of travellers wishing to experience local communities, culture and natural spaces sustainably.

  A pilot programme in Quintana Roo (Mexico) was successfully run in 2024 that supported seven cooperatives to create "Caminos Sagrados", a Mayan route. HBX Group was able to enhance such offering, create the relevant website and booking engine and incorporate the offering into the Group's portfolio.

  HBX Group intends for this project to expand to additional countries through a partnership with Planeterra.
- *Tech X Equality*: This project aims to reduce the digital divide by providing technology access and training to vulnerable groups and developing female tech talent in developing countries.
- *Make a Difference:* A volunteering programme that aims to involve employees across countries and cities, focusing on key SDGs.

Governance pillar

The Group seeks to uphold high standards of compliance, robust systems and practices to protect privacy, data security, and ethical operations. It has implemented certain internal policies and procedures to address key areas, including ethical conduct, anti-bribery measures, conflict of interest management, supply chain accountability, sanctions compliance, data protection and prevention of modern slavery. These policies also encompass enhanced due diligence for high-risk areas, whistleblowing mechanisms, and specific commitments to issues such as animal welfare. Together, these standards aim to promote integrity, transparency and accountability across the Group's operations and stakeholder interactions.

HBX Group has also established a well-structured corporate governance framework. The Board is responsible for overseeing the implementation of the Group's ESG strategy. Within the Executive Committee, the responsibility for the implementation of the ESG strategy sits with Elena Pérez, Chief Human Resources, Communications and ESG Officer. See section "*Management and Board of Directors*".

Cybersecurity

The Group aims to drive excellence in compliance standards, focusing on creating reliable products and systems that prioritise data privacy and security. Its goal involves sustainable growth, leveraging its strategic position to influence, create alliances and foster collaboration and aspiring to position travel as a force for positive change. To this end, HBX Group has increased its strategic security investment from €0.8 million in FY 2022 to €2 million in FY 2024 and it continues to be a sustained investment. HBX Group annually obtains the Payment Card Industry Data Security Standard ("**PCI DSS**") compliance certification for its B2B and B2B2C product lines. All other

Group product lines have an up-to-date PCI DSS attestation of compliance, except for Easymarket which, due to a change in the card management structure, is expected to complete the attestation update in March 2025. Each product line has plans to achieve the future PCI DSS version accreditation. Furthermore, during 2024, the Group embarked on a programme to achieve an ISO 27001:2022 certification by April 2025, which specifies the requirements for establishing, implementing, maintaining and continually improving an information security management system within the context of an organisation.

Evidence of HBX Group's commitment includes that, to the Company's knowledge, all employees had attended cybersecurity governance trainings as of 30 September 2024 on topics such as phishing, malware and viruses, mobile threats, ransomware or secure remote working. In addition, the Group has a range of cybersecurity controls in place which include, among others, a dedicated team for information security, a data protection officer and a security operations centre, which is outsourced to a third-party and monitors and reports cybersecurity events 24 hours a day. Additionally, the Group has achieved fully encrypted data and cloud servers using industry standard solutions and has developed a system of automated alerts linked to IT and security operations on call personnel.

The travel industry has experienced a number of notable data breaches globally in recent years. Despite the implementation of robust security measures, the Group may still be unable to defend against highly sophisticated and persistent cyberattacks, which could result in significant financial losses, regulatory scrutiny, and harm to its competitive position. For example, the Group was involved in a cybersecurity incident related to a phishing cyber attack in October 2023 in connection with its Mobility & Experiences product line, which did not have a material impact on the Group's operations and resulted in a financial loss of €10,000. This cybersecurity incident was notified to the appropriate authorities within the applicable timeframes and no further actions were requested from such authorities. Following this incident, additional training was provided to the relevant team and additional email filtering and monitoring was implemented, in line with HBX Group standards.

The Group continuously reviews its infrastructure and conducts vulnerability scans and penetration testing (pen tests). For these purposes, HBX Group has a vulnerability management process in place to identify and mitigate security vulnerabilities within its network infrastructure and applications. The Group also leverages a vulnerability scanning solution to conduct monthly vulnerability scans on endpoints, internal networks and IT infrastructure assets. Any vulnerabilities identified as a result of these scans are communicated on a monthly basis to the relevant team, which then adopts the relevant mitigation measures.

Prior to the migration to AWS servers that the Group carried out between March 2023 and April 2024, the Group kept personal data safeguarded from unauthorised use, disclosure, destruction and alteration (i) through the implementation of physical, technical and organisational security measures required by applicable laws, or (ii) in those jurisdictions where specific regulations do not exist for the mandatory implementation of minimum security measures, through the implementation of such physical, technical and organisational security measures as the Group considers appropriate for, and proportionate to, the risks inherent in the processing of such data, such as accidental loss or damage or unauthorised access. Following the completion of the migration process to AWS servers, HBX Group has implemented a cloud security policy, which covers the different security controls and measures applied in the cloud environment to ensure the safeguarding of personal data stored. The key security mechanisms outlined in this policy include, among others, (i) user life cycle management, which incorporates a strong password policy and a two-factor authentication (i.e., a security process that requires users to provide two separate forms of identification to verify their identity); (ii) access rights management handled by security groups and AWS identity and access management groups, applying the principle of least privilege access where users are only granted access to the specific data, resources and applications necessary for their tasks; and (iii) approval of access rights by the owners of the different services and platforms, ensuring that access permissions are appropriately granted and reviewed.

Furthermore, cybersecurity threat analyses and potential issues are shared with the executive team and senior HBX Group's managers upon being identified with a clear explanation of the proposed steps to mitigate and to ensure continued awareness. The Executive Committee reviews the cybersecurity activities, mitigations, threats and progress on a quarterly basis. There is a dedicated employee intranet site to ensure that everyone has access to cybersecurity information and latest developments. In addition, the Group performs internal and external pen tests on a regular basis, utilising an independent quality assurance provider to conduct an annual external pen test across the group perimeter. Each item identified by the pen tests whether internally or externally generated, results in mitigating actions and execution. These are reported and tracked on a monthly basis. As at the date of this Prospectus, all previously identified vulnerabilities existing within HBX Group's control from 2023 have been mitigated.

As of the date of this Prospectus, the Group maintains a cyber insurance policy covering all entities within HBX Group in the amount of €15 million, reducing potential adverse financial impacts arising as a result of a cybersecurity incident or data breach. See section "*Risk Factors—Risks relating to the Group and its business—*

Risks related to technology—Business interruption or failure of the Group's technology, including as a result of cyberattacks, may impact the availability of the Group's products and services, which may damage its reputation and harm its future financial results".

Regulatory compliance

The travel industry is highly regulated and HBX Group is therefore exposed to an extensive regulatory framework in the respective countries in which it operates. The regulatory environment in the travel industry is characterised by numerous national, supranational and international laws and regulations. These particularly include requirements with respect to vertical agreements, data protection, and travel and tourism activities, including travel agencies and travel package distribution. See section "*Regulation*".

The Group is also required in certain jurisdictions to obtain authorisations, licences or permits that are granted by the regional or local authorities, which are dependent on the applicable national, regional or local regulations.

Payment Card Industry Data Security Standard

The PCI DSS was created in 2004 and is a widely accepted set of policies and procedures intended to optimise the security of credit, debit and cash card transactions and to protect cardholders against misuse of their personal information. PCI DSS was designed to prevent cybersecurity breaches of sensitive data and reduce the risk of fraud for organisations that handle payment card information.

Even though PCI DSS is not a law or legal regulatory requirement, it is often part of contractual obligations of businesses that process and store credit, debit and other payment card transactions. If contractually obliged to do so, businesses must meet the requirements of PCI DSS to establish and maintain a secure environment for their distribution partners.

The aim of PCI DSS is to safeguard and optimise the security of sensitive cardholder data, such as credit card numbers, expiration dates and security codes, to minimise the risk of data breaches, fraud and identity theft. PCI DSS compliance requirements are divided into four levels, based on the annual volume of credit or debit card transactions processed by a business.

The following are the four validation levels under PCI-DSS:

- *Level 1:* includes organisations that handle more than 6 million card transactions per year. These businesses must pass a Qualified Security Assessor ("**QSA**") assessment each year and have an Approved Scanning Vendor ("**ASV**") do a quarterly network visibility scan.
- *Level 2:* includes organisations that handle between 1 and 6 million annual card transactions. They must complete an annual Self-Assessment Questionnaire ("**SAQ**") and might be required to submit quarterly ASV network vulnerability scans.
- *Level 3*: includes organisations that handle between 20,000 and 1 million annual card transactions. Like Level 2 businesses, Level 3 businesses must complete an annual SAQ and might have to submit a quarterly network vulnerability scan.
- *Level 4*: includes organisations that handle fewer than 20,000 annual card transactions. Like Levels 2 and 3, Level 4 businesses must complete an annual SAQ and might have to submit a quarterly network vulnerability scan.

Given the volume of transactions involving HBX Group's activities, HBX Group is Level 1 certified on a group basis, and is therefore subject to two PCI-DSS re-certification processes on an annual basis. One of this re-certification processes relates to certain of HBX Group's B2B businesses (i.e., Hotelbeds and Bedsonline) while the other re-certification process relates to certain of HBX Group's B2B2C businesses (i.e., Travelstack, Lastminutetravel and Hotelopia). This re-certification process is carried out by A2Secure, a QSA who issues an attestation of compliance as well a report of compliance. No material findings have been detected during the re-certification processes carried out in the last three financial years.

Other companies within HBX Group (i.e., Roiback, EasyMarket, Carnect and Travel Partner Brazil) carry out a self-assessment exercise on an annual basis, provided that these still fall within the scope of Level 2 of PCI-DSS validation, by completing the relevant SAQ.

Operational Infrastructure

HBX Group leases office space facilities for its operations under both leases and flexible workspace arrangements. As of the date of this Prospectus, certain subsidiaries of the Group are a party to leases relating to premises in

Spain (including for the main offices of HBX Group in Palma de Mallorca), Mexico, the United Kingdom, the United Arab Emirates, Singapore, the United States, Thailand, China, Brazil and Turkey. Through a framework agreement with a provider of flexible workspace arrangements, HBX Group can purchase flexible workspace services in a number of locations by entering into local services agreements in the relevant jurisdictions.

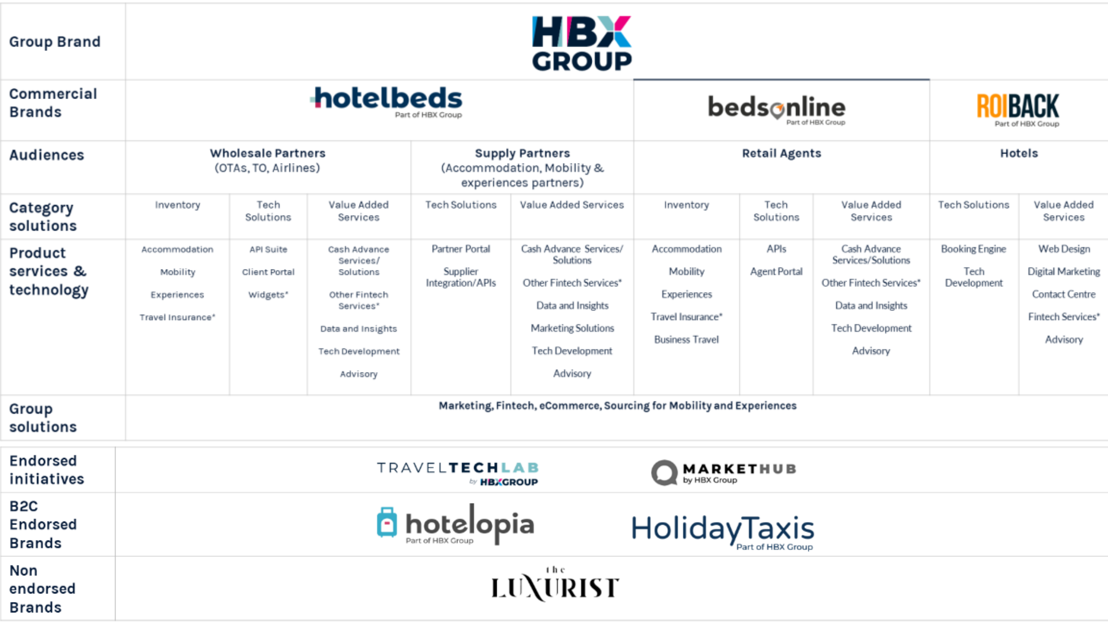
Intellectual Property

Key trade and service marks and logos

HBX Group uses certain trademarks to operate its businesses. Its key commercial trademarks (protected mainly as word figurative trademarks) are "Hotelbeds", "Bedsonline" and "Roiback". The Group has also recently launched the brand "Traveltech Lab by Hotelbeds" (which is being progressively replaced by "Traveltech Lab by HBX") for innovative initiatives; and, as per the recent partnership with The Luxurist (see section "*—The Group's Business—Complementary travel products—New product offerings—The Luxurist*" above), at the date of this Prospectus the Group has started the process to protect this new brand. The Group also uses other brands, such as Carnect, that it intends to phase out in the future as a result of the new brand architecture of the Group.

In October 2023, the Group adopted "HBX Group" to operate as the umbrella trademark of the Group, while the other commercial trademarks of the Group will be maintained and coexist with the umbrella trademark of the Group.

The following diagram illustrates the key trademarks HBX Group uses in its businesses.



The Group's trademarks are registered or in the process of being registered with the relevant intellectual property registries (i) locally in the countries in which they are used, (ii) as international trademarks and/or (iii) as EU trademarks.

As at the date of this Prospectus, the Group has applied for the registration of "HBX Group" as the umbrella trademark of the Group in Spain and internationally. This trademark has been granted to the Group in a number of jurisdictions, including Andorra, Argentina, Costa Rica, Kuwait, Macao, Peru, Saudi Arabia, Nepal, Panama, Philippines, Turkey, Spain and Uruguay. In addition, the Group has been granted with the "HBX Group" international trademark in the European Union and the United Kingdom, among other jurisdictions. In Colombia, New Zealand, Russia, Singapore, and South Africa, the "HBX Group" international trademark has not yet been granted and is in the process of being registered.

The registration of "HBX Group" national trademark has already been granted in Andorra, Argentina, Saudi Arabia, Spain, Uruguay and Kuwait, among other jurisdictions, and is in the process of being registered in South Africa, the Dominican Republic and Hong Kong. In certain key countries, the applications regarding relevant trademarks are still pending as of the date of this Prospectus, such as in Thailand, where the registration of the new "Hotelbeds" logo has not yet been granted and is meanwhile being protected by an existing figurative class 39 trademark granted in 2003. The relevant competent authorities in other jurisdictions where the Group has applied for a trademark may issue provisional or definitive refusals as a result of their examination process.

Therefore, the Group cannot guarantee that its trademarks are successfully granted in all jurisdictions where an application has been made.

With regard to the Group's figurative mark "RB Roiback", which was registered as an EU trademark on 13 September 2016, a third party submitted an application for revocation in respect of all registration classes on 30 June 2022, on the grounds that the trademark had not been put to genuine use for a continuous period of five years. However, on 27 May 2024, the European Union Intellectual Property Office (EUIPO) issued a final and definitive decision confirming the protection of "RB Roiback" trademark in the classes that are used by the Group and only revoked certain classes of such trademark that were not used in practice by the Group.

HBX Group also has over 700 registered domain names, including hbxgroup.com, hotelbeds.com and bedsonline.com and country-specific domains pertaining to a number of countries in which the Group operates (such as hotelbeds.es in Spain and lastminutetravel.com in the United States). HBX Group takes reasonable precautions to protect against unauthorised use or infringement of its trademarks, in the marketplace, primarily through its global surveillance service which receives reports on unauthorised use or infringement by third parties of the Group's intellectual property rights and on all applications filed worldwide by third parties which HBX Group reviews to determine whether any may infringe its intellectual property.

Software, business processes and other proprietary information

HBX Group's success and ability to compete is dependent in part on its ability to protect its intellectual property. The Group believes that various elements of its technology platform and underlying codebases used to provide its offerings, including software and algorithms, involve proprietary know-how, technology and data. To protect its technology and information, the Group relies on a combination of copyrights, trade secrets and contractual protections. HBX Group records the creation of certain intangible assets protected by intellectual property rights (software copyright and trade secrets) by generating legal evidence of ownership on a blockchain using a solution provided by its external IP attorneys. Although the registration of copyrights and trademarks is not constitutive in nature, it is convenient to record the ownership of the relevant intangible assets.

Furthermore, the Group requires all its employees (including those in Spain where its main developers are based), as well as its contractors to sign confidential information and IP rights assignment covenants and generally enters into non-disclosure agreements with its business suppliers, strategic partners and other third parties. For example, the API agreements that the Group negotiates with travel suppliers and distribution partners for its "direct integration", pursuant to which hotels and distribution partners are integrated directly into the Group's platform through an API, contain provisions that state that any intellectual property rights pertaining to the API (including confidential information) are the exclusive property of the relevant HBX Group company or, if applicable, that of its third-party suppliers. Those provisions also state that the counterparty does not acquire any right in the information or data accessed, or the underlying software code and that the relevant HBX Group company and/or its third-party supplier remains the sole owner of the software, information or data.

The Group is also party to certain IT services agreements with third parties related to outsourcing of technology developments, which contain provisions stating that any intellectual property developed by the service provider in the course of carrying out the services or works under the agreement shall vest in HBX Group.

Lastly, while HBX Group makes use of open source software components, this is limited to internal use not involving any redistribution and the Group does not currently publish or modify open source software. Any breach of its terms of use could result in significant damages and legal expenses. In particular, certain parts of the Group's travel-tech platform depend on open source software. Open source software is generally licensed under open source licences which, in certain cases, requires the Group to make available, or grant licences to, any modifications or derivative works created using the open source software or platforms. Any actual or alleged breaches of open source licence terms could lead to legal claims resulting in significant legal expenses, injunctive relief, having to disclose proprietary source code, or paying damages. See section "*Risk Factors—Risks relating to the Group and its business—Legal and regulatory related risk—The Group faces risks related to intellectual property and the use of open source software*".

Insurance

As of the date of this Prospectus, HBX Group insures against certain corporate risks in line with industry practice.

- Credit risk, which covers, among other things, the risk of payment default or insolvency by distribution partners or non-payment or, in some cases, the impediment of distribution partner payments due to political risks, such as currency risk, war or natural disasters. The coverage of such insurance policy is calculated by reference to the aggregate credit risk of all distribution partners with credit, taking into account expected credit volume and credit score. As of 30 September 2024, the percentage of credit risk covered was approximately 94% of the expected credit volume.

- Cyber risk, which cover costs and losses arising from cybersecurity incidents or data breaches affecting the Group, including, among others, incident response costs, legal costs as well as any administrative fines imposed and losses from business interruption.
- Theft of money or financial instruments by employees or third parties by means of fraud or dishonesty under a loss discovered policy.
- Physical loss or damage to offices and servers and losses derived from business interruptions on an "all risks" basis (including fire), up to the declared value of each property and the revenue reported in connection with a business interruption under property damage. The main coverages are for (i) material damages to offices and servers, and (ii) loss of profit as a consequence of such material damage. Both material damage and loss of profit are covered on "all risk" basis up to the limit of the insured amounts.

Finally, the Group has a general liability policy which provides legal liability protection to third parties for death/bodily injury and/or loss/ damage to their property arising out of and in the course of the Group's business activities as well as financial loss caused by errors or omissions (including losses caused by money transfer and payment errors).

The liability of the directors and officers of the Company are insured under a director's and officer's liability insurance policy with coverage and terms customary for a publicly listed company of the size of the Company (see section "*Management and Board of Directors—Board Liability, D&O Insurance Policy and Indemnity*").

As a general matter, HBX Group's insurance policies typically carry a deductible and are subject to certain exclusions and maximum coverage amounts.

As of the date of this Prospectus, the Group believes that it has adequate insurance coverage against all material risks that are typically insured by similar companies with comparable risk exposure. Insurance coverage is regularly verified and adjusted when necessary.

Legal proceedings

From time to time, HBX Group is involved in legal, arbitration and governmental proceedings in the ordinary course of its business. As of the date of this Prospectus, there are no material legal, arbitration or governmental proceedings pending or, to the Group's knowledge, threatened against the Group and none of HBG Ltd, the Company or any of HBG Ltd's subsidiaries is, or has been, engaged in any legal, arbitration or governmental proceedings instigated by or against any of them which may have, or during the twelve months immediately preceding the date of this Prospectus have had, a significant effect on the Group's financial position nor, so far as the Company is aware, are any such proceedings threatened by or against HBG Ltd, the Company or any of HBG Ltd's subsidiaries. The existing or threatened legal, arbitration or governmental proceedings against the Group are not expected to have a material adverse effect on its financial position nor its financial profitability.

From time to time, the Group may also be subject to certain audits by tax, social security or other authorities. Although the outcome of these proceedings or audits is intrinsically uncertain and cannot be predicted with certainty, as of the date of this Prospectus none of the currently ongoing proceedings are individually expected to have a material adverse effect on the Group's financial position, subject to the risks described in section "*Risk Factors—Risks relating to the Group and its business—Legal and regulatory related risks—The Group may become involved in litigation, arbitration and governmental proceedings"* and section "*Risk Factors—Risks Relating to the Group and its Business—Risks Related to Taxation*".

Moreover, the New York State tax authorities are conducting a routine tax audit of Hotelbeds USA Inc. for the period from June 2019 to November 2022 in connection with New York State sales taxes. The tax authorities have raised two issues relating to sales taxes paid by Hotelbeds USA Inc. to hotels and sales taxes charged by Hotelbeds USA Inc. to its customers. The tax authorities have issued a Notice of Determination to assess sales taxes. Hotelbeds USA Inc. has appealed against this Notice of Determination as it considers that the sales taxes being assessed are not applicable to its business operations and that the calculations made by the tax authorities are not correct. Hotelbeds USA Inc. continues to discuss these matters with the New York tax authorities and to address their questions and to resolve any matters that may arise. At the date of this Prospectus, the Group is not able accurately estimate any potential liability that may arise, however, pending final resolution of the audit, it has recorded a provision in the Special Purpose Consolidated Financial Information for FY 2024 in an amount of €1 million. It is likely that the audit will be resolved during FY 2025.

In certain countries such as the UK, Turkey, Dubai, Singapore and Australia, the Group is working with the relevant tax authorities on the proper VAT refund methodology when VCC are used by clients to purchase hotel rooms. In some cases, the relevant hotel does not provide a valid VAT/IVA/GST invoice when the Group purchases a hotel room with a VCC, which means the Group may not be able to obtain a refund without the advanced permission of the relevant tax authority. The Group is taking a number of actions to obtain such invoices relating to such payments with the relevant hotels, as well as exploring the provision of alternative evidence to tax authorities where an invoice is not obtained.

For example, in the case of the UK, Hotelbeds UK Ltd applied to HMRC to use alternative evidence instead of a valid VAT invoice so that the input VAT could be recovered. Despite the evidence supplied to HMRC and that HMRC had previously allowed recovery of input tax using alternative evidence, HMRC has thus far refused to permit the recovery of input VAT using this method. In August 2023, the Group successfully applied for a judicial review by the Administrative Division of the UK High Court, challenging HMRC’s decision to refuse a VAT repayment of approximately £10 million to Hotelbeds UK Limited, based on Hotelbeds UK Limited’s inability to obtain and provide invoices from certain suppliers paid using VCC. The UK High Court hearing took place on 16 and 17 October 2024 and the outcome of this hearing is likely to be released in first quarter of 2025. According to UK tax counsel of HBX Group, it is more likely than not that HBX will be successful in its claim. In any case, this procedure is fully provided for in the Special Purpose Consolidated Financial Information for FY 2024, with provisions amounting to €7 million, so there will be no write-down in the Group’s FY 2025 financial statements. See section “*Risk Factors—Risks relating to the Group and its business—Risks Related to Taxation—Changes in applicable tax laws and regulations, in particular in relation to the taxation of digital services, could materially adversely affect the Group’s financial position and results of operations*”.

Furthermore, in July 2024, the Spanish tax authorities raised an assessment for Spanish DST on three of the Group’s Spanish subsidiaries for financial years 2021 and 2022. The total liability assessed for the three companies is €3.1 million. The Group does not consider that Spanish DST is applicable to the operations of its Spanish business and has appealed against the assessment raised by the Spanish tax authorities on this basis. The matter is being reviewed by the Spanish tax authorities as to the future course of action. The Spanish tax authorities may decide not to take the matter forward to litigation, require further audit fieldwork to be undertaken or move towards a hearing at the Administrative Court.

The Special Purpose Consolidated Financial Information for FY 2024, FY 2023 and FY 2022 includes aggregate provisions amounting to €3 million, €3 million and €2 million, respectively, to cover the total potential liabilities for pending legal and arbitral proceedings against the Group.

REGULATION

As a global business, HBX Group is subject to a number of laws and regulations in the different jurisdictions in which it operates. In particular, the Group is subject to certain regulatory frameworks relating to vertical agreements, data protection, and travel and tourism activities, including travel advisers and travel package distribution. These laws and regulations evolve and change, and their interpretation, application, and enforcement can also change, be unpredictable, or be affected by changing political or social pressures. As HBX Group expands its business into new areas, including its evolution towards fintech and insurance, HBX Group may become subject to additional laws and regulations. The Group can provide no assurance that it will always successfully ensure full compliance with these regulations in all of the jurisdictions in which it operates. The below section sets out the main laws and regulations specific to the Group's business.

Vertical Agreements Block Exemption

EU Vertical Agreements Block Exemption

Commission Regulation (EU) 2022/720 of 10 May 2022 on the application of Article 101(3) of the Treaty on the Functioning of the European Union ("**TFEU**") to categories of vertical agreements and concerted practices (the "**RVABER**") is a legal framework established by the European Union to regulate certain types of agreements between two or more undertakings operating at different levels of the production or distribution chain, and relating to the conditions under which the parties may purchase, sell or resell certain goods or services. It entered into force on 1 June 2022 and allows businesses to assess the compatibility of their supply and distribution agreements with EU competition rules in a business environment reshaped by the growth of e-commerce and online sales.

Article 101(1) TFEU prohibits agreements between undertakings that restrict competition including discriminating customers on the basis of their place of residence or nationality (see section "*Risk Factors —Risks relating to the Group and its business—The Group's business is subject to various competition/anti-trust rules, and regulations around the world, and as the size of HBX Group's business grows, scrutiny of the Group's business by legislators and regulators in these areas may intensify*"). However, under Article 101(3) TFEU, such agreements are compatible with the Single Market, provided they contribute to improving the production or distribution of goods or to promoting technical or economic progress, while allowing consumers a fair share of the resulting benefits and without eliminating competition.

The purpose of the RVABER is to exempt certain types of vertical agreements from the European Union's strict competition rules provided these meet certain criteria. These criteria typically include ensuring that the agreements do not restrict competition in the market excessively and that they provide benefits such as improving production or distribution efficiency, promoting innovation, or enhancing consumer welfare.

The RVABER outlines specific categories of vertical agreements that may benefit from the exemption, such as exclusive distribution agreements, selective distribution agreements and franchising agreements, among others.

Prior to the entering into force of the RVABER, HBX Group scrutinised its sales model with the purpose of ensuring the compatibility of certain parity and most-favoured nation clauses included in certain sourcing contracts entered into with accommodation suppliers, such as SPAs, and compliance with European antitrust provisions. While the Group believes that it is complying, in all material respects, with RVABER, it cannot exclude the possibility that, in the future, it may be subject to requests for information or investigations by national competent authorities, the EU Commission or other authorities into its competitive behaviour.

Data Protection

The Group's activities may at times involve the collection and/or processing of the personal data of individuals. This means that the Group is subject to the data protection regulations of certain countries in which it operates and any breach of such regulations could result in fines, which could be material, and harm the Group's reputation.

In particular, there are five principal means by which HBX Group may collect personal data:

(i) From employees, former employees and job applicants of HBX Group.

(ii) From suppliers and distribution partners with which HBX Group has a commercial or business relationship including for the purposes of processing such data to fulfil the contractual obligations the Group enters into on behalf of its distribution partners.

(iii) Indirectly from end consumers through distribution partners (mainly travel advisers and tour operators) to fulfil the services agreed to provide to the distribution partners the signed contract.

(iv) Directly from end consumers that visit and utilise or register with websites of HBX Group's businesses (such as Hotelopia, Travelstack, Carnect, Easymarket or HolidayTaxis) or subscribe to the Group's newsletters. HBX Group does not disclose personal data to third parties except where necessary for the purposes of (i) fulfilling bookings, purchases or requests, (ii) credit checks, (iii) fraud prevention, (iv) fulfilling a legal obligation or (v) if so required by any applicable law, court order or regulation.

(v) From any person who carries out an enquiry or reports a case on the Group's online channel for the purposes of reporting serious concerns about suspected misconduct, illegal acts, or failure to act in accordance with the law or HBX Group's corporate policies.

The Group has established a framework with the aim of monitoring compliance with these regulations and is in the process of implementing internal procedures to comply with these regulations. In particular, a Data Protection Officer ("**DPO**") and a Data Governance Officer ("**DGO**") positions have been created to oversee and manage data privacy compliance (both, legal and regulatory) across the Group.

EU General Data Protection Regulation

The primary body of data protection legislation to which the Group's operations are subject is Regulation (EU) 2016/679 ("**EU GDPR**"). The EU GDPR's aim is to protect the rights and freedoms of natural persons with respect to the processing of personal data laying down the rules relating to processing of personal data and to the free movement of personal data. The main subjects of the EU GDPR are the data subjects, i.e., the individuals whose personal data is processed (the "data subjects"), and the natural or legal persons, public authorities, agencies or other bodies determine the purposes and means of the processing of personal data (the "data controllers"), ensuring that such processing complies with GDPR principles.

The concept of personal data, for these purposes, can be broadly defined as any information relating to a directly or indirectly identified or identifiable natural persons (irrespective of its country of residence or nationality of that person); an identifiable person being one who can be identified, directly or indirectly, in particular by reference to an identifier, such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of such natural person (Article 4(1) of the EU GDPR). It compels personal data controllers and processors in the EU or those making use of processing systems located in the territory of an EU Member State to adopt a number of measures prior to data collection, during their storage and until they are deleted.

In relation to its business operations, the Company will normally adopt the role of a data processor (i.e. not deciding about the purposes and means for the processing of personal data) in relation to the data of the data subjects. Therefore, it will need to comply with all the obligations set out in EU GDPR both vis-à-vis the data subjects and internally. The guiding principle of EU GDPR is the accountability principle which requires companies (either data controllers or data processors) to implement appropriate organisational and technical measures to ensure not only the compliance with EU GDPR but also the capability of providing documentary evidence thereof.

The main obligations vis-à-vis the data subjects that should be complied by data processors are:

- to process personal data exclusively following the instructions of the data controller; and
- to establish mechanisms and procedures for data subjects to exercise their rights under GDPR (e.g., access, rectification or erasure).

UK General Data Protection Regulation

The United Kingdom General Data Protection Regulation ("**UK GDPR**") is the United Kingdom's domestic data protection legislation. The UK GDPR is closely aligned with the EU GDPR. Following the withdrawal of the United Kingdom from the European Union at the end of 2020, the United Kingdom incorporated the EU GDPR into its national law with some minor amendments to adapt it to its domestic context. The UK GDPR retains the core principles and rights established by the EU GDPR, ensuring consistency in data protection standards within the UK. See section "*—EU General Data Protection Regulation*" above.

US Data Protection rules

HBX Group complies (at group level) with general data protection regulations, such as EU GDPR and UK GDPR, which are stricter than US data protection rules. Specifically, when HBX Group acts as a data controller in the United States, mainly through Hotelopia, the privacy policy on the relevant website includes all provisions to comply with US data protection rules that may be applicable. In addition, in terms of international data transfers from the European Union to the United States, HBX Group complies with article 49 of the EU GDPR.

Chinese Personal Information Protection Law

During FY 2024, 4% of the Group's revenue was generated in China. The Personal Information Protection Law (the "**PIPL**") is China's data privacy law and entered into force on 1 November 2021. The PIPL aims to protect personal information of individuals located in China, regardless of the nationality or citizenship of the individual and the location of the data handler. This means that both domestic and foreign entities that handle the personal data of individuals located in China are subject to the requirements of PIPL.

PIPL applies to any organisation or individual that processes personal information of individuals located in China, regardless of the nature of the processing activity or the size of the organisation. The PIPL establishes a framework for the collection, use, storage, transfer, and disclosure of personal information. For the purposes of PIPL, "personal information" means any information related to an identified or identifiable natural person, including name, address, phone number, email address, date of birth, social security number, financial information, medical information, location data, biometric data, internet browsing history or social media posts, except where such information is anonymised.

Travel Agency Regulations

In respect of certain of its business activities, the Group is subject to certain local and national rules and regulations in relation to sales and marketing activities, including those prohibiting unfair and deceptive advertising or practices, and those governing the offer or sale of travel products and services. For example, HBX Group is required to register as a "seller of travel" in various countries and to comply with certain disclosure requirements in respect of travel agency services and obtain relevant licences.

The following table sets forth the members of the Group that have obtained such licences in the relevant jurisdictions as at the date of this Prospectus.

Name of subsidiary	**Country**
Bedsonline, S.L.U.	Spain
Hotelopia, S.L.U.	Spain
Hotelbeds Product, S.L.U.	Spain
Hotelbeds Spain, S.L.U.	Spain
Hotelbeds, S.L.U.	Spain
Travel Partner Turkey Turizm Ve Seyahat A.Ş.(1)	Turkey
Hotelbeds USA Inc.	United States(2)
TravelStack Inc.	United States(2)
Club Turavia SA de CV	Mexico
Advantos Brazil Operadora de Turismo Limitada	Brazil
Travel Partner Brazil Agencia de Turismo e Viagens Ltda	Brazil
Hotelbeds DMCC	United Arab Emirates
Hotelbeds Pte Limited	Singapore
Kuoni GTS (Korea) Limited	South Korea
Gulliver Travel Associates (Beijing) Ltd	China

Notes*:*

(1) Licences under the Hotelbeds and Bedsonline brands.
(2) Registered in Florida, California, Hawaii and Washington.

In addition, many of the Group's distribution partners are regulated by European and other governments and therefore the Group is indirectly affected by such regulations.

EU Package Travel Directive

European Union rules covering pre-arranged package holidays, but also self-customised packages, where travellers choose different elements from a single point of sale online or offline are set out under Directive (EU) 2015/2302 of the European Parliament and of the Council of 25 November 2015 on package travel and linked travel arrangements, amending Regulation (EC) No 2006/2004 and Directive 2011/83/EU of the European Parliament and of the Council and repealing Council Directive 90/314/EEC (the "**Package Travel Directive**").

Under the Package Travel Directive, a "package" is a combination of at least two of the following travel services:

(i) carriage of passengers;

(ii) accommodation which is not intrinsically part of carriage of passengers and is not for residential purposes;

(iii) the rental of cars, certain other motor vehicles or motorcycles requiring a Category A driving licence; or

(iv) any other tourist service that are not an essential part of the travel itself but contribute to the overall experience, such as guided tours, excursions or event tickets,

provided that (a) such services are combined by one trader, including at the request of, or in accordance with, the selection of the traveller, before a single contract on all services is concluded; or (b) irrespective of whether separate contracts are concluded with individual travel service providers, those services are (I) purchased from a single point of sale and those services have been selected before the traveller agrees to pay or (II) offered, sold or charged at an inclusive or total price, advertised or sold under the term "package" or under a similar term, combined after the conclusion of a contract by which a trader entitles the traveller to choose among a selection of different types of travel services, or purchased from separate traders through linked online booking processes where the traveller's name, payment details and e-mail address are transmitted from the trader with whom the first contract is concluded to another trader or traders and a contract with the latter trader or traders is concluded at the latest 24 hours after the confirmation of the booking of the first travel service.

Under the Package Travel Directive, the term (i) "traveller" means any person who is seeking to conclude a contract, or is entitled to travel on the basis of a contract concluded, within the scope of the Package Travel Directive; (ii) "trader" means any natural person or any legal person, irrespective of whether privately or publicly owned, who is acting, including through any other person acting in his name or on his behalf, for purposes relating to his trade, business, craft or profession in relation to contracts covered by the Package Travel Directive; and (iii) "organiser" means a trader who combines and sells or offers for sale packages, either directly or through another trader or together with another trader, or the trader who transmits the traveller's data to another trader.

The Package Travel Directive imposes certain obligations on packaged or linked travel arrangement providers and grants certain rights to end travellers:

- **Information rights**: Travellers must be informed as to whether they are being offered a package or linked travel arrangement as well as about their key rights thereunder through standardised information forms. Likewise, travellers must be provided with clear information on the features and characteristics of the package, its price and any additional charges.
- **Cancellation rights**: Travellers may cancel their package for any reason by paying a reasonable fee. However, travellers may also cancel their package free of charge in the event their destination becomes dangerous (for example because of war or natural disasters), or if the package price is increased by 8% or more compared to the original price.
- **Accommodation rights**: To the extent it is impossible to ensure the traveller's return as agreed in the package travel because of unavoidable and extraordinary circumstances, the organiser is required to bear the cost of necessary accommodation, for a period not exceeding three nights per traveller.
- **Assistance rights**: The package organiser must also provide assistance to travellers in difficulty, in particular, by providing information on health services, local authorities and consular assistance.
- **Repatriation in case of bankruptcy and refunds**: Organisers of packages or linked travel arrangements must provide security with the purpose of guaranteeing the refund of all payments made by or on behalf of travellers insofar as the relevant services are not performed as a consequence of the organiser's insolvency. If the transport of passengers is included in the package, organisers also need to provide security for the return of travellers.
- **Organiser responsibility**: The organiser of a package or linked travel arrangement will be responsible for the performance of the travel services included in the package travel contract, irrespective of whether those services are to be performed by the organiser or by other travel service providers.

As of the date of this Prospectus, none of the entities within the HBX Group sell travel packages. However, the Group may enter the package travel business in the future, either directly or through third parties. Additionally, tour operators, one of the Group's high-value distributors, specialise in creating and selling travel packages focused on group travel, and they are subject to the Package Travel Directive. If travel packages are organised in jurisdictions outside of the European Union, additional regulations in such jurisdictions may apply and required to be complied with.

REASONS FOR THE OFFERING AND USE OF PROCEEDS

Reasons for the Offering

The Company and the Selling Shareholders believe that the Offering and Admission are the natural next steps in the long-term development of the Group. The Offering is expected to provide the Company with a diversified base of international shareholders, access to a lower cost of capital and improved access to public capital markets (including for debt instruments) that could make it easier for the Company to obtain financing to be used for the future growth of the Company. In addition, the Company expects that the Offering will further enhance the Group's brand recognition and prestige as a result of being a listed company. The Existing Offer Shares will also provide an opportunity for the Selling Shareholders to recover part of their investment in the Company and will provide liquidity on the Spanish Stock Exchanges for the Shares held by the Company's shareholders.

Becoming a publicly listed company will provide the Company with additional advantages, including enhanced scrutiny from stakeholders and the market in general, highest corporate governance standards, reinforced institutional profile, and a tool to retain and incentivise the management team through stock incentive plans (see section "*Management and Board of Directors—Incentive Plans—Incentive plans following Admission*"), and will allow the Company to strengthen and institutionalise its relationship with internal and external stakeholders.

The Group believes that the Offering will enable the Company to expand the number of shareholders so as to reach a free float of between 24.78% (assuming no exercise of the Over-allotment Option and an Offering Price equal to the maximum of the Offering Price Range) and 32.24% (assuming the Over-allotment Option is exercised in full and an Offering Price equal to the minimum of the Offering Price Range) of the total issued share capital of the Company upon Admission, and following the Proposed Reorganisation, in either case higher than the minimum threshold of distribution of the Shares required for their admission to trading on the Spanish Stock Exchanges and on the AQS (which, in accordance with Article 66.7 of the Spanish Royal Decree 814/2023, of 8 November, and subject to certain exceptions, involves reaching a free float of at least 25% of the shares admitted to trading). If this minimum threshold of distribution of the Shares is not met, the Company expects to apply for a waiver of this obligation with the CNMV. However, the Company cannot guarantee that it will be able to obtain a waiver from the CNMV.

Use of Proceeds

Primary offering

The Offering will permit the Company to raise gross proceeds of €725 million from the issue of the New Offer Shares in the Offering.

The Company intends to use these gross proceeds for the following purposes:

(i) the payment of approximately €208 million (assuming an Offering Price at the lower and upper end of the Offering Price Range, and including all related social security costs, which are expected to amount to approximately €10 million) under the Additional Incentive Bonus (see section "*Management and Board of Directors—Incentive Plans—Extraordinary incentives and awards*"), the Exit Bonus, the €1 million exit bonus described in "*Management and Board of Directors—Compensation—Executive Committee compensation*", the Historical LTIPs (see section "*Management and Board of Directors—Incentive Plans—Historical incentive plans to be liquidated upon Admission*"), the EIP and the Roiback LTIPs (see section "*Business—Employees & Culture*"), although €23.3 million have already been provisioned as at 30 September 2024;

(ii) the payment of between €58 million and €107 million to settle the Deferred Sale Consideration in respect of the Management Selldown (see section "*Proposed Reorganisation*");

(iii) the payment of fees and expenses of the Offering amounting to €50 million (assuming the discretionary commission to the Managers is paid in full by the Company (excluding any applicable VAT)) (see section "*Plan of Distribution—Offering expenses*"), as well as the payment of €47 million in accrued interest on debt instruments to be refinanced (see section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Borrowings—Senior debt—Existing Senior Facilities Agreement*"); and

(iv) payments of the amounts due in the context of the Refinancing comprising the repayment of amounts outstanding under the Existing Facilities amounting to €537 million (including costs in an amount of €29 million) to be funded using the remaining part of the gross proceeds from the New Offer Shares as well as available cash.

The net proceeds raised by the Company in the Offering (deducting €50 million in fees and expenses related to the Offering (assuming the discretionary commission to the Managers is paid in full by the Company (excluding any applicable VAT)) (see section "*Plan of Distribution—Offering expenses*"), will amount to €675 million.

The Company expects that, in addition to the gross proceeds from the New Offer Shares, it will need to use between €129 million (at the lower end of the Offering Price Range) and €173 million (at the upper end of the Offering Price Range) from available cash to fund the Cash Outflows, thereby affecting its liquidity.

As a result of the Proposed Reorganisation, the Refinancing and the application of the gross proceeds from the New Offer Shares as described above, the Group expects that immediately following the Offering its Adjusted Net Debt to Adjusted EBITDA^{APM} will amount to approximately 2.5x. See section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures—Adjusted Net Debt to Adjusted EBITDA^{APM}*" for an explanation and reconciliation of Adjusted Net Debt to Adjusted EBITDA^{APM}.

For a detailed description of the proceeds that are expected to be received by certain Directors and members of the Executive Committee as a result of the payment of all applicable Historical LTIPs, the Additional Incentive Bonus and the Deferred Sale Consideration (both on a gross and after-tax basis), see the table below:

	Deferred Sale Consideration		**Historical LTIPs**		**Exit Bonus**	**Additional Incentive Bonus**	**Gross proceeds from Deferred Sale Consideration, Historical LTIPs, Exit Bonus and Additional Incentive Bonus**		**After-tax proceeds from Deferred Sale Consideration, Historical LTIPs, Exit Bonus and Additional Incentive Bonus**[1]		**Amount to be reinvested**	
	Lower end[2]	**Upper end**[2]	**Lower end**[2]	**Upper end**[2]			**Lower end**[2]	**Upper end**[2]	**Lower end**[2]	**Upper end**[2]	**Lower end**[2]	**Upper end**[2]
							(in millions)					
Richard Solomons[3]	€1.6	€3.7	€2	€1.4	€1	€5.7	€10.3	€11.8	€4.9	€6.2	€3.7	€4.7
Nicolas Huss[4]	€17.5	€23.4	—	—	—	€32.8	€50.3	€56.2	€21.3	€22.8	€16	€17.1
Executive Committee members[5]	€8.7	€20	€14.1	€12	—	€43.9	€66.7	€75.8[6]	€35.8	€40.4	€21.6	€24.3

Notes*:*

(3) Estimated amounts calculated on the basis of the circumstances and legislation in force at the date of approval of this Prospectus. Included for illustrative purposes only.

(4) Refers to the lower and upper end of the Offering Price Range, respectively.

(5) Richard Solomons is the Chair and non-executive Director.

(6) Nicolas Huss is the Chief Executive Officer and member of the Executive Committee.

(7) The current remaining members of the Executive Committee excluding the Chief Executive Officer.

(8) €0.1 million difference due to rounding.

Secondary offering

The Selling Shareholders expect to raise gross proceeds of between €21,000,000 and €25,000,000 (assuming the Offering Price is set at the lower and upper ends of the Offering Price Range, respectively, the Existing Offer Shares are sold in full and no exercise of the Over-allotment Option; and €132,900,000 or €137,500,000, respectively, if the Existing Offer Shares are sold in full and the Over-allotment Option is exercised in full) from the sale of the Existing Offer Shares in the Offering. The Selling Shareholders will bear any commissions payable in respect of the Existing Offer Shares. For additional information, see section "*Plan of Distribution—Offering Expenses*". The Company will not receive any proceeds for the sale of the Existing Offer Shares by the Selling Shareholders in the Offering, and, if the Over-allotment Option is exercised in full or in part, from any Over-allotment Shares sold in the Offering.

DIVIDEND POLICY

Legal and Regulatory Requirements

Pursuant to English law and the Articles of Association, the distribution of profits may take place following the adoption of the Company's annual accounts by the shareholders' general meeting, from which the Company will determine whether such distribution is permitted.

The declaration, timing and amount of any dividend or distribution will be subject to such other factors as the Board or a general shareholders' meeting may deem relevant from time to time. In that regard, any decision to declare and pay dividends by the Company is made at the discretion of the Board and must be authorised (post-distribution, in the case of interim dividends) by the Company's shareholders at a general shareholders' meeting. Accordingly, dividends or other distribution payments may change from time to time, and the Company cannot provide assurance that it will declare dividends or other distributions in any particular amounts or at all, as the payment of any such dividends or other distributions will depend on its ability to generate profits available for distribution and positive cash flows.

Holders of ordinary shares of the Company will be entitled to receive any future dividends, which will be declared on the basis set out in the Company's Articles of Association. For additional information, see section "*Description of Share Capital—Dividend and Other Distributions*".

Any dividends will be paid in euros. Dividends are declared and paid pro rata according to the number of shares held by each shareholder. Dividends declared but not yet paid do not bear interest.

The Company may make distributions to the shareholders, whether from profits or from its freely distributable reserves, only insofar as its shareholders' equity exceeds the sum of the paid-up and called-up share capital plus the reserves required to be maintained by English law or pursuant to the Articles of Association. As of the date of this Prospectus, the Company does not have the reserves required to be maintained by English law and the Articles of Association to be able to make distributions. In particular, as of the date of this Prospectus the Company has no distributable reserves. Under the Proposed Reorganisation, and conditional upon Admission, it is intended that the General Shareholders Meeting' of the Company will pass, on 10 February 2025, a special resolution to reduce €725 million of its share premium account (created as a result of the issue of the New Shares and the Management Reinvestment) in order to provide the Company with certain distributable reserves to potentially enable the Company to pay dividends in the future.

Pursuant to the UK Companies Act, such reduction of the share premium account is treated as a share capital reduction for these purposes and is therefore subject to court approval following Admission. This court approval is a customary formal procedure required by the UK Companies Act for capital reductions of public limited companies. Provided that the statutory requirements of the capital reduction are met and the procedural directions of the court have been complied with, an order confirming the capital reduction would typically be made as a matter of course within a period of three to five weeks from application. The Company expects to comply with the relevant capital reduction requirements. It is expected that, following this court-approved reduction of capital, the Company's distributable reserves will amount to approximately €725 million. The conditions under which the Company may declare dividends and other distribution provisions in accordance with English law and the Articles of Association are described under "*Description of Share Capital—Dividend and Other Distributions*".

Entitlement to Dividends

All Shares (including the Offer Shares offered hereby) are equally entitled to dividends and other distributions, if and when declared.

Dividend Policy and History

As at the date of this Prospectus, the Company has not yet established a specific dividend policy. Following Admission and subject to any applicable legal or statutory requirements and the availability of distributable profits and reserves, the Company is targeting a dividend pay-out ratio of 20% over the Group's consolidated profit after taxation for FY 2026 to FY 2029. However, the Group anticipates that the profit and loss impacts of payments under incentive plans and fees associated with the Offering will result in the Group being loss making in FY 2025 and, consequently, no dividends are expected to be paid on the basis of FY 2025 results. There can be no assurance that the Group will report profits in subsequent financial years or that it will be able to sustain profitability on a continuing basis, as explained in "*Risk Factors—Risks Relating to the Shares and the Offering—There can be no guarantee that the Company will be able to distribute dividends in the future*". In any case, the dividend policy will be reviewed annually, and alternative methods of capital return may be considered by the Board, as appropriate.

The Company intends that any excess cash built up by the business will be used to either continue its stated M&A strategy or continue to decrease its total indebtedness, or will be returned to shareholders most likely in the form of special dividends.

The Company was incorporated on 20 December 2023 by HNVR Topco and has not declared or paid any cash dividends to date. The only dividends for ordinary shares paid out of HBX Group (consolidated at HBG Ltd level) during FY 2022, FY 2023 and FY 2024 were €41,000 of dividends in relation to select D ordinary shareholders, approved in October 2022 and paid in December 2023, as the Group reported losses during these years due to the impact of, among other matters, interest charged on Shareholder Loan Notes, Preference Shares and senior debt. However, certain companies within the HBX Group are expected to declare dividends as part of the Proposed Reorganisation (see section "*Proposed Reorganisation*"). Moreover, the Group believes that the reduction in interest costs following the conversion of the Shareholder Loan Notes and Preference Shares as a result of the Proposed Reorganisation and the Refinancing will have a significant positive effect on its financial results and financial situation going forward, and the court-approved reduction of the Company's share capital following Admission that is envisaged as part of the Proposed Reorganisation would result in the Company having the reserves required to be maintained by English law and the Articles of Association to be able to make distributions.

The Company's ability to distribute dividends in the future will depend on a number of circumstances and factors, including, but not limited to (i) the amount of profits and freely distributable reserves; (ii) the Board's and the management team's views on potential future capital requirements for strategic transactions and the need to invest in business operations; (iii) the Company's earnings, level of profitability, the cash flow generation and overall financial condition; (iv) restrictions on payment of dividends under applicable law (both on the Company and its subsidiaries), including any extraordinary regulation that may be enacted; (v) compliance with covenants with respect to our current financing agreements (including the Existing Senior Facilities Agreement (which contemplates certain covenants restricting the Group's ability to distribute dividends, all of which have been complied with) and, after the Refinancing, the New Facilities Agreement, which does not include a covenant directly restricting the Company's ability to pay dividends but may indirectly constrain dividend payments by the need to comply with the financial covenant which requires the Company to maintain a maximum Total Net Leverage of 4.50:1 (reducing to 4.00:1 after the first three periods tested), which will be tested on a semi-annual basis at the end of each half-year period and at the end of each financial year, with the first test date being the last day of the first complete financial half year after the Closing Date (see also "*—Dividends and Financing Arrangements*" below) and covenants under any future financing agreements or debt instrument issuances, which may limit the ability to pay a dividend; (vi) requirements considered by international credit rating agencies to assign investment grade ratings; and (vii) the level of dividends paid or shares repurchased by other comparable listed companies. The Company's expectations in relation to dividends, distributable reserves, business performance and market conditions are subject to numerous assumptions, risks and uncertainties, which may be beyond its control. See section "*Presentation of Financial Information and Other Important Notices—Forward-Looking Statements*". For a discussion of risks faced by the Company's business, see section "*Risk Factors—Risks relating to the Group and its business*".

Notwithstanding the foregoing, in the context of the Proposed Reorganisation it is the Company's intention that the Shareholder Loan Notes and Preference Shares are contributed to the Company in exchange for Shares. See section "*Proposed Reorganisation*". See section "*Capitalisation and Indebtedness*" for further information the Group's capitalisation and indebtedness as adjusted to reflect the effects of the Proposed Reorganisation.

Dividend Ranking

All Shares (including the Offer Shares offered hereby) rank equally in all respects and will be eligible for any dividend distribution that may be declared on the Shares in the future.

Manner and Time of Dividend Payments

Payment of any dividend on the Shares in cash will be made in euros. Any dividends on the Shares are to be paid to the Shareholders through Iberclear, the Spanish centralised securities custody and administration system, in accordance with instructions given by the Company to Iberclear. Consequently, any dividend will be credited to the relevant participating entities' proprietary or third-party accounts or to the individual accounts registered in Iberclear and the relevant participating entities will be responsible for onward transmission of the dividends to the relevant Shareholders or intermediaries until the dividends are credited to the Shareholders' cash accounts. Participating entities admitted to the Iberclear system adhere to the internal rules and procedures of Iberclear which govern the mechanics for such onward transmission of dividend payments.

The Board may set a record date for dividend and other distributions. In relation to dividend distributions, there are no restrictions under English law in respect of holders of shares who are non-residents of the United Kingdom. However, see section "*Taxation*" for a discussion of certain aspects of taxation of dividends and refund procedures.

Payment of dividends on any Shares not held through Iberclear, i.e., where Shares have been withdrawn from the Iberclear system and the relevant Shareholder has been recorded as the holder of the relevant Shares in the Company register of members (see "*Description of Share Capital—Transfer of Shares*"), will be made directly to the relevant member using the information contained in the Company's shareholders' register and records.

To request the withdrawal of Shares from the Iberclear system and to be recorded as the holder of the relevant Shares in the Company register of members, a Shareholder will need to provide the registrar referred to in the paragraphs above with an ownership certificate (*certificado de legitimación*) accrediting the amount of Shares held by such Shareholder and the number of Shares to be withdrawn. Following the successful verification by the Company registrar of the ownership certificate, the Company will request from Iberclear the withdrawal of the relevant Shares from the Iberclear system, which will take place in accordance with the Iberclear technical procedures in place from time to time. Any costs, expenses or fees (including any applicable taxes) associated to the withdrawal of Shares from, and/or subsequent re-registration of Shares with, the Iberclear system, shall be borne by the relevant Shareholder (for the withdrawal) or member (for the re-registration). Once a Share is withdrawn from the Iberclear system, the rights and obligations attaching to it (including the payment of dividends) will be exercised in accordance with the Articles of Association and applicable law. Once withdrawn from the Iberclear system, the relevant Share(s) will no longer be tradeable on the Spanish Stock Exchanges.

Payments of dividends will be announced in a notice by the Company and through the Iberclear system.

Uncollected Dividends

An entitlement to any dividend distribution shall be barred six years after the date on which those dividends were released for payment. Any dividend that is not collected within this period reverts to the Company and is allocated to its general reserves.

Dividends and Financing Arrangements

<u>Existing Senior Facilities Agreement</u>

Under the Existing Senior Facilities Agreement, which will be refinanced in full concurrently with the Offering, as further described in section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Borrowings— Senior Debt—Existing Senior Facilities Agreement*", the Group's ability to distribute dividends or make any other payment or distribution to its shareholders or investors is subject to certain limitations, provided that (among other exceptions) the Group may pay:

- certain customary fees and expenses to or of its holding companies and/or investors; and
- dividends, distributions and other payments provided that no default has occurred under the Existing Senior Facilities Agreement and the Group's leverage ratio (pro forma for the payment) is no greater than 2.75:1.

<u>New Facilities Agreement</u>

The New Facilities Agreement does not include a covenant directly restricting the Company's ability to pay dividends, however dividend payments may be constrained by the need to comply with the financial covenant under the New Facilities Agreement, which requires the Company to maintain a maximum Total Net Leverage of 4.50:1 (reducing to 4.00:1 after the first three periods tested), which will be tested on a semi-annual basis at the end of each half-year period and at the end of each financial year, with the first test date being the last day of the first complete financial half year after the Closing Date.

See also sections "*Risk Factors—Risks Related to the Shares and the Offering—The Company is a holding company with no direct cash generating operations and relies on operating subsidiaries or external financing to provide it with funds necessary to, among other things, pay dividends. The Company will not be able to distribute dividends in FY 2025 and there can be no guarantee that it will be able to distribute dividends in the future*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Borrowings*".

Taxation of Dividends

See section "*Taxation*" for a discussion of certain aspects of taxation of dividends paid on the Shares.

CAPITALISATION AND INDEBTEDNESS

Capitalisation and Indebtedness

In order to allow certain Directors, officers, directors of HBG Ltd, members of the Executive Committee and active and former senior employees of HBX Group as well as other non-institutional shareholders who acquired their shares in HBG Ltd under the Shares Investment Opportunity (see section "*Related Party Transactions—Relationship with Other Companies of the Group—Shares Investment Opportunity*") to benefit from the Offering and sell down their shares in HBG Ltd, the Deed of Reorganisation enables these individuals to transfer all or part of their shares in HBG Ltd to the Company in some cases in full and in others *pro rata* to the number of Existing Offer Shares to be sold by Prometheus Aggregator and CPPIB in the Offering for a consideration equivalent to the Offering Price. See section "*Proposed Reorganisaton—Pre-Admission steps*".

This mechanism would have an impact on (i) the Company's capitalisation, which would be reduced as a result of offsetting the price of acquisition of such shares in HBG Ltd against the contribution to the Company of all the shares in HBG Ltd; (ii) the Company's liquidity, which would also be reduced as a result of the payment by the Company of the acquisition price for shares in HBG Ltd; and consequently (iii) on the Company's indebtedness, which would increase as a result of the use of cash for the payment of the acquisition price for shares in HBG Ltd.

For the purpose of offsetting such effects on the Company's capitalisation, liquidity and indebtedness, the Company has agreed a mechanism under the Reorganisation Deed that mirrors a structure, in which the active and former managers would have exchanged all or part of their shares in HBG Ltd for Shares and subsequently participated in the Offering by selling Shares as additional selling shareholders. The net effect of this mechanism (i.e., the acquisition of HBG Ltd shares by the Company and the increase of the primary issuance size to raise funds for the payment by the Company of the acquisition price of shares in HBG Ltd) will ultimately depend on the Offering Price. At the lower end of the Offering Price Range, the Company will obtain additional proceeds in the amount of approximately €58 million, whilst at the upper end of the Offering Price Range, the Company would obtain approximately €107 million in additional proceeds from the Offering.

As a result of the above and certain additional arrangements between the Company and certain members of the Group's Executive Committee and current employees of HBX Group as well as other non-institutional shareholders:

(a) following completion of steps (4)(a) to (4)(g) of the Proposed Reorganisation, certain shareholders of HBG Ltd, comprising:

  (i) Prometheus Aggregator, CPPIB, the Foundation (directly as well as through KHS Holding S.à r.l), Kiwi Feeder and the 16 individual and non-institutional shareholders (referred to in paragraph (4)(j)(iii) of the Proposed Reorganisation) who will not sell any shares in HBG Ltd to the Company for Deferred Sale Consideration in accordance with that step (4)(j)(iii) of the Proposed Reorganisation; and

  (ii) the 62 individual and non-institutional shareholders referred to in step (4)(j)(iii) of the Proposed Reorganisation, only in respect of the shares in HBG Ltd which they will not sell to the Company in accordance with that step,

  will transfer to the Company their respective shares in HBG Ltd in exchange for Shares newly issued by the Company at this step. As a result, these shareholders will receive 180,000,000 Shares in aggregate (the "**Share-for-Share Exchange**"). See section "*Principal and Selling Shareholders*";

(b) the Chair of the Board, the Chief Executive Officer, six members of the Executive Committee (other than the Chief Executive Officer), and two senior managers will, directly or indirectly: (a) sell all of their shares in HBG Ltd (if any) to the Company for Deferred Sale Consideration (€32,856,733 and €58,813,119, assuming an Offering Price at the lower and upper end of the Offering Price Range, respectively); (b) reinvest in the Company before the Initial Registration Time by subscribing for Shares (newly issued by the Company at this step) at a price per Share equal to the Offering Price (4,370,294 or 4,111,829 Shares representing €45,888,087 and €51,397,862.50, assuming an Offering Price at the lower and upper end of the Offering Price Range, respectively), in an amount equal to between 20% and 75% of their net proceeds (i.e., proceeds for all applicable Historical LTIPs, Exit Bonus, Additional Incentive Bonus and the Deferred Sale Consideration, after deduction of all applicable taxes) against an undertaking to pay the subscription price of such Shares to the Company following Admission (the "**Management Reinvestment**");

(c) certain directors of HBG Ltd and senior active employees of the Group (and certain family members of the foregoing) (comprising 39 shareholders in the aggregate) as well as Aztec (Trustees No.1) Limited in its capacity as trustee of the Hotelbeds Employee Benefit Trust, will sell, directly or indirectly, all of their shares in HBG Ltd to the Company for Deferred Sale Consideration (€23,841,924.52 and €46,884,641.87, assuming an Offering Price at the lower and upper end of the Offering Price Range, respectively) and will not use the Deferred Sale Consideration to reinvest in newly issued Shares in the Company; and

(d) certain other individuals and non-institutional shareholders, including certain former officers and senior employees of the Group (comprising 62 shareholders in the aggregate), will sell, directly or indirectly part of their shares in HBG Ltd to the Company *pro rata* to the number of Existing Offer Shares to be sold by Prometheus Aggregator and CPPIB in the Offering over the aggregate number of Shares held by Prometheus Aggregator and CPPIB immediately prior to such sale for Deferred Sale Consideration (€916,152.10 and €1,181,850.97, assuming an Offering Price at the lower and upper end of the Offering Price Range, respectively) and will have already exchanged (pursuant to step 4(h) of the Proposed Reorganisation), directly or indirectly the remainder of their respective HBG Ltd shares for Shares (newly issued by the Company at that step (4)(h) of the Proposed Reorganisation) (7,311,263 or 7,897,034 Shares representing €76,768,262 and €98,712,925, assuming an Offering Price at the lower and upper end of the Offering Price Range, respectively) pursuant to step (4)(h) of the Proposed Reorganisation. The individuals and non-institutional shareholders who do not sell any shares in HBG Ltd to the Company for Deferred Sale Consideration (comprising 16 shareholders in the aggregate) will have already exchanged, directly or indirectly, all of their respective HBG Ltd shares for Shares (newly issued by the Company at that step (4)(h) of the Proposed Reorganisation) (350,364 or 467,540 Shares representing €3,678,822 and €5,844,250, assuming an Offering Price at the lower and upper end of the Offering Price Range, respectively) pursuant to step (4)(h) of the Proposed Reorganisation.

In this Prospectus, "**Management Selldown**" refers to the sale of shares in HBG Ltd by the persons referred in paragraphs (b) to (d) to the Company for Deferred Sale Consideration.

The tables below set out (i) the Group's capitalisation and indebtedness on an actual basis as at 30 November 2024 derived from HBG Ltd's consolidated unaudited management accounts, (ii) the adjustments to reflect the effects of the Share-for-Share Exchange and the Management Selldown, (iii) the adjustments to reflect the Management Reinvestment; (iv) the adjustments to reflect the gross primary proceeds of the Offering, (v) the adjustments to reflect all the payments to be made using the gross primary proceeds of the Offering (i.e., the payments of the Historical LTIPs, the Roiback LTIPs, the EIP, the Additional Incentive Bonus, the Exit Bonus, the payment to settle the Deferred Sale Consideration, the fees and expenses of the Offering, the accrued interest on debt instruments to be refinanced and the Refinancing), and (vi) the Group's capitalisation and indebtedness, reflecting the adjustments in (ii) to (v) above. These adjustments have been prepared in accordance with the accounting policies that are applicable to the Group. The information in the tables below is consistent with the accounting policies applicable to the Group and should be read in conjunction with, and is qualified by reference to, the sections titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Proposed Reorganisation*" and the Financial Information included in this Prospectus.

Capitalisation

The table below sets out the capitalisation of the Group as at 30 November 2024 on an actual basis and as adjusted:

	As at 30 November 2024									
	Actual(1)	**Adjustments for the Share-for-Share Exchange and the Management Selldown(2)**		**Adjustments for the Management Reinvestment(3)**		**Adjustments for the gross primary proceeds of the Offering(4)**	**Adjustments for the payments to be made using the gross primary proceeds of the Offering and available cash (5)**		**As adjusted for the Share-for-Share Exchange and the Management Selldown, the Management Reinvestment, the gross primary proceeds of the Offering and the payments to be made using the gross primary proceeds of the Offering and available cash**	
		Lower end(6)	**Upper end(6)**	**Lower end(6)**	**Upper end(6)**		**Lower end(6)**	**Upper end(6)**	**Lower end(6)**	**Upper end(6)**
						(€ millions) *(unaudited)*				
Total current debt	**37**	—	—	—	—	—	**(15)**	**(15)**	**22**	**22**
Guaranteed	—	—	—	—	—	—	—	—	—	—
Secured	15	—	—	—	—	—	(15)	(15)	—	—
Unguaranteed/unsecured	22	—	—	—	—	—	—	—	22	22
Total non-current debt(7)	**3,290**	**(1,608)**	**(1,608)**	—	—	—	**(507)**	**(507)**	**1,175**	**1,175**
Guaranteed	—	—	—	—	—	—	—	—	—	—
Secured	1,678	—	—	—	—	—	(507)	(507)	1,171	1,171
Unguaranteed/unsecured	1,612	(1,608)	(1,608)	—	—	—	—	—	4	4
Shareholders' equity	**(1,355)**	**1,550**	**1,501**	**46**	**51**	**725**	**(259)**	**(259)**	**707**	**663**
Share capital	1	1	1	—	—	1	—	—	3	3
Legal reserve	—	—	—	—	—	—	—	—	—	—
Other reserves(8)	(1,356)	1,549	1,500	46	51	724	(259)	(259)	704	660
Total	**1,972**	**(58)**	**(107)**	**46**	**51**	**725**	**(781)**	**(781)**	**1,904**	**1,860**

Notes*:*

(1) *Information extracted from HBG Ltd's consolidated unaudited management accounts as at 30 November 2024. Opening position at 30 November 2024 is based on the consolidated financial statements of HBG Ltd. Following completion of the Proposed Reorganisation, the Company will become the parent company of the Group and, therefore, the end position represents the consolidation at the level of the Company.*

(2) *Assuming the completion of the Share-for-Share Exchange pursuant to the Proposed Reorganisation (see "Proposed Reorganisation"), including (i) the contribution of the Shareholder Loan Notes by their holders for newly-issued shares in HBG Ltd and the redemption of the Preference Shares and the subsequent subscription by the holders of the Preference Shares for newly-issued shares in HBG Ltd and the subsequent exchange of all such newly-issued shares in HBG Ltd for Shares (based on the carrying value of the Shareholder Loan Notes and Preference Shares at 30 November 2024) as well as the exchange by the other shareholders of HBG Ltd of their shares in HBG Ltd for newly-issued Shares (resulting in an aggregate of 180 million newly-issued Shares) and (ii) the payment of between €58 million and €107 million (assuming an Offering Price at the lower and upper end of the Offering Price Range, respectively) to settle the Deferred Sale Consideration payable in relation to the Management Selldown. The Management Selldown impacts other reserves as it represents a payment at market value, whereas the Share-for-Share Exchange is performed at book value. Differential between lower end adjustment included in the Pro Forma Financial Information relates to an increase in the book value of shareholder loan notes and preference shares of €27 million representing accrued interest for the two months ending 30 November 2024.*

(3) *Assuming the reinvestment in cash by the Chair of the Board, seven members of the Executive Committee (including the Chief Executive Officer) and two senior managers by subscribing for newly-issued Shares in an amount equal to between €46 million and €51 million (assuming an Offering Price at the lower and upper end of the Offering Price Range, respectively).*

(4) *Assuming gross sale proceeds for the Company in the Offering of €725 million, of which €1 million is recognised in the share capital account and €724 million as share premium.*

(5) *Assuming the amounts due under the Refinancing comprising the repayment of amounts outstanding under the Existing Facilities amounting to €522 million, representing the current principal amount of €1,708 million to be repaid plus accrued interest at 30 November of €15 million, less capitalised fees and debt modifications to be released to the profit and loss account on extinguishment of the existing debt totalling €30 million, minus proceeds from the new Senior Facilities Agreement totalling €1,200 million less fees of €29 million. The adjustment of €259 million to reserves relates to amounts paid in relation to incentives of €208 million (assuming an Offering Price at the lower and upper end of the Offering Price Range, and including all related social security costs, which are expected to amount to approximately €10 million), costs related to the Offering totalling €50 million, capitalised fees and debt modifications released on extinguishment of the existing debt totalling €30 million, less amounts accrued in relation to costs of the Offering and incentive plans at 30 November 2024 of €6 million and €23 million respectively. Differences between the adjustments included in this table and those in the Pro Forma Financial Information against secured debt relate to amortisation of capitalised fees of €2 million between for the two months ending 30 November 2024 and the movement on the interest accrual on secured debt from €64 million at 30 September 2024 to €15 million at 30 November 2024, following an interest repayment made in October 2024 and subsequent accrual of interest to 30 November 2024. Differences between the adjustments included in this table and those in the Pro Forma Financial Information in relation to reserves relate to a reduction in the cost of extinguishment of debt due to amortisation of capitalised fees of €2 million for the two months ending 30 November 2024, and a €2 million increase in the accrual for costs related to the Offering between the two periods.*

(6) *Refers to an Offering Price at the lower or upper ends of the Offering Price Range.*

(7) *See section "Management's Discussion and Analysis of Financial Condition and Results of Operations—Borrowings" for a description of the guarantees and types of assets used to secure the Group's debt.*

(8) *Other reserves at 30 November 2024 comprise accumulated losses at 1 October 2023 of €1,501 million (30 September 2024 per Pro Forma Financial Information : €1,525 million), share premium account of €136 million (30 September 2024: €136 million) and hedging and translation reserves totalling €9 million (30 September 2024: -€11 million), as included in "other components of equity" in the consolidated statement of financial position in the Special Purpose Consolidated Financial Information.*

Indebtedness

The table below sets out the net indebtedness of the Group as at 30 November 2024 on actual basis and as adjusted:

		As at 30 November 2024									
		Actual[1]	**Adjustments for the Share-for-Share Exchange and the Management Selldown**[2]		**Adjustments for the Management Reinvestment**[3]		**Adjustments for the gross primary proceeds of the Offering**[4]	**Adjustments for the payments to be made using the gross primary proceeds of the Offering and available cash**[5]		**As adjusted for the Share-for-Share Exchange and the Management Selldown, the Management Reinvestment, the gross primary proceeds of the Offering and the payments to be made using the gross primary proceeds of the Offering and available cash**	
			Lower end[6]	**Upper end**[6]	**Lower end**[6]	**Upper end**[6]		**Lower end**[6]	**Upper end**[6]	**Lower end**[6]	**Upper end**[6]
							(€ millions) *(unaudited)*				
A.	Cash	462	(58)	(107)	46	51	725	(842)	(842)	333	289
B.	Cash equivalents[7]	—	—	—	—	—	—	—	—	—	—
C.	Other current financial assets	7	—	—	—	—	—	—	—	7	7
D.	**Liquidity (A) + (B) + (C)**[8]	**469**	**(58)**	**(107)**	**46**	**51**	**725**	**(842)**	**(842)**	**340**	**296**
E.	Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	22	—	—	—	—	—	—	—	22	22
F.	Current portion of non-current financial debt	15	—	—	—	—	—	(15)	(15)	—	—
G.	**Current financial indebtedness (E) + (F)**	**37**	**—**	**—**	—	—	**—**	**(15)**	**(15)**	**22**	**22**
H.	**Net current financial indebtedness (G) – (D)**	**(432)**	**58**	**107**	**(46)**	**(51)**	**(725)**	**827**	**827**	**(318)**	**(274)**
I.	Non-current financial debt (excluding current portion and debt instruments)	1,682	—	—	—	—	—	(507)	(507)	1,175	1,175
J.	Debt instruments	1,608	(1,608)	(1,608)	—	—	—	—	—	—	—
K.	Non-current trade and other payables	—	—	—	—	—	—	—	—	—	—
L.	**Non-current financial indebtedness (I) + (J) + (K)**	**3,290**	**(1,608)**	**(1,608)**	**—**	**—**	**—**	**(507)**	**(507)**	**1,175**	**1,175**
M.	**Total financial indebtedness (H) + (L)**	**2,858**	**(1,550)**	**(1,501)**	**(46)**	**(51)**	**(725)**	**320**	**320**	**857**	**901**

Notes*:*

(1) *Information extracted from HBG Ltd's consolidated unaudited management accounts as at 30 November 2024. Opening position at 30 November 2024 is based on the consolidated financial statements of HBG Ltd. Following completion of the Proposed Reorganisation, the Company will become the parent company of the Group and, therefore, the end position represents the consolidation at the level of the Company.*

(2) *Assuming the completion of the Share-for-Share Exchange pursuant to the Proposed Reorganisation (see "Proposed Reorganisation"), including (i) the contribution of the Shareholder Loan Notes by their holders for newly-issued shares in HBG Ltd and the redemption of the Preference Shares and the subsequent subscription by the holders of the Preference Shares for newly-issued shares in HBG Ltd and the subsequent exchange of all such newly-issued shares in HBG Ltd for Shares (based on the carrying value of the Shareholder Loan Notes and Preference Shares at 30 November 2024) as well as the exchange by the other shareholders of HBG Ltd of their shares in HBG Ltd for newly-issued Shares (resulting in an aggregate of 180 million newly-issued Shares) and (ii) the payment of between €58 million and €107 million (assuming an Offering Price at the lower and upper end of the Offering Price Range, respectively) to settle the Deferred Sale Consideration payable in relation to the Management Selldown. Differential between lower end adjustment included in the Pro Forma Financial Information relates to an increase in the book value of shareholder loan notes and preference shares of €27 million representing accrued interest for the two months ending 30 November 2024.*

(3) *Assuming the reinvestment in cash by the Chair of the Board, seven members of the Executive Committee (including the Chief Executive Officer) and two senior managers by subscribing for newly-issued Shares in an amount equal to between €46 million and €51 million (assuming an Offering Price at the lower and upper end of the Offering Price Range, respectively).*

(4) *Assuming gross sale proceeds for the Company in the Offering of €725 million.*

(5) *Assuming the payment of €208 million (assuming an Offering Price at the lower and upper end of the Offering Price Range, and including all related social security costs, which are expected to amount to approximately €10 million) under the Additional Incentive Bonus (see section "Management and Board of Directors—Incentive Plans—Extraordinary incentives and awards"), the Historical LTIPs (see section "Management and Board of Directors—Incentive Plans—Historical incentive plans to be liquidated upon Admission"), the Exit Bonus (see section "Management and Board of Directors—Compensation—Board Compensation—Compensation of non-executive Directors for the performance of their general role as Directors"), the €1 million exit bonus described in "Management and Board of Directors—Compensation—Executive Committee compensation", the EIP and the Roiback LTIPs (see section "Business—Employees & Culture"); the payment of fees and expenses of the Offering amounting to approximately €50 million (assuming the discretionary commission to the Managers for the New Offer Shares is paid in full by the Company (excluding any applicable VAT)); and the amounts due under the Refinancing amounting to €537 million, comprising repayment of the principal amount of €1,708 million,) less proceeds from the new Facility of €1,171 million after netting costs in an amount of €29 million), to be funded using the remaining gross proceeds from the New Offer Shares as well as available cash, plus approximately €47 million in accrued interest on debt instruments to be refinanced (based on the accrual at the date of refinancing). The difference between the cash movements at the lower end compared to the Pro Forma of €17 million are due to the Pro Forma Financial Information being based on 30 September 2024 interest accrual position of €64 million, whereas the Indebtedness table above shows the anticipated cash outflow to be made at the point of refinancing of €47 million. Differences between the movement in the current portion of non-current financial debt in the Indebtedness table compared to the Pro Forma of €49 million relate to the movement in the accrued interest from €64 million at 30 September 2024 to €15 million at 30 November 2024, following an interest repayment made in October 2024 and subsequent accrual of interest to 30 November 2024. Differences between the adjustment included in the Pro Forma Financial Information against secured debt relate to amortisation of capitalised fees of €2 million for the two months ending 30 November 2024.*

(6) *Refers to an Offering Price at the lower or upper ends of the Offering Price Range.*

(7) *Cash at bank and in hand, short-term deposits with an original maturity of less than three months and bank overdrafts.*

(8) *At 30 November 2024, the main sources of liquidity of the Group were comprised by cash in bank (€462 million), the undrawn revolving credit facility from lenders of €157 million under the Existing Facilities Agreement and €116 million of other undrawn committed credit facilities). Cash and cash equivalents include €40 million that is held in specific bank accounts of HBX Group as guarantees to third parties to support bilateral lines of credit as at 30 November 2024. These deposits are highly liquid and can be recovered on demand.*

Representation Concerning Working Capital

In the opinion of the Company, as of the date of this Prospectus, the Group has sufficient funds to meet the Group's and the Company's present obligations and, in particular, to meet their respective obligations for a period of at least twelve months from the date of this Prospectus. In forming this opinion, the Company has considered guidelines 29 to 35 of the ESMA Guidelines on disclosure requirements under the Prospectus Regulation.`

In particular the Group has assessed its cashflow forecasts for a period of twelve months from the date of approval of the Special Purpose Consolidated Financial Information, considering the anticipated trading trajectory, together with other global macro-economic impacts. The cashflow forecasts have been prepared on the basis of continued Adjusted EBITDA^{APM} growth; however, the Group has used a base case and a downside scenario. A severe but plausible downside scenario assumes a 30% reduction in the Group's TTV^{APM} for the next two financial years and an Offering Price at the upper end of the Offering Price Range (and, consequently, higher cash outflows as set out under "—*Capitalisation and Indebtedness*" above. In both cases the Group is projected to have sufficient liquidity to support its operations and to be compliant with its banking covenants.

Moreover, as a result of the Offering, the Directors have also assessed the Group's cashflow forecasts for a period of twelve months from the date of approval of the Special Purpose Consolidated Financial Information, assuming the successful trading of the Shares, to include the incremental impacts of (i) the payment of the Additional Incentive Bonus, the Historical LTIPs, the EIP and the Roiback LTIPs; (ii) the Proposed Reorganisation; (iii) anticipated proceeds from the New Offer Shares; and (iv) any incremental ongoing costs associated with Admission. The Directors have used a base case and a downside scenario. In both the base case and the downside scenario detailed above, the Group is projected to have sufficient liquidity to support its operations and to be compliant with its covenants from the New Facilities Agreement and the Directors are satisfied that the Group has adequate resources to continue operations for the foreseeable future.

The Group's working capital is highly seasonal and cyclical as a result of the nature of its business, with the highest demand in the summer season (May – October) driven by summer bookings and the lowest in the winter season (November – April, except for the days around Christmas, New Year and Easter) where working capital increases due to the settlement of payables arising in the summer, which more than offset the low season working capital inflow. Structurally, in common with many businesses with rapid turnover and low trade receivables, the Group operates with negative working capital, receiving cash from its distribution partners before paying its suppliers. The payment period for HBX Group to pay hotels in FY 2024 was approximately 42 days after the scheduled check-in date of the relevant end consumer (i.e. the invoice date), while the payment period for the distribution partner to pay HBX Group was approximately 15 days. This difference between days receivables and days payables generated negative working capital for HBX Group during FY 2024. The negative working capital balance for FY 2024 compared against FY 2023 has contributed to a cash inflow of €110 million. Please see section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Cash flows—Net cash inflow from operating activities*".

As a result of the seasonal nature of the Group's working capital, the Group uses Adjusted Net Debt^{APM} to more accurately represent the Group's financial position by normalising temporary fluctuations in working capital associated with peak travel periods. As explained under "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures—Adjusted Net Debt^{APM}*", Adjusted Net Debt^{APM} is calculated by adding a working capital adjustment to Net Debt^{APM}, which is the difference between the Group's working capital at the reporting date and the average working capital for the previous 12 months. As at 30 November 2024, as a result of the relevant working capital adjustment for that date, the Group's Adjusted Net Debt^{APM} was marginally higher than its Net Debt^{APM}.

In relation to the payments flow, hotels usually receive payment for the rooms from HBX Group after HBX Group has received the net room price (i.e., the final room price minus the mark-up for the distribution partner) from its distribution partners and the Group's commission has been deducted. This commission is deducted from the selling price at different times depending on the service concerned:

- *Accommodation, transfers, activities and car rental service:* commission is deducted from the selling price once a successful non-refundable booking is completed.
- *Hoteltech*: commission is deducted depending on the availability of platform to the customer.

In addition, the Group recognises as revenue the amount to which it is entitled in exchange for arranging services to be provided by a counterparty. Revenue is generally the net amount of consideration that the Group retains after paying any counterparties for the services provided, including the cost of the underlying service (such as payment to the hotelier), together with any variable consideration payable to the customer or receivable from the supplier. Revenue is recognised when the performance obligations under the terms of a contract with a customer is satisfied. The Group uses a five-step model for recognising revenue from contracts with customers: (1) identify contract(s) with the customer; (2) identify the separate performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the separate performance obligations in the contract; and (5) recognise revenue when (or as) each performance obligation is satisfied.

Revenue	Performance obligations	Basis of revenue recognition	Revenue recognition point
Accommodation, transfers, activities and car rental[(2)]	Successful non-refundable booking completed	TTV[APM] less amount payable to the supplier, plus or minus other directly attributable costs or income[(1)]	Check-in date per the booking with the exception of rebates which are recognised over time
Hoteltech[(3)]	Availability of platform to the customer	Over time as a fixed fee or based on a percentage of the customer's total transaction value generated as per the contract	Over time

Notes*:*

(1) Other directly attributable income includes agency commissions retained by travel advisers under the commissionable model, rebates payable to distribution partners and rebates received from suppliers.

(2) Revenue from car rental is recognised at the date of the vehicle return, as in some instances the end consumer can modify the booking duration after the collection date.

(3) For the Group's Hoteltech business, the Group acts as a principal.

SELECTED FINANCIAL INFORMATION

Prospective investors should read this section in conjunction with the section "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and the Special Purpose Consolidated Financial Information described in "*Presentation of Financial Information and Other Important Notices—Historical Financial Information*" and additional financial information contained elsewhere in this Prospectus. Prospective investors should read the entire Prospectus and not just rely on the information contained in this section. The financial information contained in this section derives from the Special Purpose Consolidated Financial Information.

Consolidated Statement of Profit or Loss

The table below shows HBG Ltd's consolidated statement of profit or loss for the periods indicated.

	FY 2022	FY 2023	FY 2024
		(€ millions)	
Revenue from contracts with customers	434	656	693
Other income	27	40	50
Other costs	(58)	(63)	(58)
Gross profit	**403**	**633**	**685**
Operating expenses	(251)	(297)	(322)
Depreciation and amortisation	(108)	(101)	(103)
Operating profit	**44**	**235**	**260**
Finance costs	(243)	(312)	(327)
Finance income	6	13	19
Loss before taxation	**(193)**	**(64)**	**(48)**
Taxation	1	(11)	24
Loss for the financial year	**(192)**	**(75)**	**(24)**
Basic and diluted loss per share	(1.59)	(0.61)	(0.20)

Consolidated Statement of Comprehensive Income or Expense

The table below shows HBG Ltd's consolidated statement of comprehensive income or expense for the periods indicated.

	FY 2022	FY 2023	FY 2024
		(€ millions)	
Loss for the financial year	**(192)**	**(75)**	**(24)**
Other comprehensive (expense) / income:			
Items that may be reclassified to profit or loss:			
Currency translation differences	66	(24)	(26)
Related taxation	(4)	4	-
Net profit / (loss) on hedges	1	(1)	4
Total items that may be reclassified to profit or loss	**63**	**(21)**	**(22)**
Items that will not be reclassified to profit or loss:			
Remeasurement of pension provisions	1	-	-
Total items that will not be reclassified to profit or loss	**1**	-	-
Total other comprehensive (expense) / income for the financial year	**64**	**(21)**	**(22)**
Total comprehensive expense for the year	**(128)**	**(96)**	**(46)**

Consolidated Statement of Financial Position

The table below shows HBG Ltd's consolidated statement of financial position as at the dates indicated.

	As at 30 September		
	2022	**2023**	**2024**
		(€ millions)	
Goodwill	1,574	1,550	1,535
Other intangible assets	649	576	517
Property, plant and equipment	17	15	10
Investment in associate	-	-	32
Derivatives	16	-	-
Other financial assets	1	2	2

	As at 30 September		
	2022	2023	2024
		(€ millions)	
Deferred tax assets	20	13	20
Trade receivables and other assets	14	10	9
Total non-current assets	2,291	2,166	2,125
Trade receivables and other assets	501	567	608
Income tax recoverable	1	6	7
Derivatives	-	23	8
Cash and short-term deposits	539	690	686
Total current assets	1,041	1,286	1,309
Total assets	3,332	3,452	3,434
Trade payables and other liabilities	1,031	1,227	1,351
Income tax payable	16	15	21
Interest-bearing loans and lease liabilities	60	60	82
Derivatives	2	7	4
Provisions for liabilities	1	2	28
Total current liabilities	1,110	1,311	1,486
Interest-bearing loans and lease liabilities	1,806	1,684	1,681
Loan notes and preference shares	1,512	1,663	1,581
Trade payables and other liabilities	41	32	34
Deferred tax liabilities	100	89	43
Provisions for liabilities	21	26	8
Total non-current liabilities	3,480	3,494	3,347
Total liabilities	4,590	4,805	4,833
Net liabilities	1,258	1,353	1,399
Called up share capital	1	1	1
Share premium account	135	136	136
Accumulated losses	(1,426)	(1,501)	(1,525)
Other components of equity	32	11	(11)
Total equity	(1,258)	(1,353)	(1,399)

Consolidated Statement of Cash Flows

The table below shows HBG Ltd's consolidated statement of cash flows for the periods indicated.

	FY 2022	FY 2023	FY 2024
		(€ millions)	
Loss before taxation	**(193)**	**(64)**	**(48)**
Adjustments to reconcile loss before tax to cash flows from operating activities			
Depreciation and amortisation	108	101	103
Finance costs	243	312	327
Finance income	(6)	(13)	(19)
Change in working capital			
Increase in trade receivables and other assets	(150)	(71)	(50)
Increase in trade payables and other liabilities	399	209	156
Increase in provisions	1	6	8
Fair value adjustment to derivatives	(1)	(3)	(4)
Other non-cash items	1	-	-
Other items of operating activities			
Income taxes paid	(6)	(16)	(24)
Net cash inflow from operating activities	**396**	**461**	**449**
Cash flows from investing activities			
Payments for intangible assets	(24)	(35)	(41)
Payments for property, plant and equipment	(2)	(3)	(1)
Investment in associate	-	-	(32)
Interest received	2	9	29
Net cash (outflow) from investing activities	**(24)**	**(29)**	**(45)**
Cash flows from financing activities			
Proceeds from issue of shares	2	1	-
Repayment of preference shares	-	-	(175)

	FY 2022	FY 2023	FY 2024
		(€ millions)	
Repayment of revolving credit facility from lenders	(248)	-	-
Repayment of senior debt	-	(100)	-
Payment of senior debt refinancing costs	-	(29)	(2)
Repayment of bank borrowings	(1)	(2)	(1)
(Repayment of) / proceeds from other borrowings	5	(5)	-
Interest paid	(110)	(117)	(212)
Payment of principal portion of lease liabilities	(6)	(6)	(6)
Net cash (outflow) from financing activities	**(358)**	**(258)**	**(396)**
Net increase in cash and cash equivalents....................................	14	174	8
Net foreign exchange difference	18	(12)	(12)
Cash and cash equivalents at the beginning of the financial year .	496	528	690
Cash and cash equivalents at end of year	**528**	**690**	**686**

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the information set forth in "Selected Financial Information", "Presentation of Financial Information and Other Important Notices" and the Special Purpose Consolidated Financial Information included elsewhere in this Prospectus. The following discussion contains certain forward-looking statements that involve risks and uncertainties. The Group's future results could differ materially from those discussed below. Factors that could cause or contribute to such differences include, without limitation, those discussed in the sections titled "Risk Factors", "Forward-Looking Statements" (included in section "Presentation of Financial Information and Other Important Notices"), and "Business" and elsewhere in this Prospectus.

Overview

HBX Group is the Leading Independent B2B Travel Marketplace (see section "*Presentation of Financial Information and Other Important Notices—HBX Group market position*"), bringing simplicity to the travel world by enabling crucial connectivity between travel suppliers and B2C travel distributors in a highly fragmented and complex market comprising accommodation and highly complementary travel products.

Through its proprietary 100% cloud-native travel tech platform, HBX Group acts as a crucial link in the global travel ecosystem between travel suppliers, on the one side, and B2C travel distributors, on the other, where both sides lack the necessary resources and capabilities to interact efficiently and to achieve global reach. In FY 2024, HBX Group offered a curated portfolio of more than 250,000 hotels in over 170 markets and a wide range of highly complementary travel products, such as transfers, car rentals and travel experiences to a broad base of high quality B2C travel distributors. Harvesting this extensive network of partnerships with both suppliers and travel distributors to distribute at scale and leveraging its on-the-ground commercial teams and the breadth and depth of its services offering across multiple distribution channels, HBX Group connects supply and demand for the distribution of accommodation and highly complementary travel products. As a trusted partner for both travel suppliers (including some of the largest global brands in the sector) and high quality B2C travel distributors, HBX Group is a critical enabler for both to access all parts of the travel market and maximise revenue.

Moreover, the rapidly changing environment of the travel industry has prompted the need for integrated tech-driven services and differentiated value propositions. Through its 100% cloud-native, scalable technology platform and highly differentiated, proprietary data capabilities, HBX Group provides its business partners with access to tailored technology services, including infrastructure, data and performance tools and dedicated customer service, which would otherwise be out of reach for many of them. HBX Group is also developing a wide range of innovative, partner-oriented end-to-end travel tech solutions across the value chain, including bespoke fintech and insurance solutions for the travel industry.

During FY 2024, HBX Group achieved TTV[APM] of €7.7 billion (excluding amounts related to the Group's Hoteltech product line, as described below), which is approximately three times the size of Web Travel Group, its largest independent direct competitor in terms of TTV (*source: Company Industry Sources*), revenue of €693 million, gross profit of €685 million, EBITDA[APM] of €363 million and Adjusted EBITDA[APM] of €397 million (representing an Adjusted EBITDA Margin[APM] of 57%) and a Take Rate[APM] of approximately 9%. During the same financial year, Operating Free Cash Flow[APM] was €465 million and Cash Conversion[APM] was 117%. See "*—Alternative Performance Measures*" below for an explanation and reconciliation of these and other APMs used in this Prospectus.

Key Factors Affecting the Group's Results of Operations

The results of the Group's operations have been, and will continue to be, affected by many factors, some of which are beyond the Group's control. This section sets out certain key factors the Directors believe have affected the Group's results of operations in the period under review and could affect its results of operations in the future.

Macroeconomic and political environment conditions in the countries in which the Group operates affecting the travel and tourism industry worldwide

Changing economic cycles have an impact on income, unemployment rates and consumption and thereby affect touristic supply and demand. During a recession, end consumers are more likely to reduce spending for non-essential products such as leisure travel, leading suppliers to lower their prices, which in turn has a negative impact on the Group's profitability. More recently, inflation and other macroeconomic pressures in the global economy, such as rising interest rates, appreciation of the U.S. dollar, energy price volatility and inflationary pressures, have contributed to an increasingly complex macroeconomic environment. Broad, sustained negative economic impacts could put a strain on the Group's suppliers, distribution partners, business and service partners, which increases the risk of credit losses and service level or other disruptions. Furthermore, health-related events, macroeconomic policy, trade policy, political instability, geopolitical conflicts, acts of terrorism, significant fluctuations in currency values, sustained levels of increased inflation, monetary policy, sovereign debt issues, natural disasters, business and consumer sentiment, government policies targeting public spending, such as fiscal austerity policies are examples of other events that could have a negative impact on the travel and tourism industry in the future and can have an impact on disposable income, which affects touristic supply and demand.

The Russia-Ukraine conflict and the resulting sanctions, export-control measures and other actions taken in response to it have contributed and may continue to contribute to increased inflationary pressures, gas supply shortages, market volatility and economic uncertainty, particularly in Europe. The Russia-Ukraine conflict resulted in higher energy prices and decreasing disposable income. The Middle East conflict (together with the Russia-Ukraine conflict, the "**War Conflicts**") could result in further global economic disruption, although the Group's exposure to each of Israel and Russia is 0% in terms of TTV^{APM} in FY 2024. Along with other increases in the cost of living, these factors have driven inflation and reduced consumer confidence. Additionally, during the course of FY 2024, FY 2023 and FY 2022, inflation has increased significantly in Europe and the United States, which may impact end consumers' spending on non-essential products such as leisure travel.

Despite these factors, the Group has witnessed a healthy recovery of travel demand following the Covid-19 pandemic and which remains strong in a normalised environment as end consumers prioritise spend on travel and experiences over other discretionary spending. However, going forward, multiple global factors over which the Group has no control, including macroeconomic and political conditions could adversely impact consumer confidence and, thus, affect demand for travel services and holidays.

For more details see section "*Risk Factors—Risks relating to the Group and its business—Industry Related Risks—The Group's business could be adversely affected by pandemics and other factors beyond the Group's control, such as natural or man-made disasters, acts of war, terrorist attacks and others*".

Seasonality

Historically, the Group has earned most of its profits in the European summer months. In calendar years unaffected by major disruptions such as the Covid-19 pandemic or the War Conflicts, the level of demand for the Group's services has been subject to seasonality. Demand has historically been highest in the summer season from May through October and lowest in the winter season from November through April (except for the days around Christmas, New Year and Easter). Over the past three financial years, approximately 20% of the Group's Accommodation TTV^{APM} has been accrued during the first quarter ending on 31 December, approximately 20% during the second quarter ending on 31 March, 25% during the third quarter ending on 30 June and approximately 35% of the Group's Accommodation TTV^{APM} has been accrued during the fourth quarter ending on 30 September. At the same time, the Group incurs a significant proportion of its expenses more evenly throughout the year.

Since revenue for most of the Group's travel services (including accommodation, transfers, activities and car rental) is recognised as the travel takes place and is accrued at check-in (or in the case of car rentals, at the date of return of the vehicle), rather than when it is booked, revenue typically lags bookings by several weeks for the Accommodation product line to several months or more for other product lines of the Group. Therefore, the initial half of the financial year historically relates more to destination travel (i.e., a particular city or destination), which implies lower TTV^{APM} volumes at higher Take Rates^{APM}, partially driven by lower occupancy levels. The second half of the financial year is linked to summer vacation travel, which implies higher TTV^{APM} volumes at the cost of lower Take Rates^{APM} (partially driven by higher occupancy levels) but with higher EBITDA Margin^{APM} driven by operating leverage as volumes rise. The Group also does not see significant variances in Take Rates^{APM} by geography and Take Rates^{APM} are similar across different hotel archetypes. In addition, the Mobility & Experiences product line tends to benefit from slightly higher takes rates as compared to the Accommodation product line.

The Group's profitability is subject to seasonality, with the majority of profits generated in the summer season. As a result of this seasonality, disruptions to the Group's business operations that occur during the summer season could have an effect on the revenue of the Group. Cash flows are similarly seasonal as they tend to be higher in the summer when the Group receives advance payments and final balances from distribution partners. Conversely, cash inflows tend to be lower in winter as the Group settle liabilities with many suppliers after the end of the summer season. However, the Group actively manages the cash flow to mitigate any liquidity risk from seasonality.

As for working capital, there is an inverse relationship between working capital and cash. Cash is typically highest in the second half of the year as the HBX Group collects revenues for the summer season. The lowest cash position is usually registered in winter season due to business seasonality and regional mix (different working capital cycle at regional level) as well as investment in SPAs to secure optimal terms ahead of the summer season (which has a modest negative impact on working capital in the winter). However, movement in working capital has been reduced over the last two years due to higher use of virtual credit cards, with improved payment terms and lower SPA incremental investment.

Additionally, in some years, events outside the Group's control, such as pandemics, financial crises and natural disasters, may impact the Group's operational and financial performance, driven by significant decline in tourist arrivals and high cancellation rates. Although these fall outside the scope of yearly seasonality, such events may be severe and could have a material adverse effect on the Group's business and financial performance. A prime example of this is the Covid-19 pandemic. For more information on the Covid-19 pandemic, see "—*Comparability of Results—Covid-19 pandemic*" below.

Interest rate fluctuations

Fluctuations in interest rates modify the fair value of the Group's assets and liabilities that accrue at a fixed interest rate and the cash flows from assets and liabilities pegged to a variable interest rate and, accordingly, affect the Group's equity and profitability, respectively.

In order to hedge its exposure to interest rate movements and fix the amount of interest to be paid by it in subsequent years, the Group uses certain instruments, including interest rate caps, interest rate swaps, forward rate agreements and cross currency swaps. For more information on the interest rate cap, see "—*Borrowings—Senior Debt —Derivative financial instruments*" below.

By fixing the spread on the Group's debt in this manner, its fair value is sensitive to changes in interest rates. However, interest rates are sensitive to numerous factors outside of the Group's control, including, but not limited to, government and central bank monetary policy in the jurisdictions in which the Group operates. For example, as a consequence of a 2.2 percentage point increase in the EURIBOR rate from the second half of 2022 through 2023, the Group's interest expense increased €42 million in FY 2023. This was partially offset by a €7 million gain in FY 2023 in relation to the interest rate swap, which reduced the overall impact to €35 million. The amount paid for the interest rate caps was €12 million in FY 2022 for an interest rate cap with a notional amount of €1,050 million, and €1 million for an additional notional amount of €650 million in FY 2023. For more information on the interest rate cap, see "*—Borrowings—Senior Debt —Derivative financial instruments*" below.

The table below, which excludes any impact from interest rate caps, demonstrates the sensitivity to reasonably possible changes in interest rates on the senior debt tranches for the relevant financial year. With all other variables held constant, the Group's loss before tax is affected through the impact on floating rate borrowings, as follows:

	FY 2022	**FY 2023**	**FY 2024**
Effect on loss before tax (additional finance costs)		*(€ millions)*	
100 basis points increase (2023: 100, and 2022: 100 basis points increase)...	(18)	(18)	(17)
200 basis points increase (2023: 200, and	(36)	(36)	(34)

	FY 2022	FY 2023	FY 2024
Effect on loss before tax (additional finance costs)		*(€ millions)*	
2022: 200 basis points increase)			

The sensitivity has been estimated by applying the basis points movement to the carrying value of the senior debt, subject to interest at floating rates, held by the Group at the financial year end. The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility for the year ended 30 September 2023.

Delivery of the Group's Growth Strategy

HBX Group's ambition is to be the preferred travel tech all-in-one ecosystem player for travel suppliers and B2C travel distributors, providing end-to-end solutions in a large, fragmented, complex and changing travel ecosystem and HBX Group has already built strong foundations to deliver on this ambition. For more information, see section "*Business—Key Strengths—Growth Strategy*".

Adoption of ecosystem play and expansion into adjacent opportunities

While, as at the date of this Prospectus, its core business is primarily its Accommodation product line, the Group aims to accelerate and increase its ecosystem play by growing and maximising growth opportunities in adjacent areas. As part of its ecosystem play and wider growth strategy, the Group is actively pursuing cross-selling opportunities into complementary products, aiming to maximise synergies between its core Accommodation offering and complementary products, such as transfers, car rentals and travel experiences. Cross-selling enables the Group to increase the number of products and services that it is able to sell to each distribution partner, hence increasing the purchase basket, which results in increased revenue from each transaction without incurring additional acquisition costs, while also decreasing distribution partner churn due to proposition stickiness. The Group's operating results may vary depending on how successful it is in its growth strategy of expanding into adjacent opportunities.

The Group's strategic evolution also involves expanding its Fintech & Insurance product line, as well as continuous development of new technology-enabled services. This includes continuing the development and launch of new financial solutions for distribution partners and investment in the Group's technology platform.

In FY 2024, the Group completed a re-platforming of its technological stack, moving to a unified, fully integrated 100% cloud-native infrastructure. Although the transition is expected to limit ongoing maintenance costs going forward, the Group invested €82 million in Total Technology Investment[APM] during FY 2024 (FY 2023: €69 million and FY 2022: €53 million) including the transition to unified, fully integrated cloud infrastructure. Such expansions are expected to continue to require capital expenditures in the short term.

The table below shows a breakdown of the costs for the periods under review:

	FY 2022	FY 2023	FY 2024
		(€ millions)	
Technology Capex[APM (1)]	29	35	42
Technology Opex[APM]	24	34	40
Total Technology Investment[APM]	**53**	**69**	**82**

Note:
(1) *Including intangible assets and Property, plant and equipment (excluding right of use assets).*

The tangible effects of the re-platforming and the quantified improvements in FY 2024 compared to FY 2023 include: an increase in accuracy (which is a composite performance metric that integrates multiple individual process performance metrics such as, for example, allotment, stop sales, price changes into a single, overarching indicator) by more than 50%, a decrease of 92% in TTV[APM] loss due to technical incidences, a 75% reduction in priority one incidents (i.e., events which affect essential services, preventing internal users or external distribution partners/hotels from accessing critical platforms, applications, databases, or networks), a 30% reduction in incident recovery time, a 58% increase in the speed to deploy new features or solutions into technology platforms, a 95% decrease in downtime deployments (by which the Group deploys fixes and updates without a system or platform going offline), a 40% decrease in on-call services due to unexpected IT issues or disruptions in technology systems that require prompt response to restore normal operations, and more than 99% platform availability.

This transformational effort has resulted in substantial progress to date with significant reduction in many key risk metrics. In particular, the number of endpoint vulnerabilities (i.e. weaknesses in devices like computers, smartphones, or IoT devices that connect to a network that cyber attackers could exploit) decreased by 82% from February 2024 to August 2024. The number of platform server vulnerabilities (security weaknesses in servers that can be exploited by attackers to gain unauthorised access, disrupt services, or steal data) was reduced by 70% from November 2023 to September 2024. Platform searches increased to more than 14 billion in FY 2024, compared to 9 billion in FY 2022 with user's searches increasing to 170 million in FY 2024 from 112 million in FY 2022. Over the same period, bookings increased to 2.2 million in FY 2024 from 1.6 million in FY 2022. Additionally, all HBX Group companies have a formal vulnerability management process created in 2024 including reporting, committees, and zero-day flash updates.

Moreover, periodical external security assessments by third parties have evidenced substantial progress in the Group's cybersecurity maturity profile during the last three years increasing from 1.85/5 in FY 2019 to 2.8/5 in FY 2024.

Growth in and expansion of the Group's distribution partner portfolio and offerings

HBX Group aims to expand its presence among high-value distributors by providing them with a tailored offering approach. Using the strong capabilities of its technology platform as a catalyst for growth, the Group plans to capitalise on its existing distribution partner base as well as acquire new distribution partners to increase share of wallet within its Accommodation product line.

The Group's TTV^{APM} has increased by 11.8% during FY 2024, from €6,860 million in FY 2023 to €7,667 million in FY 2024 (with no significant difference between TTV^{APM} growth in the first and second half of FY 2024). Brand awareness, the size of its accommodation portfolio and scale, incentive programmes and distribution partner and geography mix are all important drivers of growth in the Group's distribution partner base, any of which could affect the Group's revenue and TTV^{APM} in the long-term.

The Group also benefits from directly contracting with approximately 100,000 directly contracted hotels out of the more than 250,000 total live hotels in its hotel portfolio. Such direct contracts, as well as the Group's access to Third Party Suppliers that assist in growing the Group's overall network reach, help the Group to attract additional suppliers and, in turn, a larger network of suppliers helps the Group to attract new distribution partners as well as drive retention and repeat purchases.

Competition

The Group operates in the travel and tourism industry, which is highly competitive. In addition to incumbents, new market participants operating new business models can emerge and consumer tastes and preferences change. End consumers continue to book their holidays via mobile devices, seek for a full-scale solution covering their end-to-end needs, while requiring as much flexibility as possible with booking changes, refunds and guarantees. There is a risk that if the Group does not respond adequately to business model disruptions or if the Group's products and services fail to meet changing distribution partner demands and preferences, that revenue, market share and profitability could suffer as a result. Furthermore, there is a risk that changes in consumer behaviour may either benefit the Group's competitors or result in end consumers increasingly using hotels' direct channels to book hotel rooms.

The Group aims to offer travel services at a competitive price, whether through discounts, coupons, closed-user group rates or loyalty programmes, increased flexibility in cancellation policies, or otherwise. Pricing initiatives and aggressive commission strategies taken by competitors may force HBX Group to reduce prices in order to remain competitive, resulting in margin erosion and a negative impact on revenue and gross profit. These initiatives have resulted and, in the future, may result in the HBX Group achieving lower margins and lower revenues generated by HBX Group's Accommodation product line.

As such, the strategy and performance of the Group's direct competitors, such as Expedia and Web Travel Group, can affect HBX Group's financial performance in any given financial period. Among online marketplaces sourcing directly from suppliers, Expedia is the leader in terms of B2B intermediaries market share. Among large regional B2B travel distributors, Web Travel Group and TBO are the Group's key competitors, particularly in certain regions including Europe and APAC for Web Travel Group and the Middle East and Asia, including India, for TBO. Given that B2B distributors, like the HBX Group, Expedia B2B, WebBeds and TBO, serve and provide hotel rooms to all B2C businesses, such as Booking and Trivago, B2C businesses are therefore not considered direct competitors of the Group, but rather potential and existing distribution partners of the Group. The Group only considers B2B distributors as competitors as they compete to deliver supply to B2C intermediaries. If any key competitors of the Group increase their product offering or value proposition in such a way that enables them to compete more effectively with the Group, the Group's results of operations could be impacted. Furthermore, the Group's ability to maintain or gain market share relative to such key competitors has a corresponding impact on the Group's revenue in any financial period.

For more information about the Group's competitors, see section "*Industry Overview—The Accommodation Market—Accommodation Distribution Dynamics*".

Future tax charges and other tax matters

In the 2021 Budget, the UK Government announced that the Corporation Tax rate would be increased, subject to a taper, from 19% to 25% with effect from 1 April 2023. Accordingly, the Group has utilised a rate of 25% for FY 2024. For FY 2023, the Group utilised a rate of 22% to reflect that corporation tax was levied at 19% for the first six months of the financial year and at 25% for the second six months (FY 2022: 19%). The Group's tax charge for the year reduced, principally due to the recognition of deferred tax assets on losses from previous period. Given the continued profitability of the Group (excluding interest impacts), it is deemed probable that these can be offset against future profits. The Group expects the impact of the Corporation Tax rate increase will be greater in future years following the restructuring of its debt and the increase in profits after the consequent significant reduction in the cost of its debt. Deferred taxes at the balance sheet date have been measured using the relevant jurisdictional enacted tax rates and reflected in the financial information included in this Prospectus. See section "*Risk Factors—Risks relating to the Group and its business—Legal and Regulatory related Risks—HBX Group is subject to risks stemming from possible failure to comply with governmental regulation and other legal obligations, as well as litigation and reputational risks associated with the failure to protect personal data from unauthorised use, theft or destruction*" and "*Business—Legal proceedings*".

As an international group, HBX Group is subject to tax laws and regulations in all the countries in which it conducts business. When a room night is purchased by the Group, it is the responsibility of the hotel to provide the relevant Group entity with a tax compliant invoice as evidence of the purchase, which can be reclaimed by the relevant country. Every effort is made to be compliant with all relevant tax laws and regulations. However, the Group's subsidiaries are subject, periodically, to tax audits by the tax authorities in the countries where the Group operates. The tax authorities can take a different interpretation of tax laws and regulations to that adopted or used by the HBX Group's subsidiary company. This can lead to disputes which may increase or decrease the Group's overall tax liabilities. For more information on the Group's legal proceedings relating to taxation, see section "*Business—Legal proceedings*".

Comparability of Results

Various events can limit the comparability of the Group's financial results from period to period. During the period under review, these events related primarily to the Covid-19 pandemic and the Proposed Reorganisation.

Covid-19 pandemic

The Covid-19 pandemic had an adverse effect on all of the Group's markets starting in early 2020. The resulting travel bans and lockdowns had an immediate and severe effect on the travel and tourism industry and, therefore, the Group. According to the World Bank, the impact of the Covid-19 pandemic was devastating for tourism service providers, with a loss of 20% of all tourism jobs (62 million) and U.S.$.1.3 trillion in export revenue worldwide, leading to a reduction of 50% of its contribution to worldwide GDP in 2020 alone. This material adverse impact on the travel and tourism industry also had a material adverse effect on the Group's business and financial performance. The Covid-19 pandemic also had a significant adverse effect on the Group's supplier and distribution partner bases, with elevated supplier and distribution partner turnover (churn) during FY 2021. See sections "*Business—The Group's Business—Accommodation—Distribution partners—Distribution partners turnover (churn)*" for a definition of distribution partner turnover (churn) and "*Business—The Group's Business—Accommodation—Suppliers—Suppliers turnover (churn)*" for a definition of supplier turnover (churn). The impact such drastic reduction of tourism on the Group was reflected across the entirety of the Group's period under review.

As such, the effects of the Covid-19 pandemic may limit the comparability of the financial information presented in this Prospectus with each other, as well as the comparability of the Group's historical financial information with future financial information. According to the UNWTO, international tourist arrivals worldwide dropped by 70% from 2019 to 2021, by 34% from 2019 to 2022 and by 13% from 2019 to 2023. The UNWTO estimates that international tourism will fully recover to pre-pandemic levels in 2024, with initial estimates pointing to 2% growth above 2019 levels. Therefore, the results for FY 2022 should not be considered directly comparable to the results for FY 2023 and FY 2024, as the financial information for FY 2022 was still significantly affected by the negative impact on tourism caused by the Covid-19 pandemic, while the impact caused by the Covid-19 pandemic gradually decreased in FY 2023 and FY 2024. Although many travel routes were at least partially re-opened in FY 2022, a full re-opening of travel routes was not achieved until FY 2023. As a result, the Group's results for FY 2022 were lower in comparison to the Group's results for FY 2023 and FY 2024.

Since the re-opening of travel following the Covid-19 pandemic, the Group has undergone a period of strong and rapid recovery, with revenue and TTV[APM] for the Group for FY 2024 at €693 million (FY 2023: €656 million) and €7,667 million (FY 2023: €6,860 million), respectively, generating a loss for the year of €24 million in FY 2024 (FY 2023: €75 million). Additionally, the Group has generated substantial cash, driven by positive working capital and post-Covid volume recovery. Such trend is sustained, as in FY 2024, the Group had EBITDA[APM] of €363 million (FY 2023: €336 million), Adjusted EBITDA[APM] of €397 million (FY 2023: €354 million), Operating Free Cash Flow[APM] of €465 million (FY 2023: €457 million), Cash Conversion[APM] of 117.1% (FY 2023: 129%) and Net Debt/Adjusted EBITDA[APM] of 2.7x (FY 2023: 3.0x).

Proposed Reorganisation

The Group will undertake certain transactions as part of a corporate reorganisation to be effected before the Initial Registration Time as described in the section titled "*Proposed Reorganisation*". To that end, the Company, certain companies within the Group and the shareholders of HBG Ltd (which includes all holders of Preference Shares and Shareholder Loan Notes) entered into the Reorganisation Deed, under which, each of the parties has agreed to take certain actions. As a result of the Proposed Reorganisation, the Shareholder Loan Notes and Preference Shares issued by HBG Ltd and HNVR Topco will be contributed to the Company in exchange for Shares. This will primarily have an impact on the Group's "Interest on Shareholder Loan Notes" and "Senior debt and other finance costs" line items. For more information on the proposed reorganisation, including expected interest charges going forward, see sections "*Proposed Reorganisation*" and "*Capitalisation and Indebtedness*".

Description of Key Line Items

Revenue

The Group recognises as revenue the amount to which it is entitled in exchange for arranging services to be provided by a counterparty. Revenue is generally the net amount of consideration that the Group retains after paying any counterparties for the services provided, including the cost of the underlying service (such as payment to the hotelier), together with any variable consideration payable to the customer or receivable from the supplier.

Revenue is recognised when the performance obligations under the terms of a contract with a customer is satisfied. The Group uses a five-step model for recognising revenue from contracts with customers: (1)

identify contract(s) with the customer; (2) identify the separate performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the separate performance obligations in the contract; and (5) recognise revenue when (or as) each performance obligation is satisfied.

For accommodation, transfers and car rental contracts, revenue is recognised at a point in time, as detailed below in the overview of the Group's key revenue streams.

Revenue	**Performance obligations**	**Basis of revenue recognition**	**Revenue recognition point**
Accommodation, transfers, activities and car rental(2)	Successful non-refundable booking completed	TTV^APM less amount payable to the supplier, plus or minus other directly attributable costs or income(1)	Check-in date per the booking with the exception of rebates which are recognised over time
Hoteltech(3)	Availability of platform to the customer	Over time as a fixed fee or based on a percentage of the customer's total transaction value generated as per the contract	Over time

Notes:

(1) *Other directly attributable income includes agency commissions retained by travel advisers under the commissionable model, rebates payable to distribution partners and rebates received from suppliers.*

(2) *Revenue from car rental is recognised at the date of the vehicle return, as in some instances the end consumer can modify the booking duration after the collection date.*

(3) *For the Group's Hoteltech business, the Group acts as a principal.*

The table below details the disaggregation of the Group's revenue from contracts with customers for the periods indicated.

	FY 2022	**FY 2023**	**FY 2024**
		(€ millions)	
Revenue recognised at point in time	455	664	685
Revenue recognised over time	(21)	(8)	8
Total revenue	**434**	**656**	**693**

Revenue recognised at point in time relates to revenue from accommodation and related services, including car rental, experiences and transfers, all of which are recognised at the point of check-in per the booking or when the transfer or activity has taken place. No revenue is recognised until the booking is non-refundable. Revenue recognised over time principally comprises rebates payable to customers and rebates receivable from suppliers in relation to accommodation and related services as well as revenue from the Hoteltech product line.

Other income

Other income relates to income received via rebates by the Group in relation to payments made using a VCC by suppliers through HBX Group's Pay-Out tool. For more information, see section "*Business—The Group's Business—Complementary travel products—Fintech & Insurance—Current solutions and tools – internal optimisation tools*".

Other costs

Other costs relate to variable expenses the Group incurs in order to generate revenue. The most significant individual variable expenses for FY 2024 were credit card fees, marketing costs, platform fees and other optimisation fees. Included within other costs for FY 2024 are foreign exchange losses totalling €nil (FY 2023: €2 million).

Gross profit

Gross profit represents the Group's revenue plus other income minus other costs.

Operating expenses

Operating expenses comprise all expenses incurred by the Group in connection with administrative functions, including employee cost and other administrative expenses.

In addition, to improve the understanding of the Group's financial performance, items that are material to the Group either by virtue of their size or nature, and not considered to reflect the underlying performance are presented as non-underlying items in the consolidated statement of profit or loss within operating expenses.

Items classified as non-underlying are disclosed separately as they do not reflect the underlying profit or loss of the business due to their nature. This enables a better understanding of performance.

Non-underlying items are considered individually and assessed at each reporting period. These typically comprise cost of severances associated with major restructuring projects, COVID-19 related costs, integration costs, and fees associated with potential acquisitions and divestments.

For the period under review, non-underlying items consisted of the following:

	FY 2022	**FY 2023**	**FY 2024**
		(€ millions)	
Advisory costs (1)	1	6	16
Restructuring costs (2)	6	4	9
Total non-underlying items....................................	**7**	**10**	**25**

Notes:

(1) *Advisory costs principally comprise fees associated with potential acquisitions and divestments, including costs incurred in relation to the Offering.*

(2) *Restructuring costs principally comprise severance costs, contract termination costs (not including distribution partner and supplier contract termination costs) and associated adviser fees related to major restructuring programmes.*

Operating profit

Operating profit reflects the Group's profit from business operations before deduction of interest and taxes.

Finance costs

Finance costs consist of senior debt interest and associated costs, interest on the revolving credit facility from lenders, loan notes interest, interest on lease liabilities, accrued dividends on Preference Shares, hedging costs, accrued interest on Shareholder Loan Notes and other interest and similar expenses.

Interest on the senior debt is capitalised and the Group classifies such interest as a financial expense. Senior debt interest is calculated using the effective rate method and includes amortisation of issue costs. Dividend payments on the Preference Shares are also capitalised and the Group classifies such dividends as a financial expense. The Preference Shares carry a cumulative dividend of 10% per annum. The Preference Shares have been classified as liabilities, as the Group will be required in the future to deliver cash or another financial instrument to holders. No rights are attached to the Preference Shares other than the dividends payable to the preference shareholders. *Notwithstanding* the foregoing, the remaining Preference Shares will be contributed to the Company and exchanged for ordinary shares in accordance with the terms of the Proposed Reorganisation. See section "*Proposed Reorganisation*".

At the date of this Prospectus, the Group has €1,528 million in Shareholder Loan Notes and accrued interest to its shareholders outstanding. For more information, see "*—Borrowings—Senior Debt—Shareholder Loan Notes*" below. Although the interest on the Shareholder Loan Notes is capitalised, the Group classifies interest as a financial expense. Interest charged on the Shareholder Loan Notes in FY 2024 totalled €139 million (FY 2023: €126 million; FY 2022: €114 million).

Notwithstanding the foregoing, the Shareholder Loan Notes will be contributed to the Company and exchanged for ordinary shares in accordance with the terms of the Proposed Reorganisation. See section "*Proposed Reorganisation*".

Finance expense and income

Finance expense and income arising on interest bearing financial instruments carried at amortised cost is recognised in the consolidated statement of profit or loss using the effective interest rate method. Finance expense includes the amortisation of fees that are an integral part of the effective finance cost of a financial instrument, including issue costs and interest rate hedges, and the amortisation of any other differences between the amount initially recognised and the redemption price.

Taxation

Taxation consists of corporate income tax and deferred tax. The corporate income tax expense or credit is the corporate income tax payable or receivable on the taxable profit or loss. This is based on the applicable income tax rate for each jurisdiction in which the Group has a taxable presence adjusted by changes in deferred tax assets and liabilities attributable to taxable temporary differences and the carry forward of unused tax losses. The corporate income tax charge is calculated based on the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries generate taxable income. Tax losses are considered on a country-by-country basis, as they can only be utilised in the relevant country (and not on a cross-border basis). The Group carried forward losses of €223 million (with an unrecognised deferred tax asset of €56 million) in FY 2024, as compared to €429 million (with an unrecognised deferred tax asset of €106 million) in FY 2023. The Group anticipates that carried forward losses of €1 million, €2 million and €2 million will expire in FY 2027, FY 2028 and FY 2030 and beyond, respectively. The remainder of these losses do not expire. Additionally, in the UK the Group did not recognise deferred tax assets of €66 million, as compared to €30 million in 2023 in respect of the corporate interest restriction amounting to €264 million (corporate interest restriction of €119 million for FY 2023).

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Special Purpose Consolidated Financial Information. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current Trading and Prospects

Based on available preliminary information for the first quarter of FY 2025, HBX Group reports that the first quarter of FY 2025 trading is in line with the Group's expectations for the full FY 2025. This information for the three months ended 31 December 2024 reflects HBX Group's current estimates based on preliminary information.

During the three months ended 31 December 2024, the Group agreed changes to the terms of some employee incentive plans, together with the approval of a new "Additional Incentive Bonus" (for more details see sections "*Management and Board of Directors—Incentive Plans—Historical incentive plans to be liquidated upon Admission*" and "*Management and Board of Directors—Incentive Plans—Extraordinary incentives and awards*", respectively). Consequently, at 31st December 2024, the incentive plans were deemed likely to vest and therefore an additional accrual has been recognised within operating expenses as a non-recurring cost for the period up to 31 December 2024 totalling €145 million, bringing the total provision to €169 million.

The above impact contributed to a 10.9% increase in net liabilities of the Group from 30 September 2024 to 31 December 2024.

On 18 December 2024, HBX Group, the shareholders of HBG Ltd, the holders of Shareholder Loan Notes in HNVR Topco and the holders of Preference Shares in HNVR Topco entered into the Reorganisation Deed, under which, each of the parties have agreed to undertake certain transactions as part of a corporate reorganisation to be effected after registration of this Prospectus and execution of the Underwriting Agreement, and before the Initial Registration Time, pursuant to which the Company will become the sole shareholder of HBG Ltd and, therefore, the parent company of HBX Group. See section "*Proposed Reorganisaton*".

On 27 January 2025, HBX Group entered into a long-term strategic partnership with Despegar, a major travel technology company in Latin America, to become one of Despegar's preferred suppliers outside Latin America. This partnership is expected to provide HBX Group's Accommodation suppliers with access to Despegar's distribution channels, including packages, travel advisers and loyalty programmes while accelerating Despegar's expansion plans outside of Latin America by leveraging HBX Group's global footprint. Under the agreement, HBX Group has agreed to pay Despegar an upfront signing bonus in exchange for certain future minimum revenue levels obtained by HBX Group from Despegar (relating to HBX Group products booked through Despegar's platform) during the expected eight-and-a-half-year term. The failure by Despegar to meet the minimum revenue levels over the course of certain pre-established measurement periods may result in Despegar being subject to certain penalties, including the payment to HBX Group of a percentage of the shortfall amount. The outsourcing agreement also contains other customary covenants, representations and undertakings. The Group will fund the payment of the signing bonus from available cash and not from the proceeds from the offering of the New Offer Shares. HBX Group does not expect that this payment, which will be released over the life of the contract, will have a material impact on its EBITDA^{APM} and does not expect that it will impair its ability to achieve its post-Offering target of Adjusted Net Debt to Adjusted EBITDA^{APM} of approximately 2.5x or otherwise affect the Group's guidance and medium-term targets framework described in "*—Financial Targets*" below.

The preliminary financial information included above in this Prospectus has been prepared by, and is the responsibility of, the Group's management. PricewaterhouseCoopers LLP has not audited, reviewed, examined, compiled, nor applied agreed-upon procedures with respect to the preliminary financial information. Accordingly, PricewaterhouseCoopers LLP does not express an opinion or any other form of assurance with respect thereto. This summary is not a comprehensive statement of financial results for the period and actual results may differ materially from these estimates as a result of the completion of financial closing procedures, final adjustments and other developments that may arise between now and the time the financial results for this period are finalised.

Financial Targets

The Directors believe that the successful implementation of the Group's strategy should result in a more profitable business. The Directors are targeting, based on current expectations, the following financial metrics in FY 2025:

- 10-16% growth in TTV^{APM} compared to FY 2024; and
- Revenue in the range of €750 million to €790 million.

The Directors are targeting, based on current expectations, the following financial metrics in the medium term:

- Low double-digit annual growth in TTV^{APM};
- High single-digit revenue growth;
- A gradual increase into the low 60% in Adjusted EBITDA Margin^{APM}; and

- Cash conversion[APM] of approximately 100%.

As at the date of the Prospectus, the Directors also expect in the medium term an underlying tax rate (i.e. relating to ongoing business operations and excluding impacts of amortisation and non-underlying items) in the mid 20%, other costs to trend down and approximately 50% of research and development expenditure to be capitalised. In addition, the Directors expect that the Total Technology Investment Over Revenue[APM] will remain at similar levels in FY 2025 and FY 2026 compared to FY 2024, although it will be dedicated to new product development following the completion of the Group's re-platforming.

These targets are part of the Group's strategic plan and are not an indication, estimate or forecast whatsoever of its expected or actual results and they do not constitute a profit forecast as defined in Commission Delegated Regulation (EU) 2019/980 of 14 March 2019. As such, HBX Group cannot guarantee that they can or will be met, and investors should not place undue reliance on these targets in deciding whether to invest in the Offer Shares. These targets are based on assumptions and expectations and are subject to known and unknown risks, uncertainties and other factors, including but not limited to those discussed under "*Risk Factors*", that could cause the Group's actual results to materially differ from those expressed in, or suggested by, these targets. The ultimate achievability of these targets is also subject to numerous risks and uncertainties including, but not limited to, the risks and uncertainties described in this Prospectus. See section "*Presentation of Financial Information and Other Important Notices—Financial targets*".

These financial targets have been prepared by, and are the sole responsibility of, the Company's management. PricewaterhouseCoopers LLP has not audited, reviewed, examined, compiled nor applied agreed-upon procedures with respect to these financial targets and, accordingly, PricewaterhouseCoopers LLP does not express an opinion or provide any other form of assurance with respect thereto. The PricewaterhouseCoopers LLP reports included in this Prospectus relate solely to the Company's previously issued financial information. It does not extend to these financial targets and should not be read to do so.

Consolidated Statement of Profit or Loss

The table below presents the Group's consolidated statement of profit or loss for the periods indicated, which have been extracted subject to rounding adjustments (i.e., without material adjustment) from the Special Purpose Consolidated Financial Information set out in the section entitled "*Annex I–Special Purpose Consolidated Financial Information*".

	FY 2022	**FY 2023**	**FY 2024**
		(€ millions)	
Revenue from contracts with customers	434	656	693
Other income	27	40	50
Other costs	(58)	(63)	(58)
Gross profit	**403**	**633**	**685**
Operating expenses	(251)	(297)	(322)
Depreciation, amortisation and disposals	(108)	(101)	(103)
Operating profit	**44**	**235**	**260**
Finance costs	(243)	(312)	(327)
Finance income	6	13	19
Loss before taxation	**(193)**	**(64)**	**(48)**
Taxation	1	(11)	24
Loss for the financial year	**(192)**	**(75)**	**(24)**
Basic and diluted loss per share (€)	(1.59)	(0.61)	(0.2)

Statement of profit or loss for FY 2024 compared to FY 2023

Revenue

Revenue increased by €37 million, or 5.6%, to €693 million in FY 2024 from €656 million in FY 2023, driving a €52 million, or 8.2% increase in gross profit from €633 million in FY 2023 to €685 million in FY 2024.

This increase was largely due to moderate volume and price growth in the Accommodation product line, supported by similar trends in the travel industry and a normalised market following the recovery from Covid-19. The most significant increases in revenue compared to FY 2023 were in Europe, which increased 10% as compared to FY 2023, and MEAPAC, which increased 6% as compared to FY 2023, whilst revenue for the Americas remained largely unchanged.

Take Rate[APM] remained high at 9% compared to 9.6% in FY 2023, which reflected pricing initiatives adopted in the year to invest in growth, remain competitive and reach a sustainable Take Rate[APM].

Other income

Other income increased by €10 million, or 25%, to €50 million in FY 2024 from €40 million in FY 2023. This increase was due to the income generated by the Fintech & Insurance product line, which the Group launched in FY 2023 and has grown from 15 FTEs as of the end of FY 2023 to 28 FTEs as of the date of this Prospectus. The Group has been able to generate additional credit card rebates receivable in the year whilst also working up new initiatives for FY 2025 and beyond.

Other costs

Other costs principally comprise credit card fees, technology platform fees, commissions, provisions against prepayments and trade receivables and other costs directly linked to revenue generation paid by the Group. Other costs decreased by €5 million, or 7.9%, from €63 million in FY 2023 to €58 million in FY 2024. This was primarily due to a fintech optimisation initiative to reduce credit card fees payable and a reduction in foreign exchange losses. In addition, other costs have not increased in proportion to the increase in revenue as provisions against prepayments and trade receivables have not increased.

Gross profit

Gross profit increased by €52 million, or 8.2%, to €685 million in FY 2024 from €633 million in FY 2023 due to the increased revenue, a €10 million increase in other income from virtual credit card rebates and a €5 million reduction in other costs.

Operating expenses

Operating expenses increased by €25 million, or 8.4%, to €322 million in FY 2024 from €297 million in FY 2023. This was primarily due to inflationary impacts on wages, investment in technology, back office, commercial, corporate and fintech functions to support continued growth, partially offset by efficiencies principally in transactional areas (call centres and transactional finance) and a reduction in the employee bonus accrued for FY 2024 compared to the prior year. The monthly average number of FTEs for the Group in FY 2024 was 3,574, compared to 3,380 in FY 2023. In addition, non-underlying items increased by €15 million, or 150%, to €25 million in FY 2024 from €10 million in FY 2023. This increase was primarily due to advisory and assurance fees of €16 million incurred in relation to the Offering. Additionally, fees associated with major restructuring programmes increased by €5 million from €4 million year on year.

Depreciation and amortisation

In total, depreciation and amortisation increased by €2 million, or 2%, to €103 million in FY 2024 from €101 million in FY 2023, in line with expectations for the increased Capital Expenditure[APM].

Depreciation is recognised in relation to buildings, fixtures, fittings and equipment and totalled €8 million for both FY 2024 and FY 2023.

Amortisation relates to acquired and internally generated intangible assets, being customer relationships, which are amortised over 15 years, and computer software, which is amortised over five years.

The amortisation charge for FY 2024 against customer relationships was €55 million (FY 2023: €55 million), representing 7.9% of revenue for the year. Customer relationships were acquired in previous business combinations and are recognised at fair value at their acquisition date. They have a finite useful life and are carried at cost less accumulated amortisation and impairment losses. The total closing cost of customer relationships was €808 million as at 30 September 2024 (FY 2023: €819 million as this balance is impacted by foreign exchange retranslation movements). In the event that a significant distribution partner or proportion of the distribution partner base was cancelled, impairment may need to be recognised (although this has not occurred during the period under review). The weighted average remaining life of customer relationships as at 30 September 2024 was 7.5 years.

The amortisation charge for FY 2024 against computer software was €40 million (FY 2023: €38 million) representing 5.8% of the Group's revenue for the year. Computer software comprises intangible assets capitalised separately from goodwill upon acquisition as part of a business combination, together with internally generated technology assets. The total closing cost of computer software was €352 million as at 30 September 2024 (FY 2023: €336 million) and the net book value was €115 million (FY 2023: €114 million) of which €86 million related to internally generated intangible assets (FY 2023: €71 million).

Goodwill is not depreciated but is instead tested annually for impairment. To date, there has been no requirement to impair goodwill based on the results of those assessments.

Operating profit

Operating profit increased by €25 million, or 10.6%, to €260 million in FY 2024 from €235 million in FY 2023. As detailed above, this increase was a combination of €52 million of additional gross profit, partially offset by a €15 million increase in non-underlying items and a €10 million increase in additional operating expenses.

Finance costs

Finance costs increased by €15 million, or 4.8%, to €327 million in FY 2024 from €312 million in FY 2023. This was primarily due to interest on shareholder loan notes which increased by €13 million, together with an increase in senior debt interest and other finance costs of €2 million, or 1.1%, to €188 million in FY 2024 from €186 million in FY 2023. Interest payable on the senior debt increased mainly due to a 1.12 percentage point increase in the EURIBOR over FY 2023, which was largely offset by the interest savings resulting from the repayment of the €175 million of Preference Shares and accumulated interest in April 2024. See "—*Borrowings—Senior Debt—Preference Shares*" below. In addition, interest on Shareholder Loan Notes was higher than that incurred in FY 2023 as the interest continues to be rolled up on the Shareholder Loan Notes and therefore interest accrues on a higher outstanding balance year on year.

Finance income

Finance income increased by €6 million, or 46.2% to €19 million in FY 2024 from €13 million in FY 2023. This increase was due to the recognition of a modification gain on the senior debt, representing the difference between the fair value of the debt before and after the refinancing, totalling €4 million and foreign exchange gains of €5 million, partially offset by a reduction in bank interest earned during the year.

Loss before taxation

Loss before taxation decreased by €16 million, or 25.0%, to €48 million in FY 2024 from €64 million in FY 2023, principally due to a €52 million increase in gross profit, partially offset by higher operating expenses of €25 million and a €9 million increase in net finance costs.

Taxation

Taxation reduced by €35 million, to a tax credit of €24 million in FY 2024 from a tax charge of €11 million in FY 2023.

The Group's tax charge is driven by its geographical mix of profits which are subject to statutory rates of tax principally ranging from 9% to 25%. The reduction in the tax charge in FY 2024 compared to FY 2023 principally due to the recognition of deferred tax assets on losses recognised in previous periods, partially offset by the higher tax charge for the year as the Group's revenue and profits increased in FY 2024. Most of the taxes arise in the Group's major trading jurisdictions, such as Switzerland, Spain, the UK, the U.S., Singapore, Australia and Mexico.

Loss for the financial year

Loss for the financial year decreased by €51 million, or 68%, to €24 million in FY 2024 from €75 million in FY 2023. In FY 2024, FY 2023 and FY 2022, the Group reported losses overall, mainly due to interest on the Group's Shareholder Loan Notes. The Group's loss decreased in FY 2024 primarily as a result of the increases in revenue for the year, as described under "—*Revenue*" above and the recognition of deferred tax assets as detailed in "—*Taxation*".

Despite the improved financial performance, the Group has continued to make a loss for the year due principally to the impact of amortisation of intangible assets and interest charged on Shareholder Loan Notes, Preference Shares and senior debt. Amortisation charges of €69 million per annum in FY 2024 related to previous acquisitions which are being amortised over 15 years (€55 million relates to customer relationships and €14 million relates to acquired computer software). As detailed in the section titled "*Proposed Reorganisation*", the holders of the Shareholder Loan Notes will contribute their Shareholder Loan Notes to HBG Ltd in exchange for certain newly-issued shares in HBG Ltd and the Preference Shares will be redeemed and the holders of such Preference Shares will use the redemption proceeds to subscribe for certain newly-issued shares in HBG Ltd. Subsequently, such shares in HBG Ltd will be exchanged for Shares before the Initial Registration Time. The interest charge on Shareholder Loan Notes and Preference Shares was €156 million in FY 2024 and, therefore, with a loss of €24 million in FY 2024, took the Group from profit-making to loss-making.

Statement of profit or loss for FY 2023 compared to FY 2022

Revenue

Revenue increased by €222 million, or 51.2%, to €656 million in FY 2023 from €434 million in FY 2022, driving a €230 million, or 57% increase in gross profit from €403 million in FY 2022 to €633 million in FY 2023.

These increases were largely due to the gradual return to travel normality in most geographies resulting from the lifting of travel restrictions worldwide and increased demand for travel post-pandemic. Approximately 25% of the increases related to volume increases, whilst the remainder related to higher prices and other margin expansion. There was no significant revenue growth differential between product lines. As noted above, the Covid-19 pandemic caused a drastic reduction in tourism. Furthermore, the Group's revenue was increased due to its expanded market share in the Accommodation product line which resulted from both a gain of supplier and distribution partner wallet share as they consolidated their activity around selected partners, and incremental contribution from SPAs with structurally higher Take Rates[APM] the delivery of its strategic initiative of strengthening its Mobility & Experiences product line and economies of scale as transaction levels continued to increase, particularly in the theme parks and car rental services spaces, during FY 2023.

The most significant increases in revenue were seen in the MEAPAC region, which increased 92% as compared to FY 2022, principally due to the slower recovery following the Covid-19 pandemic. Revenue in the Americas increased by 37%, whilst Europe saw a 49% increase compared to FY22.

Other income

Other income increased by €13 million, or 48%, to €40 million in FY 2023 from €27 million in FY 2022. This increase related to the launch of the Group's Fintech & Insurance product line in FY 2023, resulting in the generation of additional credit card rebates as compared to FY 2022.

Other costs

Other costs principally comprise credit card fees, marketing costs, technology platform fees to facilitate API connections with the Group's distribution partners, commissions to suppliers who optimise the Groups rates for bookings, provisions against prepayments and trade receivables and other costs directly linked to revenue generation paid by the Group. Other costs increased by €5 million, or 8.6%, from €58 million in FY 2022 to €63 million in FY 2023. This was primarily due to increases in credit card fees and commissions, partially offset by a reduction in provisions. Generally, other costs have increased at a lower rate than trading volume growth in large part because the Group renegotiated contract with its third-party global financial services provider.

Gross profit

Gross profit increased by €230 million, or 57.1%, to €633 million in FY 2023 from €403 million in FY 2022 due to the changes in revenue, other income and other costs. The increase in gross profit was driven by rebates receivable from suppliers, a 48% increase in other income via credit card rebates which was offset by a 9% increase in other costs. In the Accommodation product line, the Group benefitted from an increase in revenue as a result of the gradual lifting of travel restrictions that were in place during the Covid-19 pandemic. Additionally, gross profit was boosted by a €7 million contribution from the Group's Fintech & Insurance product line initiatives during FY 2023, principally as a result of the introduction of payment optimisation solutions.

Operating expenses

Operating expenses increased by €46 million, or 18.3%, to €297 million in FY 2023 from €251 million in FY 2022. Total operating expenses represented 45% of revenue in FY 2023 and 58% of revenue in FY 2022. The most significant component of operating expenses was employee related expenses which totalled €195 million in FY 2023, (30% of revenue) compared to €179 million (41% of revenue) in FY 2022. This was primarily due to an increase in employee recruitment to support the Group's increased trading following the re-opening of travel following the gradual lifting of travel restrictions that were in place during the Covid-19 pandemic, partially offset by ongoing cost saving initiatives. Cost savings initiatives aimed at establishing a leaner cost structure included reduction of operating expenses through the implementation of efficiency and restructuring plans, together with automation tech investments, in order to optimise the cost base and operating leverage. The initiatives implemented from FY 2019 to FY 2022, driven by efficiency programmes pre-Covid-19 and during Covid-19, led to cost savings of approximately €119 million. Cost savings initiatives over the Covid-19 pandemic included reduction of personnel expenses. However, the number of employees in both business-related functions and support functions increased over FY 2023 to support the increased trading volumes over the course of the year. The monthly average number of FTEs for the Group in FY 2023 was 3,380, compared to 3,048 in FY 2022. The additional full-time employees in FY 2023 include 252 employees in the Accommodation product line and 80 employees in the Mobility & Experiences and Fintech & Insurance product lines. In addition, non-underlying items increased by €3 million, or 42.9%, to €10 million in FY 2023 from €7 million in FY 2022. This increase was primarily due to an increase in advisory costs associated with a potential shareholder divestiture.

Depreciation and amortisation

Depreciation is recognised in relation to buildings, fixtures, fittings and equipment and totalled €8 million for both FY 2023 and FY 2022. Amortisation relates to acquired and internally generated intangible assets, being customer relationships, which are amortised over 15 years, and computer software, which is amortised over five years.

The amortisation charge for FY 2023 against customer relationships was €55 million (FY 2022: €55 million), representing 8.4% of revenue for the year. Customer relationships were acquired in previous business combinations and are recognised at fair value at their acquisition date. They have a finite useful life and are carried at cost less accumulated amortisation and impairment losses. The total closing cost of customer relationships was €819 million as at 30 September 2023 (FY 2022: €838 million as this balance is impacted by foreign exchange retranslation movements). In the event a significant distribution partner or proportion of the distribution partner base was cancelled, impairment may need to be recognised (although this has not occurred during the period under review). The weighted average remaining life of customer relationships as at 30 September 2023 was 8.5 years.

The amortisation charge for FY 2023 against computer software was €38 million (FY 2022: €45 million) representing 5.8% of the Group's revenue for the year. Computer software comprises intangible assets capitalised separately from goodwill upon acquisition as part of a business combination, together with internally generated technology assets. The total closing cost of computer software was €336 million as at 30 September 2023 (FY 2022: €312 million) and the net book value was €114 million as at 30 September 2023 (FY 2022: €119 million) of which €71 million related to internally generated assets (FY 2022: €62 million).

Goodwill is not depreciated but is instead tested annually for impairment. To date, there has been no requirement to impair goodwill based on the results of those assessments.

Operating profit

Operating profit increased by €191 million, or 434.1%, to €235 million in FY 2023 from €44 million in FY 2022. This increase was primarily due to the return to travel normality in most geographies following the Covid-19 pandemic as described above under "—*Revenue*".

Finance costs

Finance costs increased by €69 million, or 28.4%, to €312 million in FY 2023 from €243 million in FY 2022. This was primarily due to an increase in senior debt interest and other finance costs of €57 million, or 44.2%, to €186 million in FY 2023 from €129 million in FY 2022, representing 28.4% of revenue in FY 2023 (29.7% of revenue in FY 2022). As at 30 September 2023, outstanding senior debt totalled €1,708 million, upon which interest rates ranged from 4.25% + 6-month EURIBOR to 5.5% + 6-month EURIBOR. This increase was primarily due to a higher average 6-month EURIBOR rate (3.2% for FY 2023 compared to (0.13)% for FY 2022), partially offset by the impact of interest rate caps. For more information on the interest rate cap, see "—*Borrowings—Senior Debt—Derivative financial instruments*" below. For more information on expected lower interest expenses going forward due to the capitalisation of Shareholder Loan Notes and the Preference Shares, see section "*Proposed Reorganisation*".

In addition, interest on Shareholder Loan Notes increased by €12 million, or 10.5%, to €126 million in FY 2023 from €114 million in FY 2022, representing 19% of the Group's revenue. This charge was higher than that incurred in FY 2022 as Shareholder Loan Note interest accrued for the period, which is fixed at 10% p.a., is rolled up and added to the principal balance of the Shareholder Loan Notes. As interest is added to the principal balance, interest is calculated on the higher principal balance in the next period as the basis for the calculation of interest is higher. The total balance as at 30 September 2023 (including rolled-up interest) was €1,388 million.

Finance income

Finance income increased by €7 million to €13 million in FY 2023 from €6 million in FY 2022. This increase was due to the €7 million in finance income accounted from the interest rate cap in FY 2023. For more information on the interest rate cap, see "—*Borrowings—Senior Debt—Derivative financial instruments*" below.

Loss before taxation

Loss before taxation decreased by €129 million, or 66.8%, to €64 million in FY 2023 from €193 million in FY 2022, primarily due to a €230 million increase in gross profit as detailed above, partially offset by a €46 million increase in operating expenses due to additional resourcing to support the improved trading volumes, and a €62 million increase in net finance costs, primarily in relation to higher interest on senior debt.

Taxation

Taxation increased by €12 million, to a tax charge of €11 million in FY 2023 from a tax credit of €1 million in FY 2022. This increase was primarily due to accrued taxation charges as a result of the Group's returning to a profitable position post-Covid-19, partially offset by the origination and reversal of timing differences in certain territories.

The Group's tax charge is driven by its geographical mix of profits which are subject to statutory rates of tax, principally ranging from 9% to 25%. The increase in the tax charge in FY 2023 compared to FY 2022 is due to the Group's significantly higher level of revenue in FY 2023. The majority of taxes arise in the Group's major trading jurisdictions, such as Spain, the UK, the U.S., Switzerland, Singapore, Australia and Mexico.

Loss for the financial year

Loss for the financial year decreased by €117 million, or 60.9%, to €75 million in FY 2023 from €192 million in FY 2022. In FY 2023 and FY 2022, the Group reported losses overall, mainly due to interest on the Group's Shareholder Loan Notes, which increased by 10.5% in FY 2023 compared to FY 2022 as a result of the interest roll-up feature of the Shareholder Loan Notes, and senior debt interest and other finance costs, which increased by 44.2% in FY 2023 compared to FY 2022. Despite these figures rising in FY 2023, the Group's loss decreased by 60.9% in FY 2023 primarily as a result of the increases in revenue for the year, as described under *"—Revenue*" above.

Despite the improved financial performance, the Group has continued to make a loss for the year due principally to the impact of amortisation of intangible assets, interest charged on Shareholder Loan Notes, Preference Shares and senior debt. Of the total amortisation charge in the year of €93 million (FY 2022: €100 million) recognised against customer relationships and other intangibles (FY 2023: €55 million relates to customer relationships and €38 million relates to computer software; FY 2022: €55 million relates to customer relationships and €45 million relates to computer software), €69 million relates solely to previous acquisitions which are being amortised over 15 years. As detailed in the section titled "*Proposed Reorganisation*", the holders of the Shareholder Loan Notes will contribute their Shareholder Loan Notes to HBG Ltd in exchange for certain newly-issued shares in HBG Ltd and the Preference Shares will be redeemed and the holders of such Preference Shares will use the redemption proceeds to subscribe for certain newly-issued shares in HBG Ltd. Subsequently, such shares in HBG Ltd will be exchanged for Shares before the Initial Registration Time. The interest charge on Shareholder Loan Notes and Preference Shares issued by HNVR Topco was €151 million in FY 2023 and, therefore, with a loss of €75 million in FY 2023, took the Group from profit-making to loss-making in FY 2023.

Liquidity and Capital Resources

The Group's primary sources of liquidity are the cash flows generated from its operations, along with revolving credit facilities, bank loans and corporate debt. See "*—Borrowings—Senior Debt"* below. Generally, in the Accommodation product line, distribution partners pay the Group within 15 to 20 days of the check-in date. Payment terms to the suppliers vary depending on the terms agreed and the business model. Typically, payment terms average between 35 and 45 days after the check-in. Commissions are then paid to the Group directly from the end consumer through the distribution partner, and a commission is then payable to the supplier based on the agreed terms.

The primary use of this liquidity is to fund the Group's operations. The Group's principal liquidity requirements are investments in technology, corporate income taxes, interest and other finance obligations. As at the date of this Prospectus, the Company does not expect to need additional capital to finance its liquidity needs for a period of at least 12 months from the date of this Prospectus. See section "*Capitalisation and Indebtedness—Representation concerning Working Capital*".

Equity

In addition to the debt financing, HBG Ltd had share capital of €1 million (FY 2023: €1 million, FY 2022: €1 million) and share premium of €136 million (FY 2023: €136 million, FY 2022: €135 million). For more information, see sections "*Selected Financial Information*" and "*Description of Share Capital*".

Cash flows

The table below presents a summary of the Group's cash flows for the periods indicated, which have been extracted subject to rounding adjustments (i.e., without material adjustment) from the Special Purpose

Consolidated Financial Information set out in the section entitled "*Annex I –Special Purpose Consolidated Financial Information*".

	FY 2022	FY 2023	FY 2024
		(€ millions)	
Net cash inflow from operating activities	396	461	449
Net cash (outflow) from investing activities	(24)	(29)	(45)
Net cash (outflow) from financing activities	(358)	(258)	(396)
Cash and cash equivalents at the end of the year	**528**	**690**	**686**

Net cash inflow from operating activities

Cash inflow from operating activities decreased by €12 million, or 2.6%, to €449 million in FY 2024 from €461 million in FY 2023. The positive working capital movement in FY 2024 of €110 million was derived from the 25-day gap between the time taken for sales to be paid ("**DSO**") of approximately 15 days and the time taken for the Group to pay its suppliers ("**DPO**") of approximately 40 days. This was slightly reduced from the 28-day gap in FY 2023.

Cash inflow from operating activities increased by €65 million, or 16%, to €461 million in FY 2023 from €396 million in FY 2022. The positive working capital movement in FY 2023 of €141 million was derived from the 28-day gap between DSO (12 days) and DPO (40 days). The year-on-year increase in cash inflow from operating activities in FY 2022 was due to increased volumes, with DSO and DPO standing at 13 and 39 days, respectively, meaning that HBX Group takes longer to pay its suppliers compared to the receipt of payment from its distribution partners.

Net cash outflow from investing activities

Cash outflow from investing activities increased by €16 million, or 55%, to €45 million in FY 2024 from €29 million in FY 2023, primarily due to the acquisition of an associate for €32 million and increased investment in technology platforms, including re-building our core platform and migration to a cloud-native platform, enhancing automation IT to support trading volume increases and the migration to the cloud of SAP and Salesforce. This was offset by additional finance income received on the interest rate caps during FY 2024.

Cash outflow from investing activities increased by €5 million, or 21%, to €29 million in FY 2023 from €24 million in FY 2022, primarily due to increased investment in technology platforms in connection with technology transformation to remove technical debt and improve platform stability and performance.

Net cash outflow from financing activities

Cash outflow from financing activities increased by €138 million, or 53%, to €396 million in FY 2024 from €258 million in FY 2023. The key driver of the increase was the repayment of €175 million of Preference Shares together with €63 million of accrued dividends relating to the Preference Shares (included within interest paid) in April 2024, partially offset by the €100 million repayment of the senior debt in FY 2023 and associated refinancing costs.

Cash outflow from financing activities decreased by €100 million, or 28%, to €258 million in FY 2023 from €358 million in FY 2022, primarily due to the impact of the €248 million repayment of the revolving credit facility in FY 2022, partially offset by the impact of the repayment of the senior debt of €100 million in FY 2023.

Borrowings

The table below presents a breakdown of the Group's interest-bearing loans and borrowings as at the dates indicated (at amortised cost), which have been extracted subject to rounding adjustments (i.e., without material adjustment) from Note 18 to the Special Purpose Consolidated Financial Information set out in the section entitled "*Annex I –Special Purpose Consolidated Financial Information*". In FY 2024, FY 2023, and FY 2022, all of the Group's third-party debt was secured and denominated in euros.

	Interest rate	**Maturity**	**Carrying value**
	(%)		*(€ million)*
At 30 September 2024			
Lease liabilities	4.25/6.58	2024-2029	6
€760m senior debt (term loan B3)	6MEURIBOR+4.50	2028	764
€948m senior debt (term loan D2)	6MEURIBOR+4.25	2027	976
Bank loans (other)	1.78	2026-2030	4
€719m Shareholder Loan Notes	10	2056	1,528
€27m preference shares	10	-	53
Other borrowings[(2)]		On demand	13
Total interest-bearing loans and other borrowings			3,344
Total current borrowings			82
Total non-current borrowings			3,262
At 30 September 2023			
Lease liabilities	4.25/6.58	2023-2028	9
€148m senior debt (term loan B1)	6MEURIBOR+4.25	2025	151
€760m senior debt (term loan B2)	6MEURIBOR+5.00	2028	753
€400m senior debt (term loan C)	6MEURIBOR+4.50	2027	408
€400m senior debt (term loan D)	6MEURIBOR+5.50	2027	416
Bank loans (other)	1.78	2026-2030	5
€719m Shareholder Loan Notes	10	2056	1,388
€202m preference shares	10	-	275
Other borrowings[(2)]		On demand	2
Total interest-bearing loans and other borrowings			**3,407**
Total current borrowings			60
Total non-current borrowings			3,347
At 30 September 2022			
Lease liabilities	4.25	2022-2028	11
€1,008m senior debt (term loan B)	6MEURIBOR+4.25	2025	1,012
€400m senior debt (term loan C)	6MEURIBOR+4.50	2027	403
€400m senior debt (term loan D)	6MEURIBOR+5.50	2027	410
Bank loans (other)	1.68	2026-2030	7
€719m Shareholder Loan Notes	10	2056	1,262
€202m preference shares	10	-	250
Other borrowings[(2)]		On demand	12
Bank overdrafts	2.30	On demand	11
Total interest-bearing loans and other borrowings			**3,378**
Total current borrowings			60
Total non-current borrowings			3,318

Notes:

Net debt to Adjusted EBITDA[APM] was 2.7x in FY 2024, 3.0x in FY 2023 and 8.2x in FY 2022.

(1) *Carrying value represents the outstanding balance plus interest and unamortised fees (i.e., amortised costs).*

(2) *Other borrowings include confirming balances for €13 million at the year ended 30 September 2024 (30 September 2023: confirming balances of €2 million and at 30 September 2022: confirming balances of €7 million and factoring balances of €5 million). Proceeds and repayments of factoring balances are included as cash flows from financing activities in the consolidated statement of cash flows. Proceeds and repayments of confirming balances are included as cash flows from operating activities in the consolidated statement of cash flows.*

Lease liabilities

The Group leases many assets including buildings, vehicles and IT equipment for which lease liabilities have been recognised. On 1 October 2022, the Group reviewed its incremental borrowing rate and concluded to use a rate of 6.58% for all new lease agreements. For FY 2024, the Group recognised interest expense on lease liabilities of €1 million (FY 2023: €1 million; FY 2022: €1 million).

Senior debt

Existing Senior Facilities Agreement

On 11 July 2016, the Group signed a syndicated senior facilities agreement (the "**Existing Senior Facilities Agreement**"). Together with other lenders, the following Managers or their affiliates are currently lenders under the Existing Senior Facilities Agreement: BofA Securities, Deutsche Bank, Morgan Stanley and UBS Investment Bank. The rate of interest is the aggregate of the applicable EURIBOR plus a margin. If EURIBOR is lower than zero, the applicable interest rate will be the margin payable under the most recent amendment to the Existing Senior Facilities Agreement (see further below).

On 3 July 2023, the Group signed an amendment to the Existing Senior Facilities Agreement with the following modifications:

- Partial repayment (€100 million) of the existing term loan B;
- Conversion of the existing term loan B tranche into two tranches: Term loan B1, with a principal amount of €148 million, has an interest rate of the applicable EURIBOR + 4.25% and matures in September 2025. Term loan B2, with a principal amount of €760 million, has an interest rate of the applicable EURIBOR + 5.00% and matures in September 2028;
- The extension of 63% of the Existing Revolving Credit Facility (as defined below)from lenders or €157 million, by two years until September 2026. For the remaining €91 million, the maturity date remained September 2024.

On 17 April 2024, the Group signed an amendment to the Existing Senior Facilities Agreement with the following modifications:

- Conversion of the existing term loan B1 (€148 million) into the newly created term loan D2 tranche;
- Conversion of the existing term loan B2 tranche into the newly created term loan B3 tranche, with a principal amount of €760 million, bearing interest rate of EURIBOR + 4.50% and maturing in September 2028;
- Transfer of the principal amount of term loan C (€400 million) into the newly created term loan D2 tranche;
- Conversion of the existing term loan D tranche into the newly created term loan D2 tranche, with a principal amount of €948 million, bearing interest rate of EURIBOR + 4.25% and maturing in September 2027.

Following these modifications of the original terms of the senior debt and the credit facility, a modification gain of €4 million was recognised within finance income in the consolidated statement of profit or loss for FY 2024 (FY 2023: €nil).

The transaction costs related to these amendments, amounting to €29 million and €3 million, respectively, have been paid and capitalised over the remaining life of the senior debt.

All term loans are stated net of issue costs. These costs are amortised over the life of the loans. The outstanding balance of the unamortised issue costs are presented in the table below, which has been extracted subject to rounding adjustments (i.e., without material adjustment) from Note 18 to the Special Purpose Consolidated Financial Information set out in the section entitled "*Annex I –Special Purpose Consolidated Financial Information*".

	As at 30 September		
	FY 2022	FY 2023	FY 2024
		(€ millions)	
Senior debt (term loan B1)..	9	1	-
Senior debt (term loan B2)..	-	27	-
Senior debt (term loan B3)..	-	-	24
Senior debt (term loan C)	3	2	-
Senior debt (term loan D)	1	1	-
Senior debt (term loan D2)	-	-	4
Total issue costs..	13	31	28

The effective cost of the Existing Senior Facilities Agreement was 9.2% for FY 2024 (FY 2023: 8.1%; FY 2022: 5.3%) or 9.3% when including the profit and loss impact of the interest rate cap (FY 2023: 7.7%; FY 2022: 5.1%).

All term loans are subject to a liquidity covenant requirement to ensure that cash and cash equivalents balance on the last business day of each month are not less than €75 million (the "**Liquidity Covenant**"). If liquidity goes below this level, the Group is obliged to correspond with the banking syndicate on the next steps. These steps include the rights of lenders over the assets of specified subsidiary companies that are listed as obligors under the Existing Senior Facilities Agreement. The Group was compliant with the Liquidity Covenant requirement as at 30 September 2024.

Following the modifications set out above, the term facilities under the Existing Facilities Agreement is subject to variable interest rates, which consist of the applicable EURIBOR plus an initial margin of:

- in relation to any Facility B3 Loan, 4.50% per annum;
- in relation to any Facility D2 Loan, 4.25% per annum

The margins detailed above vary by reference to the Group's leverage ratio (calculated on the basis of total borrowings of the group (excluding intra-group loans, subordinated loans and net of cash and cash equivalent investments), to EBITDA) (as further adjusted in accordance with the Existing Facilities Agreement) from time to time in accordance with the grid set out below:

	Facility B3 Margin	Facility D2 Margin
Leverage		
Greater than 4.50:1..	4.50	4.25
Less than or equal to 4.50:1 but greater than 4.00:1...	4.50	4.25
Less than or equal to 4.00:1 but greater than 3.50:1 ..	4.50	4.25
Less than or equal to 3.50:1 but greater than 3.00:1...	4.25	4.00
Less than or equal to 3.00:1	4.00	3.75

Under the Existing Senior Facilities Agreement, which will be refinanced in full concurrently with the Offering, as further described in section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Borrowings— Senior Debt—Existing Senior Facilities Agreement*", the Group's ability to distribute dividends or make any other payment or distribution to its shareholders or investors is subject to certain limitations, provided that (among other exceptions) the Group may pay:

- certain customary fees and expenses to or of its holding companies and/or investors; and
- dividends, distributions and other payments provided that no default has occurred under the Existing Senior Facilities Agreement and the Group's leverage ratio (pro forma for the payment) is no greater than 2.75:1.

Existing Revolving Credit Facility

Outstanding loans under the revolving credit facility (the "**Existing Revolving Credit Facility**") made available pursuant the Existing Senior Facilities Agreement were repaid in full during FY 2022. The financial cost of the Existing Revolving Credit Facility was €4 million in FY 2024 and €4 million in FY 2023. The Existing Revolving Credit Facility remains available to the Group, although €91 million in available funds expired in September 2024 and the remaining €157 million in available funds expires in September 2026.

The Existing Revolving Credit Facility matures on 12 September 2026, but will be cancelled in full as part of the Refinancing. The Existing Revolving Credit Facility also benefits from the Liquidity Covenant. The interest rate which would be applicable to any loan made pursuant to the Existing Revolving Credit Facility is the applicable EURIBOR plus a margin of 4.50 per cent. per annum. Margin is adjusted by reference to the Group's leverage ratio (calculated on the basis of total borrowings of the group (excluding intra-group loans, subordinated loans and net of cash and cash equivalent investments), to EBITDA) (as further adjusted in accordance with the Existing Facilities Agreement) from time to time as follows:

Leverage	**Revolving Facility 2 Margin % p.a.**
Greater than 4.50:1	4.50
Less than or equal to 4.50:1 but more than 4.00:1	4.25
Less than or equal to 4.00:1 but more than 3.50:1	4.00
Less than or equal to 3.50:1 but more than 3.00:1	3.75
Less than or equal to 3.00:1	3.50

New Facilities Agreement

Concurrently with the Offering, the Group will refinance all its existing indebtedness incurred under the Existing Senior Facilities Agreement and cancel the facilities available under the Existing Senior Facilities Agreement. All debt under the Existing Senior Facilities Agreement will be refinanced in full using the proceeds of the New Facilities (as defined below), the proceeds obtained by the Company from the offer of New Offer Shares and any available cash on the Company's balance sheet. In connection with the Refinancing, on 16 January 2025 (i) the Company as original borrower (the "**Borrower**"), (ii) Banco Bilbao Vizcaya Argentaria, S.A.; Banco Santander, S.A.; Bank Of America Europe Designated Activity Company; Barclays Bank plc; BNP Paribas, S.A. Sucursal en España; Citibank N.A. London branch; Deutsche Bank AG, London Branch; Deutsche Bank Luxembourg S.A.; Intesa Sanpaolo SPA, Sucursal en España; Morgan Stanley & Co. International plc; UBS AG London Branch as arrangers (the "**Arrangers**"), (iii) Banco Bilbao Vizcaya Argentaria, S.A.; Banco Santander, S.A.; Bank Of America Europe Designated Activity Company; Barclays Bank plc; BNP Paribas, S.A. Sucursal en España; Citibank Europe plc; Citibank Europe plc, Sucursal en España; Deutsche Bank AG, London Branch; Deutsche Bank Luxembourg S.A.; Intesa Sanpaolo SPA, Sucursal en España; Morgan Stanley Senior Funding, Inc; UBS AG London Branch as original lenders (the "**Lenders**"), (iv) Alter Domus Trustees (UK) Limited as security agent (the "**Security Agent**") and (v) Alter Domus Agency Services (UK) Limited as facility agent (the "**Facility Agent**") entered into a term and revolving facilities agreement (the "**New Facilities Agreement**"). Other Group entities may accede to the New Facilities Agreement as borrowers and/or guarantors from time to time.

Under the New Facilities Agreement, the following facilities are made available to the Borrower:

- a term loan A facility of €450,000,000 ("**Facility A**"), provided that the Company is permitted to re-tranche up to €150,000,000 of the commitments in Facility B (as defined below) commitments into additional Facility A commitments in accordance with the terms of the Syndication Strategy Letter (as defined below) before the earlier of (i) 13 February 2025 and (ii) the first utilisation of Facility A or Facility B (as defined below) (the "**Closing Date**"). There is no scheduled amortisation of Facility A and its final maturity date is five years after the Closing Date;
- a €400,000,000 multi-currency revolving credit facility ("**Revolving Facility**") with a final maturity date of 5 years after the Closing Date (and no prior scheduled reduction in the amount of the facility) which may be utilised in Euros, Swiss Francs, Sterling, and U.S. Dollars; and
- a term loan B facility of €750,000,000 ("**Facility B**", together with Facility A and the Revolving Facility, the "**New Facilities**"), provided that the Company is permitted under the Syndication Strategy Letter to re-tranche up to €150,000,000 of such Facility B commitments into Facility A commitments before the earlier of (i) 13 February 2025 and (ii) the Closing Date. There is no scheduled amortisation of Facility B and its final maturity date is seven years after the Closing Date. Facility B must be repaid in full on its final maturity date.

The Arrangers intend to carry out a syndication of Facility B to other potential lenders after the Closing Date and have the right to amend certain terms of the New Facilities Agreement in order to facilitate that syndication as agreed and set out in a syndication strategy letter entered into on 16 January 2025 between, *inter alia*, the Company and the Arrangers (the "**Syndication Strategy Letter**").

The New Facilities Agreement permits the Borrower to use amounts borrowed under Facility A and Facility B (directly or indirectly) (i) to refinance, redeem and/or discharge the existing indebtedness of the Group (including under the Existing Senior Facilities Agreement) and pay any related breakage costs, redemption premium, make-whole costs and other fees, costs and expenses payable in connection with such refinancing, (ii) for the payment of fees, costs and expenses arising in connection with the Offering, reorganisation or operational restructuring of the Group and working capital related adjustments (however structured), in each case relating to or arising in connection with the Offering; and/or (iii) for the general corporate and working capital purposes of the Group. The New Facilities Agreement permits the Borrower to use amounts borrowed under the Revolving Facility to (directly or indirectly) finance or refinance the working capital requirements and/or general corporate purposes of the Group (including, without limitation, for any capital expenditure, acquisitions and investments, joint ventures, operational restructurings and reorganisation requirements of the Group and for funding any additional financing fees).

Subject to the terms of the New Facilities Agreement, each loan under the New Facilities Agreement will bear interest at a rate per annum equal to EURIBOR for the relevant interest period (or, for loans under the Revolving Facility in currencies other than Euro, the reference rate applicable to such currency under the New Facilities Agreement) (in each case, subject to a floating rate floor of zero) plus an initial margin of:

- in relation to Facility A and the Revolving Facility, 2.00% per annum;
- in relation to Facility B, 2.75% per annum.

From the date falling six months after the utilisation of Facility A or Facility B, the margins detailed in (i) and (ii) above shall vary by reference to the Group's Total Net Leverage from time to time in accordance with the grid set out below:

Total Net Leverage	**Facility A Margin (% p.a.)**	**Facility B Margin (% p.a.)**	**Original Revolving Facility Margin (% p.a.)**
Greater than 2.25:1	2.00%	2.75%	2.00%
Less than or equal to 2.25:1 but greater than 2.00:1	1.75%	2.50%	1.75%
Less than or equal to 2.00:1 but greater than 1.75:1	1.50%	2.25%	1.50%
Less than or equal to 1.75:1 but greater than 1.50:1	1.25%	2.00%	1.25%
Less than or equal to 1.50:1	1.00%	2.00%	1.00%

The margin and margin ratchet applicable to Facility B (only), may be adjusted in syndication as a result of the Arrangers exercising the market flex rights set out in the Syndication Strategy Letter.

As at the date of this Prospectus, the Company has not entered into any derivatives or other interest rate hedging arrangements in place in respect of the interest rates under the New Facilities Agreement, however it may do so in the future.

A commitment fee will be payable by the Borrower under the Revolving Facility on the unused and uncancelled amount of the Revolving Facility, accruing at a rate per annum equal to 30% of the margin applicable to the Revolving Facility from time to time. An underwriting fee will be payable by the Company on the Closing Date in an amount equal to 1.00% of the aggregate amount of each of Facility A, Facility B and the Revolving Facility utilised on the Closing Date. An original issue discount fee will be payable by the Company on the Closing Date in an amount equal to 0.50% of the aggregate principal amount of Facility B utilised on the Closing Date. No prepayment or cancellation fees are due in respect of the Existing Facilities in connection with the Refinancing. The Company estimates that the total fees and costs incurred in connection with the Refinancing will be an amount of €29 million).

The New Facilities under the New Facilities Agreement will be secured by a security package established in favour of the Security Agent, consisting of (i) security over the shares held by the Company in HNVR Midco Limited (once it has become the Company's direct subsidiary as a result of the Post Admission Steps described in section "*Proposed Reorganisation*"); and (ii) a security assignment of intra-Group receivables owed to the Company by its subsidiaries. As at the Closing Date, the New Facilities will not be guaranteed by members of the Group other than the Company. After the Closing Date, the Company will be required to comply with certain guarantor coverage requirements, such that the following members of the Group will be required to provide guarantees in respect of the New Facilities:

(i) Material Subsidiaries (being (i) the Company, (ii) any borrower under the New Facilities Agreement, (iii)each wholly-owned member of the Group incorporated in a Guarantor Jurisdiction which has EBITDA (calculated on an unconsolidated basis and subject to certain customary exclusions) exceeding 10% of the Group's consolidated EBITDA and (iv) each direct holding company of a member of the Group falling within (iii) above that is also located in a Guarantor Jurisdiction); and

(ii) wholly-owned members of the Group representing, on an unconsolidated basis, at least 80% of Adjusted EBITDA^{APM} (as further adjusted by the New Facilities Agreement) of members of the Group incorporated in Guarantor Jurisdictions (subject to customary exclusions).

The security granted by the Company pursuant to the New Facilities Agreement will be released if: (i) Facility B has been discharged in full (and not refinanced or replaced with another senior secured instrument); and (ii) the Borrower achieves a long term corporate credit rating equal to or higher than BB/Ba2 from any two of Fitch Ratings, Inc, Moody's Investors Service, Inc and Standard & Poor's Investors Rating Services.

The New Facilities may only be drawn if the Facility Agent under the New Facilities Agreement has first received certain customary conditions precedent documentation from certain members of the Group in form and substance satisfactory to it (acting on the instructions of the Lenders) and certain other customary conditions to utilisation have been met.

The New Facilities Agreement includes, for the benefit of lenders participating in Pro-rata Facilities only, a financial covenant requiring the Company to maintain a maximum Total Net Leverage of 4.50:1 (stepping down to 4.00:1 after the first three test periods), which will be tested on a semi-annual basis (at the end of each half-year period and at the end of each financial year, with the first test date being the last day of the first complete financial half year after the Closing Date). The financial covenant is subject to (i) certain cure rights and (ii) a financial covenant acquisition adjustment. The financial covenant acquisition adjustment permits the Company to elect on no more than two occasions over the life of the New Facilities to increase the maximum Total Net Leverage permitted by the financing covenant by 0.25:1, applicable to three consecutive testing periods, in connection with an acquisition.

Additional covenants included in the New Facilities Agreement include restrictions on the Group's ability to:

- incur additional debt, subject to certain exceptions whereby (i) the Company shall be permitted to raise additional facilities under the New Facilities Agreement in an aggregate amount equal to the greater of €379 million or, if higher, an amount equal to 100% of Adjusted EBITDA^{APM} (as further adjusted and for a twelve month period determined in accordance with the New Facilities Agreement) ("**LTM EBITDA**") plus certain customary amounts plus an unlimited amount to the extent that senior secured net leverage (or if the security in respect of the New Facilities Agreement has been released, Total Net Leverage) does not exceed 3.00:1 or in relation to debt being used to finance an acquisition permitted by the New Facilities Agreement, such ratio does not increase; (ii) the Company shall be permitted to raise an unlimited amount of additional debt outside the New Facilities Agreement provided that (for so long as the security in respect of the New Facilities Agreement remains in place), where such debt ranks *pari passu* with Facility A, Facility B and the Revolving Credit Facility, the Group's senior secured net leverage does not exceed 3.00:1 or, in relation to proceeds being used to finance an acquisition permitted by the New Facilities Agreement, such ratio does not increase; and (iii) the Company and other members of the Group shall be permitted to raise additional debt subject to certain other baskets and customary exceptions and permissions;

- provide loans to third parties where the aggregate value of such loans exceeds the greater of €60 million and 15% of LTM EBITDA, except with approval of the Board;

- grant security over its assets, subject to certain customary exceptions and permission to grant security in an aggregate principal amount not exceeding €119 million and 30% of LTM EBITDA;

- make certain investments and acquisitions, including participating in joint ventures, other than where such acquisition or joint venture is in respect of companies or businesses similar or complementary to the Group, and provided that the relevant target is not incorporated in, and does not conduct a material part of its business in, a country or territory that is, or whose government is, the target or the subject of country-wide or territory-wide export control or economic or financial sanctions laws, regulations, trade embargoes, or other restrictive measures administered, enacted, implemented or enforced from time to time; and

- make disposals, subject to certain customary exceptions and permissions including permission to make disposals at fair market value for cash consideration, and permission to make disposals in an aggregate principal amount not exceeding €119 million and 15% of LTM EBITDA.

Certain of the Company's obligations contained in the New Facilities Agreement including (i) obligations to accede Material Subsidiaries as guarantors, grant or perfect security; (ii) mandatory prepayment of the proceeds of certain disposals; and (iii) the restriction on incurrence of financial indebtedness applicable to the Company, each borrower and each guarantor, may each be relaxed or suspended upon the date on which the Borrower achieves a long term corporate credit rating equal to or higher than BBB-/Baa3 from any two of Fitch Ratings, Inc, Moody's Investors Service, Inc and Standard & Poor's Investors Rating Services (the "**Rating Condition**") and only for so long as such Rating Condition continues to be met. If the Rating Condition is met, the Security Agent shall also release (or precure the release of) all security granted pursuant to the New Facilities Agreement, provided that when the Rating Condition is no longer satisfied, any released security is, subject to customary agreed security principles, promptly re-granted.

The New Facilities Agreement includes mandatory prepayment rights for the lenders in certain circumstances, including if (i) any person or group of persons acting in concert (other than directly or indirectly the "**Investors**" (being Cinven, CPPIB and EQT VII (including, for these purposes only, certain of its affiliates and other entities related to it)) and/or a group including one or more Investors (or persons directly or indirectly controlled by the Investors) who together control more than 30% of the voting share capital of the Company) becomes the direct or indirect beneficial owner of the shares providing the right to cast more than 50% of the votes at a general meeting of the Company; or (ii) the occurrence of a sale of all or substantially all of the assets of the Group, (iii) prior to the Post Admission Steps described in section "*Proposed Reorganisation*" and for so long as the Company has granted security over the shares it owns in HBG Ltd, the Company ceasing to own 100% of the issued share capital of HBG Ltd (each a "**Change of Control**"); or (iv) from disposal proceeds (subject to certain conditions and exceptions. Upon a Change of Control, each lender has an individual right to require cancellation of its commitments and prepayment of all amounts owing to it under the Finance Documents (as defined in the New Facilities Agreement). In addition, the net proceeds of certain disposals that may be made by the Group from time to time must be applied in mandatory prepayment of Facility B (subject to customary de minimis thresholds and reinvestment rights).

The New Facilities Agreement contains customary warranties, representations, undertakings and events of default in each case, subject to customary agreed exceptions, materiality tests, carve-outs and grace periods, suitable for facilities of this type and size.

If the Company or relevant members of the Group breach any covenants in the New Facilities Agreement and are unable to remedy or cure any such breach in the time periods set out in the New Facilities Agreement, an event of default and/or cross-default may be triggered. The holders of the defaulted debt could terminate their commitments and declare all amounts borrowed, together with accrued and unpaid interest and other fees, to be immediately due and payable and/or enforce their security interests. Subject to certain grace periods and cure rights, after a breach of the financial covenant described above, Lenders participating in the Pro-rata Facilities could terminate their commitments and declare all amounts borrowed, together with accrued and unpaid interest and other fees, to be immediately due and payable and/or enforce their security interests. Upon, but not prior to, such acceleration event by the lenders participating in the Pro-rata Facilities, lenders participating in Facility B shall be entitled to take the same action.

Upon the occurrence of an acceleration event described above, the Security Agent would have the right, upon instruction from the requisite majority of lenders under the New Facilities Agreement, to enforce the security interests granted by the Company (and any other members of the Group) in respect of the indebtedness under the New Facilities Agreement. In the case of the share security to be granted by the Company over its shares in its direct subsidiary (as described below), this could result in an enforcement sale or appropriation of those shares (and therefore the entire operating business of the Group), with the proceeds applied first towards satisfying the secured indebtedness.

The New Facilities Agreement is governed by English law and the courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with the New Facilities Agreement.

Derivative financial instruments

At FY 2024, the fair value of current assets and current liabilities associated with foreign exchange forward contracts was €8 million and €4 million, respectively (FY 2023: €2 million and €7 million, respectively and at FY 2022: €nil and €2 million). The notional amount of these derivatives at FY 2024 was €733 million (FY 2023: €521 million and at FY 2022: €95 million).

On 15 June 2022, the Group entered into an interest rate cap agreement to hedge the risk of a rise in interest rates on the senior debt variable rate. The interest period on the interest rate agreement is selected based on EURIBOR forecasts ranging from 6 months, 3 months or 1 month. The original notional amount of the contract was €1,050 million at 15 June 2022 and expired on 15 June 2024. The cap rate was fixed at 2% based on the index EURIBOR 6 months. The premium of €12 million was recorded as current derivative on the face of the consolidated statement of financial position. At 30 September 2022, the fair value of the interest rate cap was €16 million and the Group recognised a finance income of €4 million. At 30 September 2023, the fair value of the interest rate cap was €20 million and the Group recognised a finance income of €7 million. During FY 2023, the Group received €3 million interest as cash from this instrument. Then, the Group received €20 million interest as cash from this instrument for FY 2024. As at 30 September 2024, the fair value of the interest rate cap was €nil.

On 7 July 2023, the Group entered into an additional interest rate cap agreement to hedge the risk of a rise in interest rates on the senior debt variable rate. The original notional amount of the contract was €650 million at 7 July 2023 and expired on 7 July 2024. The cap rate is fixed at 4% based on the index EURIBOR 6 months. The premium of €1 million was recorded as current derivative on the face of the consolidated statement of financial position. At FY 2024, the fair value of the interest rate cap was €nil (FY 2023: €0.4 million).

As at the date of this Prospectus, there is no interest rate cap agreement in place.

Shareholder Loan Notes

At the date of this Prospectus, the Group has the following Shareholder Loan Notes outstanding:

- On 12 September 2016, HNVR Topco issued €695 million unsecured Shareholder Loan Notes due for repayment in 2056 at their nominal value of €1.00 with an interest rate of 10% per annum.

- On 7 June 2017, HNVR Topco issued €232 million unsecured Shareholder Loan Notes due for repayment in 2056 at their nominal value of €1.00 with an interest rate of 10% per annum.

- On 3 October 2017, HNVR Topco issued €197 million unsecured Shareholder Loan Notes due for repayment in 2056 at their nominal value of €1.00 with an interest rate of 10% per annum.

- On 29 June 2018, an interest amount of €80 million due on the class A Shareholder Loan Notes and related to the year-ended 30 September 2017 was converted into “payment-in-kind” (PIK) Shareholder Loan Notes.

- On 18 January 2019, HNVR Topco issued €7 million unsecured Shareholder Loan Notes due for repayment in 2056 at their nominal value of €1.00 with an interest rate of 10% per annum.

- On 8 April 2019, HNVR Topco reimbursed to the shareholders €492 million unsecured Shareholder Loan Notes at their nominal value of €1.00.

- The Shareholder Loan Notes are divided into several classes but all have the same principal terms and conditions. Shareholder Loan Notes in classes A, F, H and J with a total carrying value of €1,476 million are listed on The International Stock Exchange, which is based in Guernsey, Channel Islands. Interest is charged on the Shareholder Loan Notes at a rate of 10%. This interest is not paid on a regular basis but is rolled up into the loans until they fall due for repayment. At 30 September 2024, the outstanding interest on the Shareholder Loan Notes amounted to €139 million.

Interest charged on the Shareholder Loan Notes in FY 2024 totalled €139 million (FY 2023: €126 million; FY 2022: €114 million).

The Shareholder Loan Notes shall be redeemed in the event of an exit event (which includes a sale, liquidation or an initial public offering), except where the notes are transferred to a Group company in connection with an exit, or on the redemption date in 2056.

Notwithstanding the foregoing, it is envisaged for the Shareholder Loan Notes to be contributed to the Company in accordance with the terms of the Proposed Reorganisation. See section "*Proposed Reorganisation*".

Details of loan note balances by holder and the interest accrued each year are provided in the table below:

	FY 2022	**Interest accrued in year**	**FY 2023**	**Interest accrued in year**	**FY 2024**	**Interest accrued in year**
			(€ millions)			
Cinven	495	45	545	50	600	55
CPPIB...................................	495	45	545	50	600	55
EQT VII[(1)].............................	198	19	217	19	239	22
Other[(2)]..................................	74	6	81	7	89	8
Total loan notes....................	**1,262**	**114**	**1,388**	**126**	**1,528**	**140**

Note:
(1) *Through relevant holding vehicles from time to time, in each case indirectly controlled by EQT VII.*
(2) *Includes current and former management.*

Preference Shares

On 3 October 2017, HNVR Topco issued 27,300,000 Preference Shares of €1.00 each which are classified as liabilities based on the terms of the contract. Such Preference Shares carry a cumulative dividend of 10% per annum and have been classified as liabilities, as the Company will be required to deliver cash or another financial instrument to the holders in the future. No rights are attached to the Preference Shares other than the dividends payable to the holders of Preference Shares.

On 13 May 2021, HBG Ltd issued 174,999,996 Preference Shares of €1.00 each, which the Group redeemed in full in April 2024 as further described below. Such Preference Shares were classified as liabilities based on the terms of the contract, which did not confer on shareholders any rights to a share in the profits or assets of the company beyond the receipt of fixed dividends. Dividends were charged on the Preference Shares at a fixed rate of 10%. Dividends were not paid on a regular basis but were rolled up into the outstanding balance of such Preference Shares. No rights were attached to the Preference Shares other than the dividends payable to the holders of Preference Shares.

In April 2024, the Group redeemed in full the 174,999,996 Preference Shares issued by HBG Ltd by paying a total of €238 million in cash to the holders of such Preference Shares, comprising €175 million corresponding to the balance of the Preference Shares and €63 million of accrued and capitalised preference dividends. The dividends on these Preference Shares have been recognised in the statement of profit or loss as interest expense and totalled €17 million for the FY 2024 (2023: €25 million and 2022: €23.3 million).

The remaining Preference Shares (i.e., those issued by HNVR Topco) are held at the date of this Prospectus by Kiwi Investments Holding II SCSp and KHS Holding S.à r.l. and will be redeemed as part of the Proposed Reorganisation. See section "*Proposed Reorganisation*".

As part of the Group's Proposed Reorganisation, it is envisaged for the remaining Preference Shares to be contributed to the Company, exchanged for cash and subsequently cancelled. Kiwi Investments Holding II SCSp and KHS Holding S.à r.l. will use their total redemption proceeds to subscribe for certain ordinary shares in HBG Ltd in accordance with the terms of the Proposed Reorganisation. See section "*Proposed Reorganisation*". Following the issuance of such new shares, the Group expects HBG Ltd's share capital to be reorganised into a single class of ordinary shares. For more information, see section "*Proposed Reorganisation*".

Other financial liabilities

The table below analyses the book value of the Group's other financial liabilities into their relevant categories and has been extracted subject to rounding adjustments (i.e., without material adjustment) from Note 18 to the Special Purpose Consolidated Financial Information set out in the section entitled "*Annex I –Special Purpose Consolidated Financial Information*".

	Financial liabilities at amortised cost	Derivatives at fair value through profit and loss(2)	Derivatives designated as hedging instruments(3)	**Total**
		(€ millions)		
At FY 2024				
Derivatives	-	2	2	4
Trade payables and other liabilities(1)	1,285	-	-	1,285
Total other financial liabilities	**1,285**	**2**	**2**	**1,289**
Total current	1,251	2	2	1,255
Total non-current	34	-	-	34
At FY 2023				
Derivatives	-	4	3	7
Trade payables and other liabilities (1)	1,158	-	-	1,158
Total other financial liabilities	**1,158**	**4**	**3**	**1,165**
Total current	1,126	4	3	1,133
Total non-current	32	-	-	32
AT FY 2022				
Derivatives	-	2	-	2
Trade and other payables(1)	982	-	-	982
Total other financial liabilities	**982**	**2**	**-**	**984**
Total current	941	2	-	943
Total non-current	41	-	-	41

Notes*:*

(1) *Excluding non-financial liabilities.*

(2) Derivatives at fair value through profit and loss reflect the negative change in fair value of foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign exchange rate risk on highly probable forecast sales and purchases.

(3) Derivatives designated as hedging instruments: Some foreign exchange forward contracts are designated as hedging instruments in cash flow hedges of forecast highly probable sales and purchases.

The fair value of all the financial liabilities is approximate to their carrying value at amortised cost.

Commitments and Contingent Liabilities

Commitments

In respect of the Group's financial liabilities including estimated interest where applicable, the table below includes details (at the year-end) of maturity dates. For more information, see section "*Capitalisation and Indebtedness*".

		Maturing in					Total
	Book value	2025	2026	2027	2028	2029	
			(€ millions)				
Senior debt (term loan B3)[1]	764	55	50	51	811	-	967
Senior debt (term loan D2)[1]	976	66	60	1,009	-	-	1,135
Bank loans (other)	4	2	2	-	-	-	4
Other borrowings	13	13	-	-	-	-	13
Lease liabilities	6	3	2	1	-	-	6
Shareholder Loan Notes[1]	1,528	-	-	-	-	2,237	2,237
Preference Shares[1]	53	-	-	-	-	78	78
Trade and other payables	1,285	1,251	34	-	-	-	1,285
Derivatives	4	4	-	-	-	-	4
Total	**4,633**	**1,394**	**148**	**1,061**	**811**	**2,315**	**5,729**

Note:

(1) As part of the Group's Proposed Reorganisation, it is envisaged for the Senior Debt, the Shareholder Loan Notes and the Preference shares to be repaid or redeemed. For more information, see section "Proposed Reorganisation".

In respect of the Group's financial liabilities including estimated interest where applicable, the table below includes details of maturity dates following the Proposed Reorganisation. For more information, see section "*Proposed Reorganisation*".

		Maturing in								Total
	Book value	2025	2026	2027	2028	2029	2030	2031	2032	
					(€ millions)					
Facility A[1][2]	600	-	-	-	-	-	600	-	-	**600**
Facility B[1][2]	600	-	-	-	-	-	-	-	600	**600**
Revolving Facility[1][3]	400	-	-	-	-	-	400	-	-	**400**
Bank loans (other)	4	2	2	-	-	-	-	-	-	**4**
Other borrowings	13	13	-	-	-	-	-	-	-	**13**
Lease liabilities	6	3	2	1	-	-	-	-	-	**6**
Trade and other payables	1,285	1,251	34	-	-	-	-	-	-	**1,285**

	Book value	Maturing in 2025	2026	2027	2028	2029	2030	2031	2032	Total
					(€ millions)					
Derivatives	4	4	-	-	-	-	-	-	-	**4**
Total	**2,912**	**1,273**	**38**	**1**	**-**	**-**	**1000**	**-**	**600**	**2,912**

Note:

(1) As part of the Group's Proposed Reorganisation, it is envisaged for the Group to refinance all its existing indebtedness and enter into a term and revolving facilities agreement. See "—Senior Debt—New Facility Agreements" above. See section "Unaudited Pro Forma Financial Information—Pro forma adjustments—Refinancing".

(2) These values assume that, as intended, the Company has re-tranched €150 million of the commitments in Facility B into additional Facility A commitments in accordance with the terms of the Syndication Strategy Letter on or before the earlier of 13 February 2025 and the Closing Date.

(3) Indicates the amount of commitments under the Revolving Facility that will terminate and therefore cease to be available, one month after which all outstanding loans and other utilisations under the Revolving Facility must be repaid.

Contingent liabilities

Bank guarantees have been issued in the ordinary course of business amounting to €23.3 million as at FY 2024 (FY 2023: €3 million; FY 2022: €4 million). These bank guarantees are held for operating purposes to maintain credit with suppliers and hoteliers. At FY 2024, the bank guarantees issued totalled €34 million (FY 2023: €14 million; FY 2022: €15 million).

The senior debt is secured by way of fixed and floating charges (as applicable pursuant to applicable law) over the share capital and certain other material assets of certain subsidiaries of the Group.

The table below shows the Group's current and non-current trade payables and other liabilities for the periods indicated:

	FY 2022	FY 2023	FY 2024
		(€ millions)	
Current			
Trade payables	769	933	1,065
Other payables(1)	74	99	99
VAT payables and other taxes	8	7	8
Accruals(2)	98	94	87
Deferred income(3)	82	94	92
Total trade payables and other liabilities	**1,031**	**1,227**	**1,351**
Non-current			
Customers deposits	37	32	33
Other payables(1)	1	-	1
Accruals(2)	3	-	-
Total trade payables and other liabilities	**41**	**32**	**34**

Notes:

(1) Other payables principally comprise rebates payable to customers.
(2) Accruals comprise employee related accruals and other overheads accruals.
(3) Deferred income constitutes contract liabilities.

The table below shows the Group's provisions for liabilities as at the dates indicated:

	Retirement benefits	Other provisions for employees(1)	Provisions for buildings restoration(2)	Other provision(3)	Total
			(€ millions)		
At 1 October 2021	**2**	**14**	**3**	**2**	**21**
Additional provisions	-	2	-	1	3
Reversals	-	(1)	-	-	(1)
Other	(1)	-	-	-	(1)
At 30 September 2022	**1**	**15**	**3**	**3**	**22**
Additional provisions	1	6	-	2	9
Utilised	-	(1)	-	(1)	(2)
Other	(1)	-	-	-	(1)
At 30 September 2023	**1**	**20**	**3**	**4**	**28**
Additional provisions	1	9	-	1	11
Reversals	-	(1)	-	-	(1)
Utilised	-	-	(1)	(1)	(2)
At 30 September 2024	**2**	**28**	**2**	**4**	**36**
At 30 September 2022					
Current	-	-	-	1	1
Non-current	1	15	3	2	21
	1	**15**	**3**	**3**	**22**
At 30 September 2023					
Current	-	-	-	2	2
Non-current	1	20	3	2	26
	1	**20**	**3**	**4**	**28**
At 30 September 2024					
Current	-	23	2	3	28
Non-current	2	5	-	1	8
	2	**28**	**2**	**4**	**36**

Notes:

(1) Other provisions for employees principally comprise provision for long term employee incentive plans (30 September 2024: €14 million, 30 September 2023: €12 million and at 30 September 2022: €11 million), provision for share-based payments (30 September 2024: €9 million, 30 September 2023: €4 million and at 30 September 2022: €1 million) and other legal provisions (30 September 2024: €5 million, 30 September 2023: €4 million and at 30 September 2022: €3 million).

(2) Provision for estimated restoration costs on leased buildings. It is expected that these costs will be incurred in the next financial year.

(3) Includes outstanding litigation claims in the Group companies totalling €3 million. A consistent methodology based upon historical claims patterns, average claims amounts, external legal advice and future expectations is used to determine those amounts. It is expected that €2 million of these costs will be incurred in the next financial year and €1 million in more than a year.

Retirement Benefits

The liability for retirement benefits principally relates to the Hotelbeds Switzerland AG pension plan which provides retirement benefits based on a participant's accumulated account balance. The plan also provides benefits on death, disability and termination of employment contract. This plan is financed through a fund that is legally separate from Hotelbeds Switzerland AG. The trustees of the fund consist of representatives appointed by the affiliated companies and representatives elected by the fund participants and are required by law to act in the interests of the fund and its beneficiaries. The trustees are responsible for the investment policy of the fund. The fund must comply with the compulsory insurance requirements as per the Swiss Federal Law on Occupational Retirement, Survivors and Disability Pension Funds ("**BVG**"). The fund undertakes to respect at least the minimum requirements imposed by the BVG and its ordinances. If the plan is underfunded according to Swiss Law, the trustees decide measures that will allow the coverage ratio to get back to 100% within an appropriate horizon of time (usually, a time horizon of five to seven years is considered appropriate).

Under the plan, members are entitled to an annual pension on the attainment of retirement age 65 for men and for women, however early retirement is permitted from the age of 58. Both the employer and employees are required to make contributions to the plan based on salary and attained age, and the total employer contributions must be at least equal to the total employee contributions. The scheme had 16 active members at 30 September 2024 (30 September 2023: 17 and at 30 September 2022: 20). The plan exposes Hotelbeds Switzerland AG to actuarial risks including investment risk, interest rate risk, longevity risk and salary increase risk. Actuarial valuations carried out by Aon Schweiz AG used the projected unit credit service prorate method to determine liabilities and service cost at 30 September 2024, 30 September 2023 and 30 September 2022. The principal assumptions used to determine the retirement benefit liability were:

	FY 2022	**FY 2023**	**FY 2024**
Discount rate[(1)]	2.00%	1.80%	0.95%
Expected rate of salary increase (including inflation)	1.25%	1.50%	1.50%
Inflation	1.00%	1.25%	1.50%
Average life expectancy at age 65 for current employees			
Male	22.0	22.0	22.1
Female	23.7	23.8	23.9

Note*:*

(1) *Discount rate is based on Swiss AA-rated non-government bonds and foreign AA-rated corporate bonds. The variances reflect the change in market conditions.*

Movements in the fair value of plan assets and the present value of the defined benefit obligation during the year were as follows:

	Plan assets	Benefit obligation	**Benefit liability**
		(€ millions)	
Value at 1 October 2021	**2.0**	**(3.1)**	**(1.1)**
Current service costs	-	(0.5)	**(0.5)**
Employer contributions	0.4	-	**0.4**
Remeasurement	-	0.9	**0.9**
Exchange differences	0.2	(0.4)	**(0.2)**
Value at 30 September 2022	**2.6**	**(3.1)**	**(0.5)**
Current service costs	-	(0.3)	**(0.3)**
Employer contributions	0.3	-	**0.3**
Remeasurement	-	(0.1)	**(0.1)**
Other	(0.1)	-	**(0.1)**
Value at 30 September 2023	**2.8**	**(3.5)**	**(0.7)**
Current service costs	-	(0.3)	**(0.3)**
Employer contributions	0.3	-	**0.3**
Remeasurement	-	(0.5)	**(0.5)**
Value at 30 September 2024	**3.1**	**(4.3)**	**(1.2)**

Plan assets are only composed of insurance policies at each year ended 30 September.

Off-balance sheet arrangements

The Group does not use off-balance sheet arrangements.

Capital Expenditure[APM]

The table below presents a breakdown of the Group's Capital Expenditure[APM] for the periods indicated, which has been extracted subject to rounding adjustments (i.e., without material adjustment) from Notes

11 and 12 to the Special Purpose Consolidated Financial Information set out in the section entitled "*Annex I –Special Purpose Consolidated Financial Information*".

	FY 2022	FY 2023	FY 2024
		(€ millions)	
Buildings (Right of use assets)	3	4	2
Buildings - other	-	1	-
Fixtures, fittings and equipment (Right of use assets)	2	-	-
Fixtures, fittings and equipment - other	2	2	1
Property, plant and equipment	**7**	**7**	**3**
Intangible assets: Computer software	27	32	41
Total Capital Expenditure$^{APM(1)}$	**34**	**39**	**44**

Note:

(1) These figures include IFRS 16 asset additions and Technology CAPEX^{APM}.

The most significant element of the Group's Capital Expenditure^{APM} during the period under review was the investment in the core technology platform totalling €41 million. Such investment included technology to re-build the core platform and migrate to a 100%-cloud-native, lean and scalable platform, enhancing automation IT to support trading volume increases.

The Directors expect that Capital Expenditure^{APM} will increase in FY 2025 before plateauing in FY 2026 and beyond.

Quantitative and Qualitative Disclosures about Market Risks

For a description of the Group's management of liquidity, interest rate and foreign exchange risks, see Note 18 to the Special Purpose Consolidated Financial Information.

Alternative Performance Measures

In addition to the financial information presented herein and prepared under IFRS-EU, the Group has included in this Prospectus certain APMs as defined in Commission Delegated Regulation (EU) 2019/979 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to regulatory technical standards on key financial information in the summary of a Prospectus, the publication and classification of Prospectuses, advertisements for securities, supplements to a Prospectus, the notification portal and repealing Commission Delegated Regulation (EU) No 382/2014 and Commission Delegated Regulation (EU) 2016/301. Such measures include: EBITDA^{APM}, EBITDA Margin^{APM}, Adjusted EBITDA^{APM}, Adjusted EBITDA Margin^{APM}, TTV^{APM}, Take Rate^{APM}, Revenue Breakdown by Product^{APM}, Revenue Breakdown by Geography^{APM}, Capital Expenditure^{APM}, Technology Capex^{APM}, Technology Opex^{APM}, Total Technology Investment^{APM}, Total Technology Investment Over Revenue^{APM}, Operating Free Cash Flow^{APM}, Cash Conversion^{APM}, Net Debt^{APM}, Net Debt to Adjusted EBITDA^{APM}, Adjusted Net Debt^{APM}, Adjusted Net Debt to Adjusted EBITDA^{APM}, Adjusted Operating Costs^{APM}, Adjusted Operating Costs per FTE^{APM} and Fixed Cost as a Percentage of Adjusted Operating Costs^{APM} on a consolidated basis. The Group believes that the presentation of the APMs included herein complies with the guidelines issued by the ESMA on 30 June 2015 on its final report on alternative performance measures and the "Q&A on Alternative Performance Measures Guidelines" lastly published on 1 April 2022.

The APMs in this Prospectus have been calculated and presented following the same methodology for all periods.

The Group has presented these APMs, which are unaudited, as supplemental information because they are used by HBX Group's management in making financial, operational and planning decisions and provide useful financial information that it believes should be considered in addition to the Special Purpose Consolidated Financial Information in assessing HBX Group's performance. In addition, the Group believes that the APMs presented herein may contribute to a better understanding of its results of operations by providing additional information on what the Group considers to be some of the drivers of its financial performance and because certain of these APMs are believed to be in line with indicators commonly used by analysts covering the Group's industry and investors in the capital markets.

These APMs are not defined under, and have not been prepared in accordance with, IFRS-EU. The accounting data used as a basis has been prepared in accordance with IFRS-EU unless otherwise indicated below. APMs should only be considered together with the Special Purpose Consolidated Financial Information and may be presented on a different basis than the financial information included in the Special Purpose Consolidated Financial Information. However, as these measures are not determined in accordance with IFRS-EU, UK GAAP or any generally accepted accounting standards, and are thus susceptible to varying calculations, they may not be comparable to other similarly titled measures used by other companies and have limitations as analytical tools (save for TTV which is standard across the industry and does not vary significantly across the Group's peers, allowing for this measure to be comparable across the industry). In particular, there are no generally accepted principles governing the calculation of these measures and the criteria upon which these measures are based can vary from company to company, which means that other companies may define and calculate such measures differently from the Group. APMs have not been audited or reviewed. These APMs have also not been prepared in accordance with the requirements of Regulation S-K and Regulation G of the U.S. Securities Act, the Prospectus Regulation, IFRS-EU, UK GAAP or any generally accepted accounting standards. Investors are cautioned not to place undue reliance on these APMs and are also advised to review them in conjunction with the Special Purpose Consolidated Financial Information included elsewhere in this Prospectus.

For information on the APMs used in this Prospectus, see section "*Presentation of Financial Information and Other Important Notices*".

EBITDA^{APM}

EBITDA^{APM}, as used in this Prospectus, relates to Loss for the year before taxation, net finance costs and depreciation and amortisation. The Group uses EBITDA^{APM} as an operating performance indicator and it is widely used as an evaluation metric among analysts, investors, rating agencies and other stakeholders.

One commonly used metric that is derived from EBITDA^{APM} is EBITDA Margin^{APM}, as described below.

EBITDA Margin^{APM}

EBITDA Margin^{APM} corresponds to EBITDA^{APM} (as defined above), divided by revenue from contracts with customers. The Group uses EBITDA^{APM} Margin as an operating performance indicator and it is widely used as an evaluation metric among analysts, investors, rating agencies and other stakeholders.

The following table sets forth a reconciliation of EBITDA^{APM} and EBITDA Margin^{APM} to the Group's Loss for the year for the same years.

	FY 2022	**FY 2023**	**FY 2024**
	(€ millions, unless otherwise stated)		
Loss for the year	(192)	(75)	(24)
add Taxation	(1)	11	(24)
Net finance costs	237	299	308
Depreciation and amortisation	108	101	103
EBITDA^{APM}	152	336	363
Divided by Revenue from contracts with customers	434	656	693
EBITDA Margin^{APM}	35.0%	51.2%	52.4%

Adjusted EBITDA^{APM}

Adjusted EBITDA^{APM}, as used in this Prospectus, relates to the Loss for the year before Depreciation and amortisation and after adding back taxation, net finance costs, non-underlying items (such as restructuring costs and other items which do not reflect the underlying performance of the business) and other non-recurring items (such as share based payments linked to the Offering).

The Group uses Adjusted EBITDA^{APM} as an operating performance indicator of its business and is widely used as an evaluation metric among analysts, investors, rating agencies and other stakeholders. At the same time, it is important to highlight that Adjusted EBITDA^{APM} is not a measure adopted in accounting standards and, therefore, should not be considered an alternative to operating profit as an indicator of performance. Adjusted EBITDA^{APM} does not have a standardised meaning and, therefore, cannot be compared to the Adjusted EBITDA^{APM} of other companies.

One commonly used metric that is derived from Adjusted EBITDA^{APM} is Adjusted EBITDA Margin^{APM}, as described below.

Adjusted EBITDA Margin^{APM}

Adjusted EBITDA Margin^{APM} corresponds to Adjusted EBITDA^{APM} (as defined above), divided by revenue from contracts with customers. The Group uses Adjusted EBITDA Margin^{APM} as an operating performance indicator and it is widely used as an evaluation metric among analysts, investors, rating agencies and other stakeholders.

The following table sets forth a reconciliation of Adjusted EBITDA^{APM} and Adjusted EBITDA Margin^{APM} to the Group's Loss for the year for the same years.

	FY 2022	**FY 2023**	**FY 2024**
	(€ millions, unless otherwise stated)		
Loss for the year	(192)	(75)	(24)
Add Taxation	(1)	11	(24)
Net Finance Costs	237	299	308
Depreciation and amortisation	108	101	103
Non underlying items[(1)]	7	10	25
Other non-recurring item[(2)]	1	8	9
Adjusted EBITDA^{APM}	**160**	**354**	**397**
Adjusted EBITDA^{APM}	160	354	397
divided by Revenue from contracts with customers	434	656	693
Adjusted EBITDA Margin^{APM}	**36.9%**	**54.0%**	**57.3%**

Notes:

(1) *Non-underlying items principally comprise one off advisory and assurance costs related to specific projects for €16 million (2023: €6 million and 2022: €1 million) and severance costs related to major restructuring programmes totalling €9 million (2023: €4 million and 2022: €6 million).*

(2) *Other non-recurring items consists of other items related to the current structure of the Group principally incentive plans linked to the Offering.*

TTV^{APM}

TTV^{APM} corresponds to revenue from contracts with customers plus cost of sales. The Group uses TTV^{APM} to review the amount charged to customers, excluding sales taxes such as VAT and GST. The TTV^{APM} calculation for FY 2022, FY 2023 and FY 2024 was as follows:

	FY 2022	**FY 2023**	**FY 2024**
Revenue from contracts with customers	434	656	693
plus Cost of sales	4,543	6,204	6,974
TTV^{APM} [(1)] (€ millions)	4,977	6,860	7,667

Note:

(1) *TTV represents the amount charged to distribution partners by the Group, excluding sales taxes such as VAT and GST, and excluding amounts related to the Group's Hoteltech product line.*

At €7,667 million, in FY 2024 TTV^APM for the Group exceeded FY 2023 TTV^APM by €807 million, or 11.8%. This outperformed the market growth rate as the Group continued to benefit from its differentiated client offering and enhanced platforms. TTV^APM also benefited from the Group's active commercial efforts to drive market share gains and generate TTV^APM. In addition, the Group's growing exposure to high-growth segments (including international and leisure travel) as well as high-value distributors positively impacted TTV^APM.

In FY 2024, more than 85% of Accommodation TTV^APM derived from directly contracted hotels. Regional chains represented 48% of Accommodation TTV^APM, compared to 24% from global chains and 28% from independents. The Group's Accommodation TTV^APM based on travel destination was concentrated in Europe, which represented 53% of TTV^APM compared to 28% for the Americas and 19% for MEAPAC.

In FY 2024, approximately 62% of Accommodation TTV^APM came from high-value distributors. 31% of TTV^APM for Accommodation was derived from tour operators, 24% from online marketplaces, 18% from travel advisors, 13% from airlines and loyalty programmes and 14% from other distributors. By distribution partner location, 47% of TTV^APM is derived from Europe, 29% from the Americas and 23% from MEAPAC.

Take Rate^APM

Take Rate^APM corresponds to revenue from contracts with customers as a percentage of TTV. The Group uses Take Rate^APM to review the conversion rate of TTV into revenue. The Take Rate^APM calculation for FY 2022, FY 2023 and FY 2024 was as follows:

	FY 2022	FY 2023	FY 2024
	(€ millions, unless otherwise stated)		
Revenue from contracts with customers	434	656	693
divided by TTV^APM	4,977	6,860	7,667
Take Rate^APM (%)	**8.7**	**9.6**	**9.0**

Revenue Breakdown by Product^APM

Revenue Breakdown by Product^APM refers to the percentage of revenue per the financial statements split by product line (Fintech & Insurance accounted for approximately less than 1% of revenue). The Group has used Revenue Breakdown by Product^APM to show the relative contribution of differing product lines specifically for this Prospectus. The Revenue Breakdown by Product^APM calculation for FY 2024 was as follows:

	FY 2022	FY 2023	FY 2024
	(€ millions, unless otherwise stated)		
Accommodation	375	574	611
divided by revenue from contracts with customers	434	656	693
Accommodation (%)	**86.4%**	**87.5%**	**88.2%**
Mobility & Experience	41	59	52
divided by revenue from contracts with customers	434	656	693
Mobility & Experiences (%)	**9.4%**	**9.0%**	**7.5%**
Hoteltech	18	23	30
divided by revenue from contracts with customers	434	656	693
Hoteltech (%)	**4.1%**	**3.5%**	**4.3%**

Revenue Breakdown by Geography[APM]

Revenue Breakdown by Geography[APM] refers to the percentage of revenue by travel destination per the financial statements split by geography (Europe, Americas and MEAPAC). The Group uses Revenue Breakdown by Geography[APM] to show the relative contribution of differing regions. The Revenue Breakdown by Geography[APM] calculation for FY 2022, FY 2023 and FY 2024 was as follows:

	FY 2022	FY 2023	FY 2024
	(€ millions, unless otherwise stated)		
Europe(1)	209	312	343
divided by revenue from contracts with customers	434	656	693
Europe (%)	**48.2%**	**47.6%**	**49.5%**
Americas(2)	160	219	218
divided by revenue from contracts with customers	434	656	693
Americas (%)	**36.9%**	**33.4%**	**31.5%**
MEAPAC(3)	65	125	132
divided by revenue from contracts with customers	434	656	693
MEAPAC (%)	**15.0%**	**19.1%**	**19.0%**

Notes:

(1) *Comprising Spain and other European countries as detailed in Note 4 to the Special Purpose Consolidated Financial Information.*

(2) *Comprising USA and Other American countries as detailed in Note 4 to the Special Purpose Consolidated Financial Information.*

(3) *Comprising Rest of the world as detailed in Note 4 to the Special Purpose Consolidated Financial Information.*

Capital Expenditure[APM]

Capital Expenditure[APM] refers to the property, plant and equipment (which includes buildings and fixtures, fittings and equipment) plus intangible assets relating to computer software. Capital Expenditure[APM] is used by the Group to have a consolidated assessment of the Group's investment in future growth and buildings.

The following table sets forth the calculation for Capital Expenditure[APM] for FY 2022, FY 2023 and FY 2024, which has been extracted subject to rounding adjustments (i.e., without material adjustment) from Notes 11 and 12 to the Special Purpose Consolidated Financial Information set out in the section entitled "*Annex I –Special Purpose Consolidated Financial Information*".

	FY 2022(1)	FY 2023(1)	FY 2024(1)
	(€ millions)		
Buildings (Right of use assets)	3	4	2
Buildings - other	-	1	-
Fixtures, fittings and equipment (Right of use assets)	2	-	-
Fixtures, fittings and equipment - other	2	2	1
Property, plant and equipment	**7**	**7**	**3**
Intangible assets: Computer software	27	32	41
Total Capital Expenditure[APM(1)]	**34**	**39**	**44**

Note:
(1) *These figures include IFRS 16 asset additions and Technology CAPEX^{APM}.*

Technology Capex^{APM}

Technology Capex^{APM} refers to the capital expenditure additions on technology and property, plant and equipment (excluding right of use assets) within the period. The Group uses Technology Capex^{APM} to review its investment in future growth. The chart below shows the Technology Capex^{APM} evolution for FY 2022, FY 2023 and FY 2024:

	FY 2022	FY 2023	FY 2024
		(€ millions)	
Intangible assets: computer software	27	32	41
Property, plant and equipment (excluding right of use assets)	2	3	1
Technology Capex^{APM}	**29**	**35**	**42**

Technology Opex^{APM}

Technology Opex^{APM} refers to the technology costs of the Group that were not capitalised in the period. The Group uses Technology Opex^{APM} to evaluate its investment in future growth. The chart below shows the Technology Opex^{APM} for FY 2022, FY 2023 and FY2024:

	FY 2022	FY 2023	FY 2024
		(€ millions)	
Total Operating Expenditure	251	297	322
Non-Technology Opex	(227)	(263)	(282)
Technology Opex^{APM}	24	34	40

Total Technology Investment^{APM}

Total Technology Investment^{APM} refers to the total Technology Capex^{APM} plus Technology Opex^{APM} for the period. The Group uses Total Technology Investment^{APM} to have a consolidated view of the Group's investment in future growth. The Total Technology Investment^{APM} calculation for FY 2022, FY 2023 and FY 2024 was as follows:

	FY 2022	FY 2023	FY 2024
		(€ millions)	
Technology Capex^{APM}	29	35	42
plus Technology Opex^{APM}	24	34	40
Total Technology Investment^{APM}	**53**	**69**	**82**

Total Technology Investment Over Revenue^{APM}

Total Technology Investment Over Revenue^{APM} refers to the Total Technology Investment^{APM} (as defined above), as a percentage of revenue. Total Technology Investment Over Revenue^{APM} is used by the Group to have a consolidated assessment of the Group's investment in future growth relative to revenue. The Total Technology Investment Over Revenue^{APM} calculation for FY 2022, FY 2023 and FY 2024 was as follows:

	FY 2022	FY 2023	FY 2024
		(€ millions)	
Total Technology Investment^APM^	53	69	82
Divided by revenue from contracts with customers	434	656	693
Total Technology Investment Over Revenue^APM^ (%)	**12.2**	**10.5**	**11.8**

*Operating Free Cash Flow^APM^*

Operating Free Cash Flow^APM^ corresponds to the sum of Adjusted EBITDA^APM^, capital expenditure[(3)] and Change in Working Capital. The Group considers that the Operating Free Cash Flow^APM^ is one of the most important indicators of its ability to generate stable and growing cash flows which allows it to create value over time for its shareholders. The Operating Free Cash Flow^APM^ calculation for FY 2022, FY 2023 and FY 2024 was as follows:

	FY 2022	FY 2023	FY 2024
		(€ millions)	
Adjusted EBITDA^APM^ [(1)]	160	354	397
plus Change in Working Capital[(2)]	250	141	110
less Capital expenditure [(3)]	(26)	(38)	(42)
Operating Free Cash Flow^APM^	**384**	**457**	**465**

Notes*:*

(1) *Adjusted EBITDA^APM^ consists of "Operating profit" before "Depreciation and amortisation", "Non-underlying items" and "Other non-recurring items". For more information, see "—Adjusted EBITDA Margin^APM^ " above.*

(2) *Change in Working Capital is calculated as follows: movements in trade receivables and other assets, trade payables and other liabilities, provisions, derivatives fair value and other non-cash items and provision*

(3) *Capital expenditure is calculated as the cash amount per the cash flow statement and does not coincide with Capital Expenditure^APM^.*

*Cash Conversion^APM^*

Cash Conversion^APM^ corresponds to Operating Free Cash Flow^APM^ divided by Adjusted EBITDA^APM^. The Group uses Cash Conversion^APM^ to understand and monitor how the Group's EBITDA^APM^ converts to cash.

The following table details the calculation from Operating Free Cash Flow^APM^ to Cash Conversion^APM^ for the same years.

	FY 2022	FY 2023	FY 2024
		(€ millions, unless otherwise stated)	
Operating Free Cash Flow^APM^	384	457	465
divided by Adjusted EBITDA^APM^	160	354	397
Cash Conversion^APM^	**240.0%**	**129.1%**	**117.1%**

*Net Debt^APM^*

Net Debt^APM^ corresponds to senior debt plus bank loans, other borrowings and overdrafts less the sum of cash and short-term deposits. As Loan Notes and Preference Shares will be repaid or redeemed as part of the Proposed Reorganisation (see section "*Proposed Reorganisaton*"), they are not included in Net Debt^APM^ in order to more accurately reflect the Group's future share capital structure, allowing for better comparability between historical and future Net Debt^APM^. The Group uses Net Debt^APM^ to measure the Group's indebtedness at a specific point in time.

The Group estimates that, as a result of the contribution of the Shareholder Loan Notes, the redemption of the Preference Shares and the Refinancing, the Group's Net Debt^{APM} at 30 September 2024 would reduce from €1,071 million to approximately €650 million on a pro forma basis (assuming an Offering Price at the lower end of the Offering Price Range) or approximately €700 million on a pro forma basis (assuming an Offering Price at the upper end of the Offering Price Range).

Net Debt to Adjusted EBITDA^{APM}

Net Debt to Adjusted EBITDA^{APM} corresponds to Net Debt^{APM} divided by Adjusted EBITDA^{APM}. The Group uses Net Debt to Adjusted EBITDA^{APM} to measure the amount of income generated proportional to the Group's level of debt without consideration to impairments, depreciation, amortisation and other non-operational items.

The following table sets forth a reconciliation of Net Debt^{APM} and Net Debt to Adjusted EBITDA^{APM} for the same years; the financial information therein has been extracted subject to rounding adjustments (i.e., without material adjustment) from Notes 15 and 18 to the Special Purpose Consolidated Financial Information set out in the section entitled "*Annex I –Special Purpose Consolidated Financial Information*".

	FY 2022	**FY 2023**	**FY 2024**
		(€ millions)	
Cash and Short-Term Deposits.............................	(539)	(690)	**(686)**
plus Senior Debt	1,825	1,728	**1,740**
Bank Loans, Other Borrowing and Overdrafts	30	7	**17**
Net Debt^{APM}	**1,316**	**1,045**	**1,071**
divided by Adjusted EBITDA^{APM}	160	354	**397**
Net Debt/Adjusted EBITDA^{APM}	**8.2**	**3.0**	**2.7**

For additional information on APMs, see section "*Presentation of Financial Information and Other important Notices—Non-IFRS Measures - Alternative Performance Measures*".

Adjusted Net Debt^{APM}

Adjusted Net Debt^{APM} corresponds to Net Debt^{APM} plus or minus a working capital adjustment, being the difference between the working capital at the reporting date and the average working capital for the previous 12 months. The Group uses Adjusted Net Debt^{APM} to measure the amount of income generated proportional to the Group's level of debt without consideration to impairments, depreciation, amortisation and other non-operational items, and after adjustment of working capital. The following table sets out the Adjusted Net Debt^{APM} for FY 2022, FY 2023 and FY 2024:

	FY 2022	**FY 2023**	**FY 2024**
		(€ millions)	
Net Debt^{APM}..	1,316	1,045	1,071
Working capital adjustment..................................	205	186	214
Adjusted Net Debt^{APM}...	**1,521**	**1,231**	**1,285**

Adjusted Net Debt to Adjusted EBITDA^{APM}

Adjusted Net Debt to Adjusted EBITDA^{APM} corresponds to Net Debt^{APM} divided by Adjusted EBITDA^{APM}. The Group uses Adjusted Net Debt to Adjusted EBITDA^{APM} to measure the amount of income generated proportional to the Group's level of debt without consideration to impairments, depreciation, amortisation and other non-operational items, and after normalising the adjusted net debt for seasonal fluctuations. The following table sets out the Adjusted Net Debt to Adjusted EBITDA^{APM} for FY 2022, FY 2023 and FY 2024:

	FY 2022	FY 2023	FY 2024
		(€ millions)	
Adjusted Net Debt^{APM}	1,521	1,231	1,285
Divided by Adjusted EBITDA^{APM}	160	354	397
Adjusted Net Debt to Adjusted EBITDA^{APM}	**9.5**	**3.5**	**3.2**

The table below presents the Group's estimated Adjusted Net Debt to Adjusted Net Debt^{APM} on a pro forma basis at 30 September 2024, as a result of the Management Selldown, the Management Reinvestment, the gross primary proceeds of the Offering and the payments to be made using the gross primary proceeds of the Offering and available cash and the Refinancing based on the lower and upper end of the Offering Price Range.

	FY 2024	
	Lower end(1)	**Upper End**(1)
	(€ millions) *(unaudited)*	
Net Debt^{APM} at 30 September 2024	1,071	1,071
Net debt movements per Pro Forma	(423)	(379)
Pro Forma Net Debt	**648**	**692**
Working capital adjustment	214	214
Pro Forma Adjusted Net Debt	**862**	**906**
Divided by Adjusted EBITDA^{APM}	397	397
Pro Forma Adjusted Net Debt to Adjusted EBITDA^{APM}	**2.2**	**2.3**

Note:

(1) *Refers to an Offering Price at the lower or upper ends of the Offering Price Range.*

(2) *See section "Unaudited Pro Forma Financial Statements—Pro forma adjustments—Impacts on the pro forma of adopting the upper end of the Offering Price Range".*

(3) *See section "Unaudited Pro Forma Financial Statements—Pro forma adjustments—Refinancing".*

Adjusted Operating Costs^{APM}

The Adjusted Operating Costs^{APM} is the addition of the following items:

The table below presents a summary of the Group's Adjusted Operating Costs^{APM} for the periods indicated, which have been extracted from the historical financial information.

	FY 2022	FY 2023	FY 2024
		(€ millions)	
Operating costs	251	297	322
Non underlying items	(7)	(10)	(25)
Other non-recurring items	(1)	(8)	(9)
Adjusted Operating Costs^{APM}	**243**	**279**	**288**

Adjusted Operating Costs per FTE^{APM}

Adjusted Operating Costs per FTE^{APM} corresponds to the Adjusted Operating Costs^{APM} (as defined above), divided by the average number of full-time employees in the year. The Group uses the Adjusted Operating Costs per FTE^{APM} to measure operational efficiency, after adjusting for non-underlying and non-recurring items. The Adjusted Operating Costs per FTE^{APM} calculation for FY 2022, FY 2023 and FY 2024 was as follows:

	FY 2022	FY 2023	FY 2024
	(€ millions, unless otherwise stated)		
Adjusted Operating Costs[APM]	243	279	288
divided by FTE[(1)]	3,467	3,929	4,018
Adjusted Operating Costs per FTE(€k)[APM]	70	71	72

Note:
(1) *Taking average number of total FTEs per year, including outsourced: 3,467 in 2022, 3,929 in 2023 and 4,018 in 2024.*

Fixed Cost as a Percentage of Adjusted Operating Costs[APM]

Fixed Cost as a Percentage of Adjusted Operating Costs[APM] is the proportion of the Adjusted Operating Costs[APM] that remain constant irrespective of any increase or decrease in trading volumes. The Group uses Fixed Cost as a Percentage of Adjusted Operating Costs[APM] to measure its operating leverage. The Fixed Cost as a Percentage of Adjusted Operating Costs[APM] for FY 2022, FY 2023 and FY 2024 was as follows:

	FY 2022	FY 2023	FY 2024
	(€ millions, unless otherwise stated)		
Fixed Costs	207	232	239
divided by Adjusted Operating Costs[APM]	243	279	288
Fixed Cost as a Percentage of Adjusted Operating Costs[APM] (%)	85	83	83

TAXATION

The following statements summarise the current position of certain UK, Spanish and U.S. federal income tax consequences of the ownership or disposition of the shares and are intended as a general guide only. Prospective investors should be warned that the tax legislation of their country of citizenship, domicile or residency may have an impact on the income received from the Shares. Prospective investors (and, in particular those who are in any doubt as to their tax position or who may be subject to tax in a jurisdiction other than the UK, Spain or the United States) should consult their own professional tax advisers.

UK Taxation Considerations

The following statements are intended only as a general guide to certain UK tax considerations and do not purport to be a complete analysis of all potential UK tax consequences of acquiring, holding or disposing of Shares. They are based on current UK law and what is understood to be the current practice of HM Revenue and Customs ("**HMRC**") as of the date of this Prospectus, both of which may change, possibly with retroactive effect. Unless stated otherwise, they apply only to shareholders who are resident and, in the case of individuals domiciled, for tax purposes in (and only in) the UK, who hold their Shares as an investment (other than where a tax exemption applies, for example where the Shares are held in an individual savings account or pension arrangement) and who are the absolute beneficial owner of both the Shares and any dividends paid on them. The tax position of certain categories of shareholders who are subject to special rules is not considered and it should be noted that they may incur liabilities to UK tax on a different basis to that described below. This includes persons acquiring their Shares in connection with employment, dealers in securities, insurance companies, collective investment plans, charities, exempt pension funds, temporary non-residents and non-residents carrying on a trade, profession or vocation in the UK.

THE STATEMENTS SUMMARISE THE CURRENT POSITION AND ARE INTENDED AS A GENERAL GUIDE ONLY. PROSPECTIVE INVESTORS WHO ARE IN ANY DOUBT AS TO THEIR TAX POSITION OR WHO MAY BE SUBJECT TO TAX IN A JURISDICTION OTHER THAN THE UK ARE STRONGLY RECOMMENDED TO CONSULT THEIR OWN PROFESSIONAL ADVISERS.

Taxation of dividends

The Company is not required to withhold UK tax when paying a dividend. Liability to tax on dividends will depend upon the individual circumstances of a shareholder.

UK resident individual shareholders

Dividends received by individual shareholders resident for tax purposes in the UK will be subject to UK income tax. This is charged on the gross amount of any dividend paid before the deduction of any applicable withholding taxes.

Under current UK tax rules specific rates of tax apply to dividend income. These include a nil rate of tax (the "nil rate band") for the first GBP 500 of non-exempt dividend income in any tax year and different rates of tax for dividend income that exceeds the nil rate band. No tax credit attaches to dividend income. For these purposes "dividend income" includes UK and non-UK source dividends and certain other distributions in respect of shares.

An individual Shareholder who is resident for tax purposes in the UK and who receives a dividend from the Company will not be liable to UK tax on the dividend to the extent that (taking account of any other non-exempt dividend income received by the Shareholder in the same tax year) that dividend falls within the nil rate band.

To the extent that (taking account of any other non-exempt dividend income received by the shareholder in the same tax year) the dividend exceeds the nil rate band, it will be subject to income tax at 8.75% to the extent that it falls below the threshold for higher rate income tax. To the extent that (taking account of other non-exempt dividend income received in the same tax year) it falls above the threshold for higher rate income tax then the dividend will be taxed at 33.75% to the extent that it is within the higher rate band, or 39.35% to the extent that it is within the additional rate band. For the purposes of determining which of the taxable bands dividend income falls into, dividend income is treated as the highest part of a Shareholder's income. In addition, dividends within the nil rate band which would (if there was no nil rate band) have fallen within the basic or higher rate bands will use up those bands respectively for the purposes of determining whether the threshold for higher rate or additional rate income tax is exceeded.

An individual UK Shareholder who has been resident for tax purposes in the UK but who ceases to be so resident or becomes treated as resident outside the UK for the purposes of a double tax treaty for a period of five years or less and who receives or becomes entitled to dividends from the Company during that period of temporary non-residence may, if the Company is treated as a close company for UK tax purposes and certain other conditions are met, be liable for income tax on those dividends on their return to the UK. As noted below, it is possible that the Company is and will continue immediately following the Offering to be a close company.

UK resident corporate shareholders

UK resident corporate shareholders who are within the charge to corporation tax may be subject to corporation tax on dividends paid by the Company. However, it is likely that most dividends paid on the Shares to UK resident corporate shareholders would fall within one or more of the classes of dividend qualifying for exemption from corporation tax. It should be noted that the exemptions are not comprehensive and are also subject to anti-avoidance rules.

Non-UK resident shareholders

Shareholders resident outside the UK will commonly not be subject to UK taxation on dividend income but should consult their own tax adviser concerning their tax position on dividends received from the Company.

Taxation of disposals

UK resident shareholders

A disposal or deemed disposal of Shares by a shareholder who is resident in the UK for tax purposes, may, depending upon the shareholder's circumstances and subject to any available exemption or relief (such as the annual exempt amount for individuals), give rise to a chargeable gain or an allowable loss for the purposes of UK taxation of capital gains.

Non-UK resident shareholders

Shareholders who are not resident in the UK will not generally be subject to UK taxation of capital gains on the disposal or deemed disposal of Shares unless they are carrying on a trade, profession or vocation in the UK through a branch or agency (or, in the case of a corporate shareholder, a permanent establishment) in connection with which the Shares are used, held or acquired. Non-UK tax resident shareholders may be subject to non-UK taxation on any gain under local law.

An individual Shareholder who has been resident for tax purposes in the UK but who ceases to be so resident or becomes treated as resident outside the UK for the purposes of a double tax treaty for a period of five years or less and who disposes of all or part of his or her Shares during that period may be liable to capital gains tax on his or her return to the UK, subject to any available exemptions or reliefs.

Stamp duty and stamp duty reserve tax ("SDRT")

THE STATEMENTS IN THIS PARAGRAPH APPLY TO ANY HOLDERS OF SHARES IRRESPECTIVE OF THEIR RESIDENCE, SUMMARISE THE CURRENT POSITION AND ARE INTENDED AS A GENERAL GUIDE ONLY. SPECIAL RULES APPLY TO AGREEMENTS MADE BY, AMONGST OTHERS, INTERMEDIARIES.

The Offering

The stamp duty and SDRT treatment of the subscription or acquisition of Shares under the Offering will be as follows:

(a) The issue of Shares (whether within Iberclear or in certificated form) direct to persons acquiring Shares pursuant to the Offering will not generally give rise to stamp duty or SDRT.

(b) The transfer of, or agreement to transfer, Shares held within Iberclear sold by the Selling Shareholders under the Offering will not generally give rise to a liability to stamp duty or SDRT, on the basis that, in the case of stamp duty, the Company does not expect any instrument of transfer will need to be executed to effect a transfer of Shares within Iberclear and, in the case of SDRT, the transfer occurs and the agreement to transfer is made at a time when the relevant Shares are held in Iberclear (a recognised clearance service for the purposes of stamp duty and SDRT) and Iberclear has not made an election under Section 97A(1) of the Finance Act 1986 which has been approved by HMRC (see "—*Shares held through clearance systems, such as Iberclear, or depositary receipt arrangements"* below).

(c) The transfer of, or agreement to transfer, Shares held in certificated form, will generally give rise to a liability to stamp duty and/or SDRT at a rate of 0.5% of the consideration for the transfer (in the case of stamp duty, rounded up to the nearest multiple of £5) or, where Shares are transferred to a connected company (or its nominee), the higher of (i) the amount or value of the consideration and (ii) the market value of the Shares. However, it is expected that all the Shares sold by the Selling Shareholders will be held within Iberclear (and not in certificated form) at the time they are transferred.

Subsequent transfers

The transfer of, or agreement to transfer, Shares held within Iberclear will not generally give rise to a liability to stamp duty or SDRT, on the basis that, in the case of stamp duty, the Company does not expect any instrument of transfer will need to be executed to effect a transfer of Shares within Iberclear and, in the case of SDRT, the transfer occurs and the agreement to transfer is made at a time when the relevant Shares are held in Iberclear (a recognised clearance service for the purposes of stamp duty and SDRT) and Iberclear has not made an election under Section 97A(1) of the Finance Act 1986 which has been approved by HMRC (see "—*Shares held through clearance systems, such as Iberclear, or depositary receipt arrangements*" below).

The transfer of, or agreement to transfer, Shares held in certificated form, will generally give rise to a liability to stamp duty and/or SDRT at a rate of 0.5% of the stampable consideration for the transfer (in the case of stamp duty, rounded up to the nearest multiple of £5) or, where Shares are transferred to a connected company (or its nominee), the higher of (i) the amount or value of the consideration and (ii) the market value of the Shares. A charge to SDRT will arise on an unconditional agreement to transfer Shares. However, if within six years of the date of the agreement becoming unconditional an instrument of transfer is executed pursuant to the agreement, and stamp duty is paid on that instrument, any SDRT already paid will be refunded (generally, but not necessarily, with interest) provided that a claim for repayment is made, and any outstanding liability to SDRT will be cancelled. The liability to pay stamp duty or SDRT is generally satisfied by the acquiror or transferee. An exemption from stamp duty is available on an instrument transferring Shares where the amount or value of the consideration is £1,000 or less, and it is certified on the instrument that the transaction effected by the instrument does not form part of a larger transaction or series of transactions for which the aggregate consideration exceeds £1,000.

Shares held through clearance systems, such as Iberclear, or depositary receipt arrangements

Special rules apply where Shares are transferred to, or to a nominee or agent for, either a person whose business is or includes issuing depositary receipts or a person providing a clearance service, such as Iberclear. SDRT or stamp duty may be charged at a rate of 1.5%, with subsequent transfers within the clearance service or transfers of depositary receipts then being free from SDRT or stamp duty. With effect from 1 January 2024, transfers of shares to, or to a nominee or agent for, either a person whose business is or includes issuing depositary receipts or a person providing a clearance service, such as Iberclear, will be exempt from the 1.5% charge to SDRT or stamp duty in respect of exempt capital-raising or exempt listing transfers or instruments. There will be an exempt capital-raising transfer where the instrument effecting the transfer of shares, or the transfer of shares itself, is executed or completed in the course of arrangements pursuant to which securities are issued by the issuer for the purpose of raising new capital. The Company has obtained confirmation from HMRC that this exemption should apply with respect to the transfer of the Shares by the existing shareholders of the Company into the Iberclear clearance system to facilitate the Offering, such that no 1.5% charge to SDRT or stamp duty will arise.

The UK rules provide a statutory basis for disapplying the 1.5% charge where a clearance service provider makes an election under Section 97A(1) of the Finance Act 1986 which is approved by HMRC. In those circumstances, SDRT at a rate of 0.5% will instead arise on any transfer of shares into the clearance service and on subsequent agreements to transfer such shares within the clearance service, in accordance with the general rules. However, the Company is not aware that any such election has been or will be made by Iberclear in respect of the Shares.

Any liability for stamp duty or SDRT in respect of a transfer of shares into a clearance service or depositary receipt system, such as Iberclear, or in respect of a transfer within such a service, which does arise will strictly be accountable by the clearance service or depositary receipt system operator or their nominee, as the case may be, but will in practice be payable by the participants in the clearance service or depositary receipt system. In the event that any liability for the 1.5% charge to stamp duty or SDRT arises in respect of the transfer of Shares by the existing shareholders of the Company to Iberclear in connection with the Offering, it is expected that such liability would be borne by the existing shareholders and not by the Company or the investors that participate in the Offering.

Inheritance Tax

Shares which are held in certificated form will be assets situated in the UK for the purposes of UK inheritance tax. A gift of such assets by, or the death of, an individual holder of such assets may (subject to certain exemptions and reliefs) give rise to a liability to UK inheritance tax even if the holder is neither domiciled in the UK nor deemed to be domiciled there under certain rules relating to long residence or previous domicile. For inheritance tax purposes, a transfer of assets at less than full market value may be treated as a gift and particular rules apply to gifts where the donor reserves or retains some benefit. Special rules also apply to close companies and to trustees of settlements who hold Shares, bringing them within the charge to inheritance tax. Shareholders should consult an appropriate tax adviser if they make a gift or transfer at less than market value or intend to hold any Shares through close companies or trust arrangements.

It is uncertain whether Shares which are held in dematerialised form through Iberclear (or through another non-UK clearance service) are assets situated in the UK for the purposes of UK inheritance tax. Shareholders who are neither domiciled nor deemed to be domiciled in the UK for inheritance tax purposes should seek professional advice as to the UK inheritance tax treatment of Shares held in this manner.

Shareholders should also seek professional advice in a situation where there is potential for a charge to both UK inheritance tax and an equivalent tax in another jurisdiction, or if they are in any doubt as to their UK inheritance tax position.

Close companies

It is possible that the Company is a close company within the meaning of Part 10 of the Corporation Tax Act 2010 as of the date of this Prospectus. If the Company is a close company at the date of this Prospectus, it may continue to be a close company immediately following the Offering, and it is possible that the non-UK resident companies in the Group would, if they were UK resident for tax purposes, be close companies. As a result, certain transactions entered into by the Company or other members of the Group may, in certain circumstances, have tax implications for shareholders (including but not limited to UK inheritance tax and/or implications related to shareholders' base cost in the Shares for the purposes of UK tax on capital gains, in each case in certain circumstances). There may also be implications related to dividends that certain shareholders receive or become entitled to from the Company (see "—*Taxation of dividends*" above). Shareholders should consult their own professional advisers on the potential impact of the close company rules.

Material Spanish Taxation Considerations

The following section is a general discussion of the tax regime applicable to the acquisition, ownership and, as the case may be, subsequent disposition of the Shares. The information provided below does not purport to be a complete summary of the tax law and practice currently applicable in Spain and is subject to any changes in law and its interpretation and application.

This analysis does not address all tax considerations that may be relevant to all categories of potential investors, some of whom may be subject to special rules (such as financial institutions, collective investment undertakings, pension funds cooperatives and look-through entities, etc.). In addition, this description does not generally consider the regulations adopted by the different Spanish Autonomous Regions (*Comunidades Autónomas*) that may apply to investors regarding particular taxes or the regional tax regimes in force applicable in the Historical Territories of the Basque Country and the Historical Autonomous Region of Navarre (that is, the *Concierto* and the *Convenio Económico*, respectively).

In particular, the applicable rules are set forth in: (i) Law 35/2006 of 28 November on the Personal Income Tax and on the partial amendment of the Corporate Income Tax, Non-resident Income Tax and Wealth Tax Law (the "**PIT Law**") and its implementing regulations, as approved by Royal Decree 439/2007 of 30 March; (ii) the amended consolidated text of the Non-resident Income Tax Law, approved by Royal Legislative Decree 5/2004 of 5 March and its implementing regulations, as approved by Royal Decree 1776/2004 of 30 July (the "**NRIT Law**"); (iii) Law 27/2014 of 27 November on Corporate Income Tax (the "**CIT Law**"); and (iv) Royal Decree 634/2015 of 10 July approving the regulations for the CIT Law.

The discussion of Spanish tax laws set forth below is based on law currently in effect in Spain as of the date of this Prospectus, and on the administrative interpretations thereof made public to date. As a result, this description is subject to any changes in such laws or interpretations occurring after the date hereof, including changes having retroactive effect.

Potential investors should consult their own tax advisers concerning the specific Spanish, state, regional and local tax consequences of the acquisition, ownership and disposition of the Shares in light of their particular circumstances as well as any consequences arising under the laws of any other taxing jurisdiction.

Indirect Taxation on the Acquisition and Disposition of the Shares

The transfer of the Shares is not subject to Transfer Tax, Stamp Duty and Value Added Tax.

Direct Taxation on the Ownership and Subsequent Disposition of the Shares

Shareholders Resident in Spanish Territory

This section describes the tax treatment applicable to investors deemed resident in the Spanish territory for tax purposes. In general, and without prejudice to the provisions of the applicable double taxation treaty ("**DTT**") entered into by Spain, investors considered to be resident in Spain for these purposes include entities resident in Spain pursuant to article 8 of the CIT Law and individuals resident in Spain, according to any of the circumstances defined in article 9.1 of the PIT Law, together with those resident abroad who are members of Spanish diplomatic missions, Spanish Consuls and other official bodies, as set down in article 10.1 thereof. Pursuant to article 8.2 of the PIT Law, investors considered resident in Spain for tax purposes also include individuals with Spanish nationality who cease to be tax residents in Spain pursuant to the criteria above and start holding their new tax residency in a country or jurisdiction deemed as a non-cooperative jurisdiction for Spanish tax purposes, during the tax period in which the change of residence takes place and the following four periods.

Individuals who acquire tax residency in Spain as a result of moving to Spanish territory will be subject to Personal Income Tax ("**PIT**"). However, those individuals will be entitled to apply for a special PIT regime based on the Non-resident Income Tax ("**NRIT**") during the period in which the change of residency takes place, and the five subsequent years, provided that they meet the requirements set forth in article 93 of the PIT Law.

Spanish Resident Individuals

<u>Personal Income Tax (*Impuesto sobre la Renta de las Personas Físicas*)</u>

(A) Capital Income

Pursuant to article 25 of the PIT Law, capital income shall be considered to include dividends, considerations paid for attending at general meetings of shareholders, income from the creation or assignment of rights of use or enjoyment of the Shares and, in general, the participation in the Company's profits, and any other income received by a Spanish tax resident individual from the entity in his or her position as shareholder of the Company.

Administration and custody expenses shall be deducted from capital income obtained by the shareholder as a result of ownership of the Shares. However, discretionary or individualised portfolio management expenses shall not be offset against capital income. The amount net of administration and custody expenses shall be included in the savings taxable base of the year in which it is due. At the date of this Prospectus, the savings taxable base is taxed at the fixed rate of 19% (for the first €6,000 of capital income obtained by the individual), 21% (for income of between €6,000.01 and €50,000), 23% (for income of between €50,000.01 and €200,000), 27% (for income of between €200,000.01 and €300,000) and 30% (for income exceeding €300,000).

The Company should not have any obligation to withhold any tax amount on capital income paid to shareholders who are individuals with tax residency in Spain. Nevertheless, Spanish withholding tax at the applicable rate (currently 19%) may have to be deducted by other entities (such as depositaries or financial entities), provided that such entities are resident for tax purposes in Spain or have a permanent establishment in the Spanish territory. The amounts withheld, if any, may be credited by the relevant investors against its final PIT liability.

In addition, any withholding tax levied in the UK could be credited subject to certain limitations against the Spanish PIT, thus, reducing the effective tax rate to be paid in Spain.

(B) Capital Gains and Losses

Gains or losses generated by a Spanish tax resident individual as a result of the transfer of the Shares qualify for the purposes of the PIT Law as capital gains or losses and are subject to taxation according to the general rules applicable to capital gains. The amount of capital gains or losses shall be calculated as the negative or positive difference between the acquisition value of the securities and their transfer value, determined by: (i) the listed value of the Shares as of the transfer date; or (ii) the agreed transfer price, when this exceeds the listed value of the Shares.

Where the PIT taxpayer owns other securities of the same kind, the acquisition price of the transferred Shares is based on the principle that those acquired first are sold first (FIFO).

Both the acquisition and transfer values are increased or reduced, respectively, by the costs and taxes inherent to such transactions borne by the acquirer or transferor, respectively.

Capital gains or losses derived from the transfer of the Shares shall be included and offset in the savings taxable base of the tax period in which the transfer takes place, being taxed as from 2023 tax year at the rate of 19% (for the first €6,000 of capital income obtained by the individual), 21% (for income of between €6,000.01 and €50,000), 23% (for income of between €50,000.01 and €200,000), 27% (for income of between €200,000.01 and €300,000) and 30% (for income exceeding of €300,000).

Capital gains derived from transfer of the Shares are not subject to withholding tax on account of PIT. Finally, certain losses derived from the transfer of the Shares will not be treated as capital losses when identical securities are acquired during the two months prior or subsequent to the transfer date which originated that loss. In such cases, capital losses shall be included in the taxable base upon the transfer of the remaining Shares of the taxpayer.

Wealth Tax (*Impuesto sobre el Patrimonio*)

Spanish tax resident individuals shall be subject to Wealth Tax on their total net wealth at December 31, irrespective of where their assets might be located or rights might be exercised.

This taxation shall be imposed pursuant to Law 19/1991 of 6 June on Wealth Tax (the "**Wealth Tax Law**") which, for these purposes, sets a minimum tax-free allowance of €700,000, in accordance with a tax scale with marginal rates, as from 2023, ranging between 0.2% and 3.5%, without prejudice to specific rules that may have been approved by the Spanish Autonomous Regions.

Spanish tax resident individuals who acquire the Shares and who are required to file Wealth Tax returns must declare the Shares they hold at 31 December of each year. For these purposes, the Shares shall be valued using the average trading price in the last quarter of the year. The Ministry of Finance publishes annually this average trading price for the Wealth Tax purposes.

Temporary Solidarity Tax on Large Fortunes (*Impuesto Temporal de Solidaridad a las Grandes Fortunas*)

The Temporary Solidarity Tax on Large Fortunes may be levied in Spain on tax resident individuals, on a worldwide basis.

In particular, individuals with tax residency in Spain are subject to the Temporary Solidarity Tax on Large Fortunes to the extent that their net worth exceeds €3,000,000. Therefore, such individuals should take into account the value of the Shares which they hold as of 31 December each year, the applicable rates ranging between 1.7% and 3.5%. Notwithstanding the above, note that the regulation establishes a minimum exempt amount of €700,000.00.

Since the autonomous regions apply the current regional Wealth Tax (as described above), in order to avoid double taxation, the amount paid for the current regional Wealth Tax should be deductible from the Temporary Solidarity Tax on Large Fortunes.

Inheritance and Gift Tax (*Impuesto sobre Sucesiones y Donaciones*)

The transfer of shares by inheritance or gift in favour of individuals who are resident in Spain is subject to Inheritance and Gift Tax ("**IGT**") in accordance with Law 29/1987 of 18 December, without prejudice to the specific legislation applicable in each Spanish Autonomous Region. The acquirer of the securities is liable for this tax as taxpayer. According to IGT Law 28/1987 of 18 December, the applicable general tax rates range between 7.65% and 34%. However, after applying all relevant factors (such as the specific regulations imposed by each Spanish Autonomous Region, the amount of the pre-existing assets of the taxpayer and the degree of kinship with the deceased or donor), the final effective tax rate may range from 0% to 81.6%.

Corporate Resident Shareholders

<u>Corporate Income Tax *(Impuesto sobre Sociedades)*</u>

(A) Dividends

CIT taxpayers and NRIT taxpayers who act in Spain for these purposes through permanent establishments shall include the gross amount of dividends or interest in profits received as a result of ownership of the Shares, and the costs inherent to this interest, in their taxable base, in accordance with article 10 and onwards of the CIT Law. The general tax rate applicable to this income is 25%. Shareholders who are CIT taxpayers must consult their own advisers regarding the possibility to apply the Spanish participation exemption regime set out in article 21 of the CIT Law on this income.

The Company should not have any obligation to withhold any tax amount on dividends paid to shareholders who are CIT taxpayers and NRIT taxpayers who act in Spain for these purposes through permanent establishments. Nevertheless, Spanish withholding tax at the applicable rate (currently 19 %) may have to be deducted by other entities (such as depositaries or financial entities), provided that such entities are resident for tax purposes in Spain or have a permanent establishment in the Spanish territory. The amounts withheld, if any, may be credited by the relevant investors against its final CIT liability.

Any withholding tax levied in the UK can be credited subject to certain limitations against the Spanish CIT, thus, reducing the effective tax rate to be paid in Spain, provided is does not exceed the CIT due in Spain on such income.

(B) Income Derived from Transfers of the Shares

Any gain or loss derived from the transfer of the Shares, whether for valuable consideration or not, shall be included in the taxable base of CIT (or of NRIT for those taxpayers acting, for these purposes, through a permanent establishment in Spain) in accordance with article 10 and onwards of the CIT Law. The general tax rate applicable to this income is 25%. However, the deductibility of any losses that may be originated by the transfer of the Shares may be subject to restrictions. Investors are advised to consult their tax advisers or lawyers about the application of such restrictions in their particular case. In addition, shareholders who are CIT taxpayers must consult their own tax advisers regarding the possibility to apply the Spanish participation exemption regime set out in article 21 of the CIT Law on this income.

<u>Wealth Tax *(Impuesto sobre el Patrimonio)*</u>

CIT taxpayers are not subject to Wealth Tax.

<u>Temporary Solidarity Tax on Large Fortunes (*Impuesto Temporal de Solidaridad a las Grandes Fortunas*)</u>

CIT taxpayers are not subject to the Temporary Solidarity Tax on Large Fortunes.

<u>Inheritance and Gift Tax *(Impuesto sobre Sucesiones y Donaciones)*</u>

CIT taxpayers are not subject to IGT, and income obtained through a gift is taxed pursuant to CIT rules.

<u>Spanish Financial Transactions Tax</u> *(Impuesto sobre las Transacciones Financieras)*

The Spanish law which implements the Spanish tax on financial transactions (the "**Spanish FTT**") was approved on 7 October 2020 (the "**FTT Law**") and the FTT Law was published in the Spanish Official Gazette (*Boletín Oficial del Estado*) on 16 October 2020. The Spanish FTT came into force on 16 January 2021 (three months after the publication of the FTT Law in the Spanish Official Gazette).

Spanish FTT charges a 0.2% rate on specific onerous acquisitions of listed shares issued by Spanish companies whose market capitalisation exceeds €1 billion, regardless of the jurisdiction of residence of the parties involved in the transaction.

The Offering and any transfer of the Offer Shares would not fall within the scope of the Spanish FTT as the Company is not a Spanish company.

Certain U.S. Federal Income Tax Considerations

The following is a general discussion of the material U.S. federal income tax consequences of the acquisition, ownership and disposition of the Shares. This discussion applies only to U.S. Holders (as defined below) that acquire Shares in the Offering. This summary is limited to U.S. federal income tax considerations relevant to U.S. Holders that hold Shares as "capital assets" within the meaning of section 1221 of the Internal Revenue Code of 1986, as amended (the "**Code**") (generally, property held for investment). This discussion does not describe all of the U.S. federal income tax considerations that may be relevant in light of a U.S. Holder's particular circumstances, including tax consequences applicable to U.S. Holders subject to special rules, such as banks or other financial institutions, insurance companies, tax-exempt entities, dealers in securities or currencies, traders in securities that elect to mark-to-market, regulated investment companies, real estate investment trusts, partnerships and other pass-through entities (including S-corporations) and their owners, certain former U.S. citizens and lawful permanent residents of the United States, persons liable for alternative minimum tax, persons that directly, indirectly or constructively own 10% or more of the total combined voting power of the Company's voting stock or of the total value of the Company's equity interests, investors that will hold Shares in connection with a permanent establishment or fixed base outside the United States, tax-deferred accounts, including an "individual retirement account," persons required to accelerate the recognition of any item of gross income as a result of such income being recognised on an applicable financial statement or investors that will hold Shares as part of a hedge, straddle, conversion, constructive sale or other integrated financial transaction.

For purposes of this discussion, a "**U.S. Holder**" is a beneficial owner of Shares that is, for U.S. federal income tax purposes (i) a citizen or individual resident of the United States, (ii) a corporation or other business entity treated as a corporation created or organised under the laws of the United States or its political subdivisions, (iii) a trust subject to the control of one or more U.S. persons and the primary supervision of a U.S. court or (iv) an estate the income of which is subject to U.S. federal income tax without regard to its source.

The discussion below is based upon the provisions of the Code, the Treasury regulations promulgated thereunder and administrative and judicial interpretations thereof and the income tax treaty between the U.S. and the United Kingdom (the "**Treaty**"), all as of the date hereof. Those authorities may be repealed, revoked, modified or subject to differing interpretations, possibly on a retroactive basis, so as to result in U.S. federal income tax consequences different from those discussed below. Furthermore, this discussion does not address the U.S. federal alternative minimum tax or U.S. federal taxes other than the income tax (such as the Medicare surtax on net investment income or estate or gift taxes) or U.S. state and local, or non-U.S. tax laws or considerations.

This discussion does not consider the tax treatment of partnerships or other pass-through entities or persons who hold Shares through such entities. If a partnership (or other entity or arrangement classified as a partnership for U.S. federal income tax purposes) is the beneficial owner of Shares, the U.S. federal income tax treatment of a partner in the partnership generally will depend on the status of the partner and the activities of the partner and the partnership. Partnerships that hold Shares and partners in such partnerships should consult their own tax advisers.

THIS SUMMARY DOES NOT PURPORT TO BE A COMPREHENSIVE ANALYSIS OR DESCRIPTION OF ALL POTENTIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF ACQUIRING, OWNING AND DISPOSING OF SHARES. HOLDERS OF SHARES SHOULD CONSULT WITH THEIR TAX ADVISERS REGARDING THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE ACQUISITION, OWNERSHIP AND DISPOSITION OF SHARES, INCLUDING THE APPLICABILITY AND EFFECTS OF U.S. FEDERAL, STATE, LOCAL, AND OTHER TAX LAWS.

Taxation of Distributions

Subject to the possible applicability of the passive foreign investment company ("**PFIC**") rules discussed below, a U.S. Holder generally will be required to include in gross income as a foreign-source dividend the amount of any distribution paid on the Shares (including the amount of tax withheld on such distribution, if any) to the extent the distribution is paid out of the Company's current or accumulated earnings and profits (as determined under U.S. federal income tax principles). Distributions in excess of the Company's earnings and profits generally will be applied against and reduce the U.S. Holder's basis in the Shares (but not below zero) and, to the extent in excess of such basis, will be treated as gain from the sale or exchange of such Shares (see "—*Gain or Loss on Sale, Taxable Exchange or Other Taxable Disposition of Shares*" below). However, because the Company does not determine its earnings and profits under U.S. federal income tax principles, distributions on the Shares generally will be reported to U.S. Holders as dividends taxable at ordinary income tax rates.

Dividends paid by the Company to a corporate U.S. Holder will not be eligible for the dividends-received deduction. Dividends received by eligible non-corporate U.S. Holders that satisfy a minimum holding period and certain other requirements generally will be taxed at the preferential rate applicable to qualified dividend income provided the Company is eligible for benefits under the Treaty and is not a PFIC in the year of distribution or the preceding year. Because the Shares are not listed on a U.S stock exchange or the London Stock Exchange, it is unclear whether the Company will be treated as a UK tax resident and thus may not be eligible for the full benefits of the Treaty U.S. Holders are urged to consult their tax advisers regarding the availability of the lower rate for dividends paid with respect to the Shares.

Dividends paid in a currency other than U.S. dollar will be includable in income in a U.S. dollar amount based on the exchange rate in effect on the date of receipt whether or not the non-U.S. currency received is converted into U.S. dollar or otherwise disposed of at that time. If dividends paid in a currency other than U.S. dollars are converted into U.S. dollars on the day they are received, the U.S. Holder generally will not be required to recognise foreign currency gain or loss in respect of the dividend income.

Gain or Loss on Sale, Taxable Exchange or Other Taxable Disposition of Shares

Subject to the PFIC rules discussed below, a U.S. Holder generally will recognise capital gain or loss on the sale or other taxable disposition of the Shares in an amount equal to the difference between the amount realised on the disposition and such U.S. Holder's adjusted tax basis in such Shares. Any such capital gain or loss generally will be U.S.-source long-term capital gain or loss if the U.S. Holder's holding period for such Shares exceeds one year. Long-term capital gain realised by a non- corporate U.S. Holder is currently eligible to be taxed at reduced rates. The deduction of capital losses is subject to certain limitations.

The initial tax basis of a U.S. Holder's Shares generally will be the U.S. dollar value of the non-U.S. currency paid in the Offering determined on the date of acquisition. If the Shares are treated as traded on an "established securities market" at the time of the Offering, a cash basis U.S. Holder (or, if it elects, an accrual basis U.S. Holder) will determine the U.S. dollar value of the cost of such Shares by translating the amount paid at the spot rate of exchange on the settlement date of the acquisition. A U.S. Holder that receives a currency other than U.S. dollars on the sale or other disposition of the Shares will realise an amount equal to the U.S. dollar value of the currency received at the spot rate on the date of sale or other disposition (or, if the Shares are traded on an "established securities market" at the time of disposition, in the case of cash basis and electing accrual basis U.S. Holders, the settlement date). A U.S. Holder that does not determine the amount realised using the spot rate on the settlement date will recognise U.S.-source currency gain or loss if the U.S. dollar value of the currency received at the spot rate on the settlement date differs from the amount realised. A U.S. Holder will have a tax basis in the currency received equal to its U.S. dollar value at the spot rate on the settlement date.

Passive Foreign Investment Company Status

The treatment of U.S. Holders of the Shares could be materially different from that described above if the Company were treated as a PFIC for U.S. federal income tax purposes.

A non-U.S. corporation will be classified as a PFIC for U.S. federal income tax purposes for any taxable year if either (i) at least 75% of its gross income in a taxable year, including its pro rata share of the gross income of any corporation in which it is considered to own at least 25% of the shares by value, is passive income or (ii) at least 50% of the value of its assets in a taxable year (ordinarily determined based on fair market value and averaged quarterly over the year), including its pro rata share of the assets of any corporation in which it is considered to own at least 25% of the shares by value, are held for the production of, or produce, passive income. Passive income generally includes dividends, interest, rents and royalties (other than rents or royalties derived from the active conduct of a trade or business) and gains from the disposition of passive assets. Cash is generally a passive asset for these purposes. Goodwill is treated as an active asset to the extent attributable to activities that produce active income.

The Company does not believe it was a PFIC for the prior taxable year and does not currently expect to be classified as a PFIC for the current taxable year. However, this conclusion is a factual annual determination based on the composition of the Company's income and assets and the value of its assets from time to time and, thus, is subject to change. With certain exceptions, the Shares would be treated as stock in a PFIC with respect to a U.S. Holder if the Company were a PFIC at any time during a U.S. Holder's holding period in such U.S. Holder's Shares, even if the Company were to cease to meet the tests described above in succeeding taxable years. There can be no assurance that the Company will not be a PFIC in the current taxable year or any other taxable year. The Company does not intend to analyse its annual PFIC status.

If the Company is a PFIC for any taxable year that is included in the holding period of a U.S. Holder of Shares, such U.S. Holder generally would be subject to special and adverse rules with respect to (i) any gain recognised by the U.S. Holder on the sale or other disposition of its Shares and (ii) any "excess distribution" made to the U.S. Holder (generally, any distributions to such U.S. Holder during a taxable year of the U.S. Holder to the extent greater than 125% of the average annual distributions received by such U.S. Holder in respect of the Shares during the three preceding taxable years of such U.S. Holder or, if shorter, such U.S. Holder's holding period for the Shares).

Under these rules:

- the U.S. Holder's gain or excess distribution will be allocated ratably over the U.S. Holder's holding period for the Shares;
- the amount allocated to the U.S. Holder's taxable year in which the U.S. Holder recognised the gain or received the excess distribution, or to the period in the U.S. Holder's holding period before the first day of the first taxable year in which the Company was a PFIC, will be taxed as ordinary income;
- the amount allocated to other taxable years (or portions thereof) of the U.S. Holder and included in its holding period will be taxed at the highest tax rate in effect for that year and applicable to the U.S. Holder; and
- an additional tax equal to the interest charge generally applicable to underpayments of tax will be imposed on the U.S. Holder with respect to the tax attributable to each such other taxable year (described in the preceding bullet) of the U.S. Holder.

If the Company is a PFIC and, at any time, has any non-U.S. subsidiaries that are PFICs (each, a "**lower-tier PFIC**"), U.S. Holders generally will be deemed to own a portion of the shares of such lower-tier PFICs, and generally could incur liability for the deferred tax and interest charge described above if the Company (or its subsidiaries) receives a distribution from, or disposes of all or part of its interest in, any lower-tier PFICs or if the U.S. Holders otherwise were deemed to have disposed of an interest in the lower-tier PFICs. U.S. Holders are urged to consult their tax advisers regarding the tax issues raised by lower-tier PFICs.

In general, if the Company is a PFIC, a U.S. Holder may avoid the PFIC tax consequences described above in respect of Shares by making a timely and valid QEF election (if eligible to do so) to include in income its pro rata share of the Company's net capital gains (as long-term capital gain) and other earnings and profits (as ordinary income), on a current basis, in each case whether or not such gains or other earnings and profits are distributed, in the taxable year of the U.S. Holder in which or with which the Company's taxable year ends. However, the Company does not currently intend to provide the information necessary to support a QEF election and has not made any undertaking to provide any such information in the future. Accordingly, U.S. Holders should assume they will not be able to make a QEF election.

Alternatively, if the Company is a PFIC for any taxable year and the Shares are treated as "marketable stock," a U.S. Holder would be allowed to make a "mark-to-market" election with respect to the Shares. The Shares will be treated as "marketable stock" if they are "regularly traded" on certain U.S. stock exchanges or on a foreign stock exchange that meets certain conditions. For these purposes, the Shares will be considered regularly traded during any calendar year during which they are traded, other than in de minimis quantities, on at least 15 days during each calendar quarter. The Shares will be listed on the Madrid Stock Exchange, which the Company believes is a qualified exchange for these purposes. Accordingly, if the Shares remain listed on the Madrid Stock Exchange and are regularly traded (within the meaning of the PFIC rules), the Company expects the market-to-market election would be available to U.S. Holders if the Company were to be treated as a PFIC.

A U.S. Holder that makes a mark-to-market election would, if the Company were a PFIC, be required to include in ordinary income for each year an amount equal to the excess, if any, of the fair market value of the Shares it owns at the close of the taxable year over the U.S. Holder's adjusted tax basis in such Shares. An electing U.S. Holder would be able to claim an ordinary loss deduction for the excess, if any, of the U.S. Holder's adjusted basis in the Shares it owns over the fair market value of such Shares at the close of the taxable year, only to the extent of any net mark-to-market gains for prior years. So long as the Company remains a PFIC, an electing U.S. Holder's gains from an actual sale or other disposition of Shares would be treated as ordinary income, and any losses incurred on a sale or other disposition of the Shares would be treated as ordinary losses to the extent of any net mark-to-market gains for prior years and any losses in excess of that amount will be capital losses. Once the election is made, a U.S. Holder would not be able to revoke the election without the consent of the U.S. Internal Revenue Service (the "**IRS**") unless the Shares cease to be marketable. As described above, the Company may own equity interests in a lower-tier PFIC. There is no provision in the Code or the regulations that technically allows taxpayers to make a mark-to-market election with respect to a lower-tier PFIC the stock of which is not "marketable stock" and therefore a U.S. Holder making a mark-to-market election with respect to the Shares may continue to be subject to the general PFIC rules described above with respect to any lower-tier PFIC. Accordingly, U.S. Holders should consult their tax advisers regarding the availability and advisability of making a mark-to-market election in their particular circumstances.

If the Company is a PFIC for any taxable year in which a U.S. Holder owns Shares, the U.S. Holder generally would be required to file IRS Form 8621 with the U.S. Holder's U.S. federal income tax return for each such year to report the U.S. Holder's ownership of its Shares (and any lower-tier PFIC) and, in the event a U.S. Holder that is required to file IRS Form 8621 does not file that form, the statute of limitations on the assessment and collection of U.S. federal income taxes of that U.S. Holder for the related tax year may not close until three years after the date that the required information is filed.

U.S. Holders should consult their tax advisers concerning the application of the PFIC rules to their Shares under their particular circumstances, including any tax return obligations applicable if the Company is a PFIC.

Information Reporting and Backup Withholding

Dividend payments and proceeds from the sale, exchange, redemption and other dispositions of Shares may be subject to information reporting to the IRS and possible United States backup withholding. Backup withholding will not apply, however, to a U.S. Holder who furnishes a correct taxpayer identification number (generally on an IRS Form W-9) and makes other required certifications, or that establishes an exemption from backup withholding. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or credit against a holder's U.S. federal income tax liability, if any, provided the required information is timely furnished to the IRS.

Certain non-corporate U.S. Holders are required to report information to the IRS relating to their Shares, subject to certain exceptions (including an exception for Shares held in an account maintained with a U.S. financial institution) on an IRS Form 8938. U.S. Holders should consult their tax advisers regarding the information reporting obligations applicable to them under their particular circumstances.

THE DISCUSSION ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE OF IMPORTANCE TO A PARTICULAR INVESTOR. EACH PROSPECTIVE INVESTOR IS URGED TO CONSULT ITS OWN TAX ADVISER ABOUT THE TAX CONSEQUENCES TO IT OF AN INVESTMENT IN THE SHARES IN LIGHT OF THE INVESTOR'S OWN CIRCUMSTANCES.

MANAGEMENT AND BOARD OF DIRECTORS

Set out below is a summary of relevant information concerning the Board, the Audit and Risk Committee, the Remuneration Committee, the Nomination Committee, and the Executive Committee and a brief summary of certain provisions of English law, the Spanish Corporate Governance Code (the "**Spanish Governance Code**"), the Articles of Association, the Board Regulations, and the terms of reference of the Audit and Risk Committee, the Remuneration Committee and the Nomination Committee, in respect of the Board, the Executive Committee, the Audit and Risk Committee, the Remuneration Committee and the Nomination Committee. The discussion below assumes the Proposed Reorganisation has been completed (see section "*Proposed Reorganisation*") and describes the Board and the Executive Committee as they will be constituted, and the Articles of Association and the Board Regulations, as they will be in force, in each case, with effect from Admission.

This summary does not purport to give a complete overview and is qualified in its entirety by English and, where applicable, Spanish law and regulations as in force on the date of this Prospectus, the Articles of Association and the Board Regulations as they will be in effect ultimately on Admission. This summary does not constitute legal advice regarding those matters and should not be regarded as such. The full text of the Articles of Association will be available free of charge in the governing English language thereof at the offices of the Company during business hours and in electronic form on the Company's website (www.hbxgroup.com). The full text of the Board Regulations in the English language will be available in electronic form on the Company's website at www.investors.hbxgroup.com.

Board of Directors

General

The Board is responsible for the continuity of the Company and the businesses of HBX Group. The Directors are responsible for the Company's general affairs and are in charge of oversight of the day-to-day management, formulating a strategy and policies, and setting and achieving the Company's objectives. The Directors focus on long-term value creation for the Company and the businesses of HBX Group thereby considering the interests of all its subsidiaries and how group-wide strategies and policies contribute to the interest of each subsidiary and the interest of HBX Group as a whole over the long term. Under the Spanish Governance Code, a company is a long-term alliance between the various stakeholders of the company (shareholders, creditors, employees, and other stakeholders such as suppliers, clients etc.) who, directly or indirectly, influence, or are influenced by, the attainment of the company's objectives. The Board is responsible for creating a culture aimed at long-term value creation (e.g., through a code of conduct, engagement with employees through regular internal communications and "town halls", procedures for reporting irregularities and misconduct, etc.).

The non-executive Directors shall in particular have regard to and supervise the manner in which the executive Directors implement the long-term value creation strategy and regularly discuss the strategy, the implementation of the strategy and the principal risks associated with it.

To support the alignment of the respective business objectives of the Company and HBX Group, the Board Regulations will provide that the Board shall, subject at all times to applicable laws and regulations and with due regard to fiduciary duties of directors in each jurisdiction, be responsible for ensuring an adequate and efficient flow of information. See "*—Board Regulations*" below.

The Directors of the Company will need to act in accordance with their duties under the UK Companies Act 2006 (the "**UK Companies Act**") to promote the success of the Company. This means the Directors must act in the best interests of the Company and the shareholders as a whole, considering the likely consequences of any decision in the long term, the interests of the Company's employees, the need to foster the Company's business relationships, the impact of such operations on the community and the environment, the desirability of the Company maintaining a reputation for high standard business conduct and the need to act fairly as between members of the Company.

Powers, Responsibility and Function

The principal duties of the Board are to provide the Company's strategic leadership, to determine the fundamental management policies of the Company and to oversee the performance of the Company's business. The Board is the principal decision-making body for all matters that are significant to the Company, whether in terms of their strategic, financial or reputational implications. In general the Board of the Company may exercise all of the powers of the Company, other than where certain matters are reserved for its shareholders by law (principally pursuant to the UK Companies Act), including, without limitation, changes to constitutional documents and changes to share capital. The UK Companies Act does not include a comprehensive list of matters which correspond to the Board or that cannot be delegated by the Board. However, under the Board Regulations, the following matters correspond to the Board:

- Strategy and management
    - Responsibility for the overall leadership of the Company, determining the Group's purpose, values and standards.
    - Setting and approving the Group's strategy and long-term objectives which should promote the long-term sustainable success of the Company and the Group.
    - Monitoring of the Group's culture and its alignment with the Group's purpose, values and strategy.
    - Approving and then monitoring the annual operating and capital expenditure budgets and any material changes to them.
    - Approving material unbudgeted capital or operating expenditures.
    - Oversight of the Group's operations.
    - Reviewing and monitoring the Group's performance in light of the Group's strategic aims, objectives, business plans and budgets and ensuring that any necessary corrective action is taken.
    - Any extension of the Group's activities into new business or geographic areas.
    - Consideration of ceasing to operate all or any material part of the Group's business.
- Structure and capital
    - Changes relating to the Company's capital structure, including reduction of capital, share issues (except under already approved employee share plans) and share buy backs.
    - Major changes to the Group's corporate structure, including, but not limited to acquisitions and disposals of shares which are material relative to the size of the Group.
    - Material changes to the Group's management and control structure.
    - Any changes to the Company's listing or its status as a public limited company.
- Borrowing and guarantees
    - Approval of any material borrowing (other than by way of agreed facilities) or of any acceptance of credit (other than normal trade credit).
    - Approval of any material guarantee or indemnity or contract of suretyship or any other commitment by a Group company in respect of the due payment of money or the performance of any contract, engagement or obligation of any person or body other than a Group company.
    - Approval of any commitment by the Company to any guarantee or indemnity for the performance of a Group subsidiary or associate.
    - Approval of any mortgage or charge over the whole or any part of the Group's undertakings other than charges solely in the ordinary course of business.
- Financial reporting and controls
    - Approval of the half-yearly report, quarterly trading statements and any preliminary announcement of the final financial results.
    - Approval of the Company's Annual Report and Accounts, the Annual Corporate Governance Report and Directors' Remuneration Report.
    - Approval of the dividend policy.
    - Declaration of the interim dividend and recommendation of the final dividend.
    - Approval of any significant changes in accounting policies or practices.

    - Approval of treasury policies, including foreign currency exposure (except in the normal course of business) and the use of financial derivatives.
- Risk and internal controls
    - Except as specifically delegated to the Audit and Risk Committee pursuant to its terms of reference, to ensure the maintenance of a sound system of internal control and risk management.
    - To consider matters or recommendations escalated to the Board by the Audit and Risk Committee on internal controls or risk management, including: approving the Group's risk appetite statements; receiving reports on, and reviewing the effectiveness of, the Group's risk and control processes to support its strategy and objectives; approving procedures for the detection of fraud and the prevention of bribery; undertaking an annual assessment of these processes; and approving an appropriate statement for inclusion in the annual report.
- HBX Group approval matrix
    - Approval of the HBX Group approval matrix which sets out delegated authorities and provides the levels of authority required to approve or enter into commitments relating to contracts, acquisitions, expenditure and other types of transaction or financing, and which sets out the specific levels of authority for commitments or transactions which are reserved for the Board.
    - Oversight of the execution and delivery of contracts, expenditure and other types of transactions which have been considered and approved by the Board.
- Communication
    - Ensuring a satisfactory and transparent dialogue with shareholders based on the mutual understanding of objectives.
    - Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.
    - Approval of all circulars, notices of meetings, or other documents to shareholders, including prospectuses or listing particulars (though approval of routine matters may be delegated).
    - Approval of any regulatory announcement, other than urgent announcements or routine notifications, for example regarding interests in shares etc (for which approval may be delegated).
    - Approval of press releases concerning matters decided by the Board.
- Board membership and other appointments
    - Changes to the structure, size and composition of the Board, following recommendations from the Nomination Committee.
    - Ensuring adequate succession planning for the Board and senior management so as to maintain an appropriate balance of skills and experience within the Company and on the Board, delegating responsibilities to the Nomination Committee as the Board sees fit.
    - Appointment of the Chair of the Board and the Chief Executive Officer.
    - Appointment of senior independent director should the Board determine that one is required to provide a sounding board for the Chair of the Board and to serve as intermediary for the other directors when necessary.
    - Appointment of the members and chairs of the Board committees following recommendations from the Nomination Committee.
    - At the recommendation of the Nomination Committee, considering and determining the continuation in office of Directors at the end of their term of office, when they are due to be re-elected by shareholders and otherwise as appropriate, making recommendations to the shareholders as appropriate.
    - Considering and determining the continuation in office of any Director at any time, including the suspension or termination of service of an executive Director as an employee of the Company, subject to law, regulation, the Articles of Association and their service contract.

  - Appointment, or removal of the Company Secretary.
  - Appointment, reappointment or removal of the external auditor to be put to shareholders for approval in a general meeting, following the recommendation of the Audit and Risk Committee.
- Remuneration
  - Determining the remuneration policy for the Directors and other senior executives following recommendation from the Remuneration Committee.
  - Determining the remuneration of the non-executive Directors, subject to the Articles.
  - The introduction of new share incentive plans or major changes to existing plans, to be put to shareholders for approval.
- Delegation of authority
  - The division of responsibilities between the Chair of the Board and the Chief Executive Officer.
  - Establishing Board committees and approving their terms of reference, and approving material changes thereto.
  - Receiving reports from Board committees on their activities.
- Corporate governance matters
  - Undertaking a formal and rigorous annual review of its own performance, that of its committees and individual directors, and the division of responsibilities.
  - Determining the independence of non-executive Directors, with input as necessary from the Nomination Committee, both at initial appointment of the director and then at least annually prior to them being considered for re-election by shareholders, but also prior to consideration by the Board of a director's continuation in office at the end of their term of office. Reporting the same in the annual corporate governance report and annual report and accounts.
  - Ensuring effective engagement with the Company's key stakeholders.
  - As part of its decision making, considering the Company's objectives and strategy against the balance of interests of the Company's key stakeholders and societal expectations.
  - Review of the Company's and the Group's overall corporate governance arrangements, including reviewing and approving the HBX group governance manual.
  - Receiving reports on the views of the Company's shareholders / investors.
  - Authorising conflicts of interest where permitted by the Company's Articles and in accordance with the UK Companies Act.
- ESG and Corporate Social Responsibility
  - Maintaining oversight of ESG matters, including overseeing the implementation of the HBX Group ESG policy and ensuring that the Board is kept updated on ESG progress at the Group level as needed, though delegating responsibility for supervising compliance with the HBX Group ESG policy and associated rules to the Audit and Risk Committee, which shall report to the Board as necessary and as part of the Board's forward agenda as it relates to ESG matters.
  - Monitoring the Group's culture, conduct and diversity, including associated initiatives, objectives, policies and reporting.
- Approval of Group policies.
- Other
  - The making of charitable or political donations.
  - Approval of any transaction with a related party.
  - Approval of the appointment of the Group's principal professional advisers.

- Prosecution, commencement, defence or settlement of litigation, or an alternative dispute resolution mechanism being material to the interests of the Group.
- Approval of the overall levels of insurance for the Group including directors' & officers' liability insurance and the indemnification of directors.
- Major changes to the rules or administrative arrangements of the Group's pension schemes.
- Any decision likely to have a material impact on the Company or the Group from any perspective, including, but not limited to, financial, operational, strategic or reputational.
- This schedule of matters reserved for Board decisions.

Where the UK Companies Act reserves certain matters for shareholders, and specifies that a matter requires 'a resolution' of a company or of its members, this is generally taken to mean an 'ordinary resolution' (i.e. simple majority), unless a company's articles of association require a higher majority or unanimity. The UK Companies Act also specifies that certain matters will require a special resolution (i.e. majority of 75% or more). Where the UK Companies Act specifies a particular type of resolution, the company's articles cannot require a higher majority or unanimity. If a matter is not regulated by statute, then the articles will govern the relationship between the company and its members and set out which matters require board approval (board reserved matters) and which require shareholder approval (shareholders' reserved matters) or both. The Company's management team will generally be delegated the authority to manage the business on a day-to-day basis, subject to overall supervision by the Board and with Board approval required for material matters. The Company's internal corporate policies and procedures will generally set out the respective roles and responsibilities for the board and the management team.

Board Regulations

Subject to Admission, the Board has adopted rules governing its principles and best practices, division of tasks and responsibilities between the members of the Board, description of specific responsibilities for the chair of the Board and how those responsibilities are separate and distinct from those of the Chief Executive Officer and further details on procedures for holding meetings, decision making and overall functioning of the Board, including maintaining internal governance arrangements, processes and mechanisms that are consistent, well-integrated and conducive to the alignment of the respective business objectives, strategies and risk management framework of the Company and HBX Group (the "**Board Regulations**").

A copy of the Board Regulations is available on the Company's website at www.investors.hbxgroup.com.

Appointment and re-appointment of Board member. Term of appointment

Directors may be appointed either by ordinary resolution of the Company with effect from the end of a general meeting of shareholders, or by the Board. Pursuant to the terms of the Articles of Association, CPPIB is limited in the number of votes that it may cast at a general meeting, or on any other shareholder resolution, in connection with the appointment or removal of Directors to a maximum of 30% of the votes that are entitled to vote in respect of the appointment or removal of Directors on such resolution after taking into account that aforementioned 30% threshold limitation. See section "*Description of Share Capital—The General Meeting—Voting Rights—30% Rule*".

At every annual general meeting held after the first annual general meeting after the date of adoption of the Articles of Association all the Directors at the date of the notice convening the annual general meeting will retire from office. Directors who retire at an annual general meeting, may, if willing to act, be re-appointed. If the Company does not fill the vacancy at the meeting at which a Director retires, the retiring Director will, if willing to act, be deemed to have been re-appointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the re-appointment of the Director is put to the meeting and lost.

Notwithstanding the above, non-executive Directors (other than the Chair) are appointed for an initial term of a maximum of three years, concluding at the Company's annual general meeting last occurring within the period of three years from the non-executive Directors' date of appointment. However, as the remaining Directors, they will retire from office at the date of the notice convening every annual general meeting held after the first annual general meeting after the date of adoption of the Articles of Association. If the annual general meeting does not re-elect the non-executive Directors as described above, the appointment shall terminate automatically, with immediate effect and without compensation.

If (a) any resolution or resolutions for the appointment or re-appointment of the persons eligible for appointment or re-appointment as Directors are put to the annual general meeting and lost, and (b) at the end of that meeting the number of Directors is fewer than the minimum number of Directors required under the Articles of Association, all retiring Directors who stood for re-appointment at that meeting will be deemed to have been re-appointed as Directors and will remain in office, with the limitations set out in the Articles of Association.

Disqualification and removal of Board member

Pursuant to the Articles of Association, a person ceases to be a Director as soon as:

- such person ceases to be a Director by virtue of any provision of the Act or is prohibited from being a Director by law;
- a bankruptcy order is made against such person;
- a composition is made with that person's creditors generally in satisfaction of such person's debts;
- a registered medical practitioner who is treating such person gives a written opinion to the Company stating that such person has become physically or mentally incapable of acting as a Director and may remain so for more than three months;
- a notification is received by the Company from the Director stating that such Director is resigning or retiring from office, and such resignation or retirement has taken effect in accordance with its terms;
- such person has been absent for more than six consecutive months without permission of the Board from meetings of the Board held during that period and his/her alternate Director (if any) has not attended in his/her place during such period and the Board resolves that their office be vacated;
- such person receives notice executed by not less than three quarters of the other Directors stating that that person should cease to be a Director. In calculating the number of Directors who are required to give such notice to the Director, (i) an alternate Director appointed by such Director acting in his/her capacity as such shall be excluded; and (ii) a Director and any alternate Director appointed by such Director and acting in his/her capacity as such shall constitute a single Director for this purpose, so that notice by either shall be sufficient; or
- the Company, by ordinary resolution removes a person as Director from office.

Pursuant to the Board Regulations, Directors must tender their resignation to the Board and formalise such resignation in the following cases:

- In the case of a proprietary Director, (i) when the shareholder whose interests such Director represents, fully transfers or reduces in the due proportion its shareholding in the Company, thereby losing all or part of its entitlement to appoint proprietary Directors and (ii) when such shareholder requests it.
- In the case of independent Directors, when they become part of the executive team of HBX Group or, for any other reason, any of the circumstances incompatible with the status of independent Director arises.
- In the case of executive Directors, when they cease to hold the executive position with which their appointment as Directors was associated.
- When they are affected by any of the rules on incompatibility or prohibition prescribed by law, the Articles of Association or the Board Regulations.
- When their continuance as Directors could threaten or harm the interest, credibility or reputation of the Company or when the reasons for which they were appointed cease to apply, including, but not limited to, when significant changes occur in connection with their professional status or in the circumstances under which they were appointed. Directors must disclose any serious criminal proceedings in which they are under investigation, as well as any subsequent events in those proceedings.
- When, due to actions and events attributable to the Directors, related or not to the Company, their continued membership to the Board may entail great harm to the Company's properties or reputation, according to the Company.

Composition of the Board

The Company expects that the Board will consist of the seven members listed below from the date of Admission, in compliance with the Articles of Association and the Board Regulations that provide for a Board consisting of between 5 and 15 members. The chair would have a casting vote.

The following table sets out the names of the Company's Directors, the names of all companies (other than Group companies and entities with an exclusive property, asset holding or family-related purpose) and partnerships where those persons have been a member of the administrative, management or supervisory bodies or partner at any time in the previous five years, their positions (title) within the Company's Board and category as Directors. The past directorships and partnerships column includes the offices held in the previous five years, whereas the principal activities outside HBX Group column includes offices that are currently held by the relevant Directors. Information on Directors' professional experience and directorships held in other companies, among other matters, will be available free of charge at the Company's website at www.investors.hbxgroup.com.

Name	Title	Date of appointment as director	Past directorships and partnerships	Principal activities outside HBX Group[4]
Richard Solomons	Chair and other external Director	25 November 2024	CEO & CFO at InterContinental Hotels Group plc Non-executive director of Marks and Spencer Group plc Senior independent director of Aston Martin Lagonda Global Holdings plc Member of the board of governors and the finance committee at University of Manchester	Chair of the board of directors of Rentokil Initial plc Non-executive director and chair of the audit committee of Mandarin Oriental International Limited
Nicolas Huss	Chief Executive Officer	25 November 2024	CEO at Ingenico Group CEO at Visa Europe CEO AvantCard at Apollo Global Management LLC CEO at GE Money Non-executive director at Entersekt Non-executive director and chair of the audit committee at Amadeus IT Group	Chair of the board of directors of Bitstamp. Advisor to the board of directors of Algbra
Matthew Sabben-Clare	Proprietary Director [2]	25 November 2024	Chief administrative officer and partner at Cinven, and head of capital markets	Senior advisor to Cinven Chair of the British Private Equity and Venture Capital Association (BVCA) Senior advisor to Marlborough Partners Member of the board of NewDay

Name	Title	Date of appointment as director	Past directorships and partnerships	Principal activities outside HBX Group[(4)]
Jonah Enbar	Proprietary Director [(3)]	25 November 2024	_	Managing director of direct private equity team at CPPIB and responsible for leading private equity investments in the technology and services sectors across Europe
Sabine Hansen Peck	Independent Director	14 January 2025[(1)]	Member of executive committee, Chief Human Resources Officer and vice president of communications and marketing at Amadeus IT Group Senior director and member of the remuneration and risk committees of Bank Handlowy Warszawie	Advisor to Advent International Advisor to OmniaxAdvisor to Lodgerin
Sabine Bendiek	Independent Director	14 January 2025[(1)]	Managing director at Dell, EMC Corporate vice president / managing director at Microsoft Deutschland GmbH Member of the executive board and chief people and operating officer at SAP SE Vice president at Bitkom e.V. Partner at Earlybird Venture Capital Non-executive director and member of the technology committee of Xing	Non-executive director at Schaeffler AG Non-executive director at Suse AG Non-executive director at Sunlight Group Energy Storage Systems Non-executive director at Vistra Group Ltd (Hong Kong) Non-executive director at Regnology GmbH
Carla Stent	Independent Director	14 January 2025[(1)]	Chair of the board of directors and the nomination and ESG committees, attendee at the audit committee and member of the remuneration and risk committees at Marex Group plc Partner and COO at Virgin Chief administrative officer and deputy CFO at Barclays	Non-executive director and chair of the audit and risk committee of Telecom Plus plc Non-executive director, chair of the audit and risk committee and member of the remuneration, nomination and ESG committees of Evelyn Partners Group Chair of the board of directors of

Name	Title	Date of appointment as director	Past directorships and partnerships	Principal activities outside HBX Group[(4)]
			Operations director at Thomas Cook COO at Octopus Capital Non-executive director and chair of the audit and risk committees at Post Office Limited Non-executive director and member of the audit committee of J.P. Morgan Elect plc Chair of the board of Savernake Capital Group Chair of the board of directors of This Is The Big Deal	LittleFish FX Limited

Notes:

(1) Date of Board appointment resolution. Appointment has been accepted and will be effective as of Admission.
(2) Proprietary Director for Cinven.
(3) Proprietary Director for CPPIB.
(4) None of the entities where Directors currently carry out activities is a competitor of the HBX Group nor has the HBX group engaged in transactions with any of those entities in the last three years.

As mentioned in "*Appointment and re-appointment of Board member. Term of appointment*" above, at every annual general meeting held after the first annual general meeting after the date of adoption of the Articles of Association all the Directors at the date of the notice convening the annual general meeting will retire from office and may, if willing to act, be re-appointed

Mr. Richard Cordeschi, a Fellow of the Chartered Governance Institute UK & Ireland, is the Company Secretary.

The categories of Directors have been determined pursuant to the definitions set forth in the Spanish Governance Code. As of the date of this Prospectus, the category assigned to each Director has not been confirmed by the Nomination Committee. It is expected that the Nominations Committee will ratify the assigned categories, in particular regarding independent Directors, at its first meeting following Admission.

At every annual general meeting held after the first annual general meeting following the date of adoption of the Articles of Association all the Directors at the date of the notice convening the annual general meeting will retire from office. Directors who retire at an annual general meeting, may, if willing to act, be re-appointed. If the Company does not fill the vacancy at the meeting at which a Director retires, the retiring Director will, if willing to act, be deemed to have been re-appointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the re-appointment of the Director is put to the meeting and lost.

All members of the Board have designated the Company's registered address as their professional address for the purpose of this Prospectus.

Biographical Details of the Directors

Set out below are brief summaries of the biographies of the members of the Board of the Company:

Richard Solomons (Chair and other external Director)

Mr. Solomons has been a non-executive director since 2019 and chair of the board of HBX Group since 2021. He also chairs the Nomination Committee.

Mr. Solomons also holds the position as chair of the board for Rentokil Initial Plc and is a non-executive director of Mandarin Oriental International Limited and chairs its audit committee.

In his past career, Mr. Solomons was CEO at InterContinental Hotels Group plc (2011-2017), and prior to that its CFO (2003-2011). Mr. Solomons was previously a non-executive director of Marks and Spencer Group plc, the senior independent director of Aston Martin Lagonda Global Holdings plc and, until December 2022, he was a member of the board of governors and the finance committee at the University of Manchester.

Mr. Solomons also worked in investment banking with Hill Samuel Bank for seven years based in New York and London. He qualified as a Chartered Accountant while working for KPMG in London and holds a BA (Econ) from the University of Manchester.

Nicolas Huss (Chief Executive Officer)

Mr. Huss has been the Chief Executive Officer at HBX Group since 2021.

He also holds the position as chair for the board of directors at Bitstamp, and board advisor to the board of directors at Algbra.

In his executive career, Mr. Huss held the CEO role at Visa Europe, Ingenico Group, AvantCard at Apollo Global Management LLC and at GE Money. Until July 2021, Mr. Huss was a non-executive board director at Amadeus IT Group, where he was also chair of the audit committee. He also held the position as non-executive director at Entersekt.

He gained an LLB degree in law at Sciences Po Toulouse, University of Toulouse.

Matthew Sabben-Clare (proprietary Director)

Mr. Sabben-Clare is a non-executive director at HBX Group and a member of the Audit and Risk Committee and the Nomination Committee. He was appointed as director of HBX Group in May 2024.

He is a senior advisor at Cinven, chair of the British Private Equity and Venture Capital Association (BVCA), senior advisor to Marlborough Partners and member of the board of NewDay.

In his past career Mr. Sabben-Clare was partner at Cinven and held the position of Cinven's chief administrative officer from 2017 to 2023 and head of its capital markets team from 2005 to 2017.

Mr. Sabben-Clare graduated at Cambridge University and is AMCT qualified.

Jonah Enbar (Proprietary Director)

Mr. Enbar has been a director at HBX Group since 2017 and is a member of the Remuneration Committee and the Nomination Committee.

He is managing director in the direct private equity team at CPPIB and is responsible for leading private equity investments in the technology and services sectors across Europe.

Mr. Enbar holds a BA from Northwestern University and an MBA from the Wharton School of the University of Pennsylvania.

Sabine Hansen Peck (Independent Director)

Ms. Hansen Peck, conditional on Admission, is a non-executive Director at HBX Group, chairs the Remuneration Committee and is a member of the Nomination Committee.

She is also advisor to Advent International, Omniax and Lodgerin.

In her past career, Ms. Hansen Peck was member of the executive committee, Chief Human Resources Officer and vice president of communications and marketing at Amadeus IT Group from 2009 to 2022. She was also senior director and member of the remuneration and risk committees of Bank Handlowy Warszawie from 2007 to 2009.

Ms. Hansen Peck holds a BA and an MA from the University of Eichstaett, and an MBA from Thunderbird School of Global Management.

Sabine Bendiek (Independent Director)

Subject to Admission, Ms. Sabine Bendiek serves as a non-executive Director at HBX Group and is a member of the Audit and Risk Committee, the Remuneration Committee and the Nomination Committee.

She is also a non-executive director at Schaeffler from 2019, as well as non-executive director at Suse AG, Sunlight Group Energy Storage Systems, Vistra Group Ltd (Hong Kong) and Regnology GmbH.

In her past career Ms. Bendiek was managing director at Dell, EMC, corporate vice president and managing director at Microsoft Deutschland GmbH from 2016 to 2020, chief operating and people officer at SAP SE from 2021 to 2023, vice president at Bitkom e.V., partner at Earlybird Venture Capital from 2002 to 2003 and non-executive director and member of the technology committee of Xing from 2014 to 2016.

Ms. Bendiek holds a BA from the University of Cooperative Education Mannheim (Germany), and an MSc from the Massachusetts Institute of Technology (USA).

Carla Stent (Independent Director)

Subject to Admission, Ms. Carla Stent serves as a non-executive Director at HBX Group, chairs the Audit and Risk Committee and is a member of the Nomination Committee and the Remuneration Committee.

She is also non-executive director and chair of the audit and risk committee of Telecom Plus Plc, non-executive director, chair of the audit and risk committee and member of the remuneration, nomination and ESG committees of Evelyn Partners Group, and chair of the board of Little Fish FX Limited.

In her past career, Ms. Stent was COO at Octopus Group from 2016 to 2018. She was also partner and COO at Virgin from 2010 to 2013, chief administrative officer and deputy CFO at Barclays from 2005 to 2010, and operations director at Thomas Cook from 2000 to 2004. As a non-executive director, Ms. Stent was chair of the board and the nomination and ESG committees, attendee at the audit committee and a member of the remuneration and risk committees of Marex Group plc from 2014 to 2023, non-executive director and member of the audit committee of J.P. Morgan Elect plc from 2015 to 2022, non-executive director and chair of the audit and risk committee at Post Office Limited from 2015 to 2023, chair of the board of Savernake Capital Group from 2016 to 2021 and chair of the board of This Is The Big Deal from 2016 to 2019.

Ms. Stent is a qualified Chartered Accountant registered with the ICAEW and recognised by SAICA.

Directors' No Convictions and Other Negative Statements

At the date of this Prospectus, the Directors have not, in the previous five years:

- been convicted of any fraudulent offences;
- as a member of the administrative, management or supervisory body at any company, or as partner, founder or senior manager at any company, been associated with any bankruptcy, receivership or liquidation (other than voluntary liquidation) of such company;
- as a member of the administrative, management, or supervisory body at any company, or as partner, founder or senior manager at any company, been associated with that company being put into administration;
- been subject to any official public incriminations and/or sanctions by any statutory or regulatory authority (including any designated professional body); or
- been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer.

Board Committees

Audit and Risk Committee

The Audit and Risk Committee's role is to assist the Board with the discharge of its responsibilities in relation to financial reporting, including reviewing HBX Group's annual financial statements and accounting policies, internal and external audits and controls, reviewing and monitoring the scope of the annual audit and the extent of the non-audit work undertaken by external auditors, advising on the appointment of external auditors and reviewing the work and effectiveness of the internal audit function.

The Audit and Risk Committee also has oversight responsibilities in relation to HBX Group's framework of internal control, governance, whistleblowing and fraud systems, having due regard to listing and regulatory requirements, oversight of the company's policies, principles and processes for monitoring risks and determining risk appetite and HBX Group's principal risks. The Audit and Risk Committee has supervisory responsibilities in relation to compliance with HBX Group's policies as they relate to environmental, social and governance matters and is also responsible for determining matters requiring approval or recommendation in accordance with its terms of reference.

Prior to Admission, the Board will adopt terms of reference for the functioning of the Audit and Risk Committee, which will set out its duties and responsibilities, including in relation to:

- Monitoring the preparation and submission and the integrity of the financial statements of the Company and the Group, including its annual and half-yearly reports, preliminary announcements and any other formal statements relating to its financial performance, and review and report to the Board on significant financial reporting issues and judgements which those statements contain, having regard to matters communicated to it by the auditor and submitting recommendations or proposals to the Board to safeguard the integrity of the statement, report or announcement. Monitoring the preparation and the integrity of the non-financial information and the control and management systems for non-financial risks, excluding matters relating to the identification and disclosure of inside information.
- Reviewing the content of the financial statements, advising the Board on whether, taken as a whole, they are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's and HBX Group's performance, business model and strategy, and ensuring that the financial statements that are presented to general shareholders' meetings are drawn up in accordance with the applicable accounting legislation or standards. If the auditor includes any qualification in its report, the Committee shall ensure that a summary of that qualification is made available to the shareholders at the time of the publication of the notice of the general shareholders' meeting and the chair of the Audit and Risk Committee shall provide a clear explanation at the general shareholders' meeting of the qualification's scope and content.
- Reviewing any other statements requiring Board approval which contain financial information, where to carry out a review prior to Board approval would be practicable and consistent with any prompt reporting requirements under any law or regulation.
- Analysing and reporting to the Board on the economic conditions and accounting impact of any material structural changes or corporate transactions the Company is planning, before they are approved.
- Reviewing internal control and risk management systems on a regular basis, so policies and systems are effectively applied and main risks are properly identified, managed and disclosed, reviewing and approving the statements to be included in the Company's annual report concerning internal control and risk management, including the assessment of principal risks and emerging risks.
- Overseeing compliance with HBX Group's controls and control protocols.
- Monitoring the independence and efficacy of the internal audit function, which will be supervised by and report to the Audit and Risk Committee, including notifying the Board of its opinion on the selection, appointment, reappointment and removal of the head of internal audit, approving or making a proposal for approval of the Board of the priorities and the annual work programme of the internal audit function, focusing on the Company's principal risks and business priorities; receiving regular reports on its activities and results, reviewing the activities reports submitted by the head of internal audit and verifying that management is acting on the findings and recommendations of the internal audit function's reports.
- Establishing and supervising the operation of a mechanism that allows employees and other persons related to the Company (including Directors, shareholders, suppliers, contractors or subcontractors) to report, confidentially, any potentially important irregularities, particularly financial and accounting irregularities, within the Company. To this end, the Audit and Risk Committee will be able to meet with any Group employee or manager (even without the presence of another senior manager).
- Considering and making recommendations to the Board, to be put to shareholders for approval at the annual general meeting, in relation to the selection, appointment, reappointment and removal

of the external auditor, being responsible for the selection process, overseeing the terms and conditions of the external auditor's engagement and ensuring that the remuneration of the external auditor does not compromise its quality or independence. Investigating, as the case may be, the reasons for the external auditor's resignation.

- Assessing annually the external auditor's independence and objectivity taking into account relevant law, regulation, any professional requirements and HBX Group's relationship with the auditor as a whole, including monitoring any threats to the auditor's independence. Assessing the safeguards applied to mitigate those threats including the provision of any non-audit services and ensuring procedures are in place for the committee to authorise non-audit services. The Audit and Risk Committee will annually prepare a report, before the issuance of the audit report, where it expresses its opinion regarding whether the independence of the auditors is compromised. This report should be published on the Company's website.
- Receiving regular information from the external auditor on the progress and findings of the audit programme, monitor that senior officers are acting on its recommendations and ensure that at least once a year the Board in full meets with the external auditor without other management being present, to discuss the auditor's remit and any issues arising from the audit.
- Ensuring that the Company makes an announcement, through the CNMV, on the change of external auditor together with a statement about any disagreements with the outgoing auditor and, if applicable, the nature of those disagreements;
- Overseeing compliance with the Company's general communication policy, which regulates the communication of economic and financial, non-financial and corporate information, including communications with shareholders, investors, proxy advisors and other stakeholders.
- Overseeing compliance with the Company's policies as they relate to environmental, social and governance matters, monitoring compliance with the Company's code of conduct and corporate governance framework as set out in HBX Group Governance Manual. Periodically evaluating the effectiveness of the Company's corporate governance system and policies relating to environmental and social matters, to confirm that they are fulfilling their mission to promote the corporate interest and ensure that the Company's environmental and social practices are in accordance with the established strategy and policy and catering, as appropriate, to the legitimate interests of stakeholders.
- Attending general shareholders' meetings and responding to questions which are posed on the subject of the Audit and Risk Committee's functions.
- Preparing reports about related party transactions which are subject to approval by the general shareholders' meetings or the Board.

In addition to setting out the tasks and duties of the Audit and Risk Committee as described above, the terms of reference provide, *inter alia*, that:

- the Audit and Risk Committee will meet as often as is required for its proper functioning, but at least four times each year to coincide with key dates in the financial reporting and audit cycle;
- the Audit and Risk Committee will consist of at least three members, all of which to be appointed with regard to their knowledge and experience in accounting, auditing and risk management matters, both financial and non-financial, and with at least one member of the Audit and Risk Committee to be a financial expert with relevant knowledge and experience of financial administration and accounting for listed companies or other large legal entities. No maximum amount of members is regulated in the terms of reference;
- all the members of the Audit and Risk Committee must be non-executive and more than half of the members and its chair must be independent within the meaning of the Spanish Governance Code;
- the Audit and Risk Committee may not be chaired by a former executive Director;
- the quorum necessary for the transaction of business is any two members; and
- the Audit and Risk Committee is subject to the same rules on majorities for the adoption of resolutions as those applicable to the Board pursuant to the Articles of Association and the Board Regulations. Where, at any meeting of the Audit and Risk Committee, an equal number of votes

have been cast for and against any resolution, the Audit and Risk Committee chair shall have a casting vote.

The composition of the Audit and Risk Committee is as follows. All members meet the requirements of members of the Audit and Risk Committee pursuant to the terms of reference, as further described above. All members meet the requirements of being a financial expert pursuant to the terms of reference of the Audit and Risk Committee.

Name	Position	Category	Date of appointment [(1)]
Carla Stent	Chair	Independent Director	14 January 2025
Sabine Bendiek	Member	Independent Director	14 January 2025
Matthew Sabben-Clare	Member	Proprietary Director	14 January 2025

Note:

(1) Date of Board appointment resolution. Appointments have been accepted and will be effective as of Admission. Appointments will expire when the relevant Directors retire from office.

Remuneration Committee

The Remuneration Committee assists the Board in recommending to the Board a formal remuneration policy, overseeing and monitoring its implementation and key remuneration issues relating to the Company and HBX Group, including (but not limited to) the remuneration, bonus arrangements and main contractual terms of executive Directors and senior managers, the terms of any employee share-based remuneration plans and the participation by Directors, senior managers and employees in those plans. The Remuneration Committee is also responsible for determining matters requiring approval or recommendation in accordance with its terms of reference.

Prior to Admission, the Board will adopt terms of reference for the functioning of the Remuneration Committee, which will set out its duties and responsibilities, including in relation to:

- Determining, designing and recommending to the Board for approval, the policy for Directors' remuneration and setting remuneration for the Company's Chair of the Board and executive Directors and senior management, as well as the Company Secretary.
- Establishing remuneration plans that promote long-term shareholding by executive Directors and senior management that support alignment with long-term shareholder interests, determining total vesting and holding periods for awards and any formal policy for post-employment shareholding requirements encompassing both unvested and vested shares.
- Designing remuneration policies and practices to support strategy and promote long-term sustainable success, with executive remuneration aligned to company purpose and values, clearly linked to the successful delivery of the Company's long-term strategy, and that enable the use of discretion to override formulaic outcomes and to recover and/or withhold sums or share awards under appropriate specified circumstances.
- In determining remuneration policy, considering requirements of law or regulation as well as recommendations set out in the Spanish Governance Code (as defined below) as issued by the CNMV as they relate to Director or senior manager remuneration, including any direction on clarity, simplicity, risk mitigation, predictability, proportionality and alignment to culture.
- Determining how remuneration policy shall attract, retain and motivate executive management of the quality required to run the Company successfully without paying more than is necessary, having regard to views of shareholders and other stakeholders.
- Reviewing the ongoing appropriateness and relevance of the remuneration policy.
- Within the terms of the agreed policy and in consultation with the Chair and/or Chief Executive Officer, as appropriate, determining the total individual remuneration package of each executive Director, the Chair of the Board and senior managers including bonuses, incentive payments and share options or other share awards.
- Determining the financial, non-financial and strategic measures appropriate for relevant elements of remuneration, exercising independent judgement and discretion when determining remuneration awards, taking account of company and individual performance, and wider circumstances.

- Reviewing the design of all share incentive plans for approval by the Board and, where required, shareholders.
- Reviewing workforce remuneration and related policies.
- Ensuring that potential conflicts of interest do not diminish the independence of the external advice provided to the Remuneration Committee.
- Reviewing the information on Directors' and senior managers' remuneration contained in corporate documents, including the annual report on remuneration of Directors.

Besides setting out the tasks and duties of the Remuneration Committee as described above, the terms of reference provide, *inter alia*, that:

- the Remuneration Committee will meet as often as is required for its proper functioning, but at least three times each year;
- the Remuneration Committee will consist of at least three members. No maximum amount of members is regulated in the terms of reference;
- all the members of the Remuneration Committee must be non-executive and more than half of the members and its chair must be independent within the meaning of the Spanish Governance Code;
- the Remuneration Committee may not be chaired by a former executive Director;
- the quorum necessary for the transaction of business is any two members; and
- the Remuneration Committee is subject to the same rules on majorities for the adoption of resolutions as those applicable to the Board pursuant to the Articles of Association and the Board Regulations. Where, at any meeting of the Remuneration Committee, an equal number of votes have been cast for and against any resolution, the Remuneration Committee chair shall have a casting vote.

The composition of the Remuneration Committee is as follows. All members meet the requirements of members of the Remuneration Committee pursuant to the terms of reference, as further described above.

Name	**Position**	**Category**	**Date of appointment (1)**
Sabine Hansen Peck	Chair	Independent Director	14 January 2025
Sabine Bendiek	Member	Independent Director	14 January 2025
Jonah Enbar	Member	Proprietary Director	14 January 2025

Note:

(1) Date of Board appointment resolution. Appointments have been accepted and will be effective as of Admission. Appointments will expire when the relevant Directors retire from office.

Nomination Committee

The Nomination Committee assists the Board in reviewing the structure, size and composition of the Board, considering the balance of skills, knowledge, experience and diversity of the Board, and proposes appointments and reappointments. It periodically assesses the functioning of individual Directors and is also responsible for reviewing succession plans for the Directors.

Prior to Admission, the Board will adopt terms of reference for the functioning of the Nomination Committee, which will set out its duties and responsibilities, including in relation to:

- Regularly reviewing the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and making recommendations to the Board with regard to any changes that it may require in order for it to competently discharge its duties, having regard to the strategic direction of HBX Group.
- Ensuring plans are in place for orderly succession to Board and senior management positions, including the Chief Executive Officer and Chair, and overseeing the development of a diverse pipeline for succession, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board and in senior management in the future.

- Keeping under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace.
- Having defined the aptitudes that candidates should have to be appointed as Director, identifying and nominating for the approval of the Board, candidates to fill board vacancies, including those of independent Directors, as and when they arise.
- Overseeing the performance evaluation process for the Board, Board committees and individual Directors, ensuring that the performance evaluation is externally facilitated at least every three years.
- Making recommendations to the Board on the membership of the Board committees.
- Making recommendations to the board on any proposed re-election of an existing Director retiring by way of rotation or otherwise at any annual general meeting of the Company, taking into consideration the evaluation of the retiring Directors performance.
- Assessing and making recommendations to the Board in relation to the independence of non-executive Directors on appointment, and then annually and whenever any interests or relationships are disclosed by a Director.
- Issuing its opinion on the appointment and potential termination of senior managers proposed by the Chief Executive Officer and on the basic terms of their contracts (other than remuneration).
- Ensuring that non-executive Directors have sufficient time available to discharge their functions effectively.

Besides setting out the tasks and duties of the Nomination Committee as described above, the terms of reference provide, *inter alia*, that:

- the Nomination Committee will meet as often as is required for its proper functioning, but at least two times each year;
- the Nomination Committee will consist of at least three members. No maximum amount of members is regulated in the terms of reference;
- all the members of the Nomination Committee must be non-executive, its chair must be independent and more than half of the members must be independent or other external Directors within the meaning of the Spanish Governance Code;
- the Nomination Committee may not be chaired by a former executive Director;
- the quorum necessary for the transaction of business is any two members, both of them being independent non-executive Directors; and
- The Nomination Committee is subject to the same rules on majorities for the adoption of resolutions as those applicable to the Board pursuant to the Articles of Association and the Board Regulations. Where, at any meeting of the Nomination Committee, an equal number of votes have been cast for and against any resolution, the Nomination Committee chair shall have a casting vote.

The composition of the Nomination Committee is as follows. All members meet the requirements of members of the Nomination Committee pursuant to the terms of reference, as further described above.

Name	**Position**	**Category**	**Date of appointment** [(1)]
Sabine Hansen Peck	Chair	Independent Director	14 January 2025
Richard Solomons	Member	Other external Director	14 January 2025
Jonah Enbar	Member	Proprietary Director	14 January 2025
Matthew Sabben-Clare	Member	Proprietary Director	14 January 2025
Carla Stent	Member	Independent Director	14 January 2025
Sabine Bendiek	Member	Independent Director	14 January 2025

Note:

(1) Date of Board appointment resolution. Appointments have been accepted and will be effective as of Admission. Appointments will expire when the relevant Directors retire from office.

Senior Management

The Group is managed by an executive management team (the "**Executive Committee**").

For the avoidance of doubt, the Executive Committee is not a Board committee that is made up of Directors and on which the Board has delegated on a permanent basis part of its powers, but rather a senior executive management committee made up by senior managers (who may or may not be Directors) appointed from time to time by the Chief Executive Officer and who report directly to him. All Executive Committee members have entered into indefinite employment or services agreements with the Group and there is no fixed expiry date of their appointment as Executive Committee members, as it is the Chief Executive Officer who, at his discretion, decides from time to time who is appointed to, or ceases to be a member of, the Executive Committee.

The current Executive Committee consists of nine key members, each of whom oversees a specific aspect of the business. The persons set forth below are the current members of the Executive Committee.

The following table sets out the names of the current members of the Executive Committee, the names of all companies (other than Group companies and entities with an exclusive property, asset holding or family-related purpose) and partnerships where those persons have been a member of the administrative, management or supervisory bodies or partner at any time in the previous five years and their positions (title). The past directorships and partnerships column includes the offices held in the previous five years, whereas the principal activities outside HBX Group column includes offices that are currently held by the relevant members of the Executive Committee.

Name	Title	Past directorships and partnerships	Principal activities outside HBX Group
Nicolas Huss	Chief Executive Officer	See "—*Board of Directors—Composition of the Board*" above	See "—*Board of Directors—Composition of the Board" above*
Carlos Muñoz	Deputy CEO and Chief Commercial Officer	TUI Group – managing director Hotelbeds First Choice Holidays PLC (UK) – Operations director Hotelbeds	—
Brendan Brennan	Chief Financial Officer	CFO at ICON Plc	Member of the board of directors of Childlight
Daniel Nordholm	Chief Product & New Business Officer	Head of merchant services at Worldline Global CEO & CTO of Bambora SVP global service at VeriFone	Member of the board of directors of Payment AB
Mark Antipof	Chief Growth Officer	Head of global sales and marketing at Ingenico Non-executive director at Splitit CCO for VISA Business development director at Burgundy Global Sales director Europe at Noblestar Managing director Equifax	Director and chairman of Luxurist Bookings SAS Director of PerfectStay.com SAS
Elena Pérez	Chief Human Resources, Communications & ESG Officer	CHRO Claire's Accessories Inc. International HR director at TENDAM Senior manager at Garrigues Human Capital Services Senior manager IBM (after merge with PWC) Senior consultant and manager for PwC	—

Name	Title	Past directorships and partnerships	Principal activities outside HBX Group
Javier Cabrerizo	Chief Strategy & Transformation Officer	Head of strategy & transformation at TUI A&D	—
Xabier Zabala	Chief Operations Officer	Director of commercial strategy, planning and excellence at TUI Group	—
Paula Felstead	Chief Information Officer	Group CTO at Ingenico Group Chief digital officer at VISA Europe	Independent director and member of the board of directors of Quadient S.A.

All members of the Executive Committee have designated the Company's registered address as their professional address for the purpose of this Prospectus.

Biographical Details of the members of the Executive Committee

Set out below are brief summaries of the biographies of the members of the Executive Committee. For information in respect of the members of the Executive Committee who will also be members of the Board, including Nicolas Huss, see "—*Board of Directors—Biographical Details of the Directors*" above.

Carlos Muñoz (Deputy CEO and Chief Commercial Officer)

Mr. Carlos Muñoz is the Deputy CEO and chief commercial officer at HBX Group, working in HBX Group since 2001.

Prior to that, Mr. Muñoz worked in the travel industry at TUI Group, First Choice Holidays PLC (UK) and at Barceló Travel Group.

Mr. Muñoz holds a degree in Telecommunications Engineering from Barcelona Tech University and master's degree in Space Telecommunications from Telecom Paris.

Brendan Brennan (Chief Financial Officer)

Mr. Brendan Brennan is the Chief Financial Officer at HBX Group since 2024.

He is also a member of the board of directors of Childlight.

Prior to joining HBX Group, Mr. Brennan was CFO at ICON Plc.

Mr. Brennan holds a BA in Accounting and Finance from the Dublin City University and qualified as a Chartered Accountant.

Daniel Nordholm (Chief Product & New Business Officer)

Mr. Daniel Nordholm is the Chief Product & New Business Officer at HBX Group since January 2023.

Before joining HBX Group, Mr. Nordholm has held key leadership roles such as head of merchant services for Europe at Worldline Global. He was CEO of Bambora, and prior to that the CTO. He was heading SVP global service at VeriFone.

Mr. Nordholm graduated in electrical engineering at Lund University in Sweden.

Mark Antipof (Chief Growth Officer)

Mr. Mark Antipof is the Chief Growth Officer at HBX Group from February 2023.

He is also director and chairman of Luxurist Bookings SAS and director of PerfectStay.com SAS.

Prior to joining HBX Group, Mr. Antipof was head of global sales and marketing at Ingenico and non-executive director at Splitit. He was working almost 15 years at VISA achieving the CCO role.

Prior to that, Mr. Antipof has held director roles at Burgundy Global, Noblestar and Equifax.

Mr. Antipof holds a Diplome d'etudes superieures in Informatique de gestion (HND in Computer Science) from the Institut Français in Lebanon.

Elena Pérez (Chief Human Resources, Communications & ESG Officer)

Ms. Elena Pérez is the Chief Human Resources, Communications & ESG Officer at HBX Group since 2014.

Her previous career includes international CHRO positions in Claire's Accessories Inc and Tendam Group. Ms. Pérez has experience with consulting firms such as Garrigues Human Capital and PwC where she worked as senior manager and consultant.

Ms. Pérez gained an LLB degree in law from The University in Sevilla and a master's degree in human resources from ESNA.

Javier Cabrerizo (Chief Strategy & Transformation Officer)

Mr. Javier Cabrerizo is the Chief Strategy & Transformation Officer at HBX Group since 2024.

Prior to that, he was Head of Strategy at TUI A&D.

Mr. Cabrerizo holds a BS in Business Management and Administration by the Universidad Complutense de Madrid and leadership training in Digital Transformation from The Valley Business & Tech School, and Corporate Finance Strategy from Columbia University.

Xabier Zabala (Chief Operations Officer)

Mr. Xabier Zabala is the Chief Operations Officer at HBX Group since 2024.

His previous career includes the position as director of commercial strategy, planning and excellence at TUI Group.

Mr. Zabala gained an MBA from MIT Sloan.

Paula Felstead (Chief Information Officer)

Ms. Paula Felstead is the Chief Information Officer at HBX Group since 2021.

Ms. Felstead is also independent director and member of the board at Quadient S.A. In her past career, Ms. Felstead was group CTO for Ingenico Group and chief digital officer at VISA Europe. Ms. Felstead graduated in Computer Studies (Higher National Diploma) at the University of West London.

Members of the Executive Committee's No Convictions and Other Negative Statements

At the date of this Prospectus, the members of the Executive Committee have not, in the previous five years:

- been convicted of any fraudulent offences;
- as a member of the administrative, management or supervisory body at any company, or as partner, founder or senior manager at any company, been associated with any bankruptcy, receivership or liquidation (other than voluntary liquidation) of such company;
- as a member of the administrative, management, or supervisory body at any company, or as partner, founder or senior manager at any company, been associated with that company being put into administration;
- been subject to any official public incriminations and/or sanctions by any statutory or regulatory authority (including any designated professional body); or
- been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer.

Directors and Executive Committee Shareholdings

Immediately prior to Admission and subject to the successful implementation of the Proposed Reorganisation, certain Directors and members of the Executive Committee will have a direct interest in the issued ordinary share capital of the Company (including beneficial interests and interests of persons connected with the Directors or members of the Executive Committee). See section "*Principal and Selling Shareholders*".

Compensation

Board Compensation

Under the provisions of the Articles of Association, the Board Regulations, and the terms of reference of the Remuneration Committee, the shareholders' general meeting, the Board and the Remuneration Committee are the Company's corporate bodies involved in determining, applying, and reviewing the Company's Directors' remuneration system, which is regulated in the Articles of Association (which include the high-level remuneration principles described below), the Board Regulations, and the Company's remuneration policy (the "**Remuneration Policy**"), which, among other matters, regulates in detail the principles and goals of Directors' remuneration, as well as the remuneration components and maximum amounts payable to executive and non-executive Directors.

To implement the determination, review, and application of the Remuneration Policy, the Company relies on input from the Remuneration Committee, which provides recommendations to the Board as necessary.

The Board's functions on remuneration mainly include proposing for approval by shareholders at a general meeting the Remuneration Policy, and, within the framework of the Remuneration Policy, the Articles of Association and the Board Regulations, and at the proposal of the Remuneration Committee, taking certain decisions regarding directors' remuneration, including setting, within the overall limit set out by the Remuneration Policy, the precise amount to be paid to each non-executive Director taking into consideration the duties and responsibilities assigned to each of them, their membership of Board committees and other objective circumstances that it deems relevant.

The Remuneration Policy was approved in principle by the Board on 14 January 2025 and is expected to be ratified by the Company's Board on 10 February 2025 and by the Company's Remuneration Committee in its first meeting following Admission. The Remuneration Policy will be effective from the date of Admission and is intended to apply up to the first general meeting of shareholders to be held during FY 2026. In accordance with s. 439A of the UK Companies Act, a new remuneration policy, which is expected to be broadly consistent with the present Policy, will be submitted for shareholders' approval at the first general meeting of shareholders to be held during FY 2026.

According to the Articles of Association, the ordinary remuneration of the non-executive Directors for their services will be determined by the Board. In addition, according to the Board Regulations, within the terms of the Remuneration Policy and in consultation with the Chair, the Remuneration Committee shall determine the total individual remuneration package of executive Directors. Any non-executive Director who performs special services which in the opinion of the Board are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of additional fee, salary, commission or otherwise as the Board may determine. In addition, where appropriate, Directors will be paid expenses properly incurred by them in connection with their attendance at meetings of the Board, committees thereof, general meetings, or otherwise in connection with the discharge of their duties.

The Remuneration Policy sets out that Directors' remuneration must be adequate to the circumstances existing at each moment in time, paying special attention to the evolution of the regulation of better practices, recommendations, and national and international trends and standards in relation to the remuneration of directors of listed companies and the prevailing market conditions, and must be proportional to the performance of executive duties by the executive directors.

The Remuneration Policy is designed to provide a remuneration framework based on the following principles:

- Transparency: the level of transparency will be in line with the best corporate governance to create trust among all stakeholders.
- Prudent and efficient risk management: the amount of remuneration will be based on the principle of prudence and is an incentive to reward their dedication, qualifications and responsibility, without being an obstacle to their duty of loyalty or the long-term sustainability of the Company.
- Flexibility: the variable remuneration will not be guaranteed and will be sufficiently flexible so there will a possibility of not paying this compensation.
- Suitability: the remuneration should be sufficient to compensate Directors' dedication, qualification and responsibility.

- Competitiveness: the remuneration should help to attract and retain the best professionals while remaining in line with the best market practices, recommendations and national and international trends and standards.
- Pay for performance: a significant part of the total remuneration for executive Directors will be variable and subject to the achievement of financial, business and sustainability objectives.
- Fair pay: the remuneration will be in line with the Company's status and the sector in which it operates, as well as the economic situation at any given time.
- Good governance: the Company will adopt any measures required to ensure good governance.
- Equality and diversity: the Remuneration Policy should avoid any discrimination based on sex, culture, race, religion, or disability.

The Remuneration Policy also differentiates between the remuneration of executive and non-executive Directors. Non-executive Directors will be remunerated for the performance of supervisory and collegial decision-making tasks within the Board and the committees thereof in a manner that is adequate and sufficient for their dedication, qualifications, and responsibilities, without compromising their independence of judgment. Executive Directors' remuneration will be proportional to the performance of their executive duties.

Compensation of non-executive Directors for the performance of their general role as Directors

For FY 2024, the total amount paid to the directors of HBG Ltd for the performance of their general role as directors (including benefit allowances) amounted to €538,224. No additional amounts were paid for being a member or chairing board committees. The breakdown of the remuneration paid to each of the directors of HBG Ltd for FY 2024 is as follows:

Director of HBG Ltd [(1)]	**Remuneration for the performance of their general role as directors of HBG Ltd for FY 2024**
Richard Solomons	€250,000
Joan Vila Bosch[(2)]	€178,224
Ronica Wang	€110,000
Stephen Huntley	€0
William Boardman	€0
Matthew Sabben-Clare[(3)]	€0
Jonah Enbar	€0
Jorge Quemada[(4)]	€0
Guillermo Jönas	€0

Notes:

(1) In addition, HBG Ltd has paid approximately €18,500 in expenses incurred by the Directors in connection with the discharge of their duties. Remuneration of Nicolas Huss is described separately (see "—Compensation of Directors for the performance of executive duties" below).

(2) Including a car allowance.

(3) On 14 May 2024, Matthew Sabben-Clare was appointed as director.

(4) On 14 May 2024, Jorge Quemada ceased to be a director.

HBG Ltd was incorporated on 27 May 2015, whereas the Company was incorporated on 20 December 2023. HBG Ltd, certain subsidiaries of HBG Ltd, the Company and HBG Ltd's shareholders (which includes all holders of Preference Shares and Shareholder Loan Notes issued by HBG Ltd) have agreed to undertake certain transactions as part of a corporate reorganisation to be effected after approval of this Prospectus and execution of the Underwriting Agreement, and before the Initial Registration Time, pursuant to which the Company will become the sole shareholder of HBG Ltd and, therefore, the parent company of HBX Group. For further information on this corporate reorganisation and on the predecessor accounting method, see sections "*Presentation of Financial and Other important Notices—Historical Financial Information*" and "*Proposed Reorganisation*" below.

With regards to the Company, according to the Remuneration Policy, the Board Regulations and the Articles of Association, the remuneration of the non-executive Directors for the performance of their general role as Directors will consist of a fixed amount to be paid in cash and, where appropriate, Directors will be paid expenses properly incurred by them in connection with the discharge of their duties. The proprietary Directors will have no entitlement to remuneration.

In particular, according to the Remuneration Policy, conditional on Admission taking place and starting from that date, (i) each independent non-executive Director shall be entitled to €110,000 per annum for the performance of their general role as Directors, plus €52,000 per annum for each Board committee they chair (except for the Nomination Committee), plus €25,000 per annum for each Board committee they are a member of (except for the Nomination Committee, or any Committee they chair). The Chair of the Board shall be entitled to a fixed remuneration of €500,000 per annum and will not be entitled to additional compensation for the Board committees he is a member of or chairs. The fixed annual amounts payable to independent non-executive Directors shall be cumulative for Directors holding multiple roles in the Board and its committees. Moreover, if a Director is appointed or leaves the office during a given financial year (as will be the case in FY 2025, as the appointment of all Directors has taken place, after the start of FY 2025), the compensation to be received by him or her in respect of such financial year will be proportional to the term in office. Therefore, the aggregate compensation of non-executive Directors for the performance of their general role as Directors from Admission until the end of FY 2025, will consist of a total amount of approximately €622,751, while for FY 2026 it is expected to amount to €984,000.

Directors will not receive additional remuneration from any other Group company following Admission. However, from the beginning of FY2025 until Admission, Richard Solomons will receive approximately €91,781 from HBG Ltd as remuneration for his directorship of HBG Ltd, and Sabine Hansen Peck, Sabine Bendiek and Carla Stent will receive, respectively, €59,474, €58,740 and €59,474 from HBG Ltd for advisory work.

According to the Remuneration Policy, the maximum annual aggregate amount payable to all non-executive Directors (including the Chairman) for the performance of their general role as Directors (including for being a member or the chair of a Board committee), shall not exceed €1,000,000. The Board shall decide, within such overall limit, the precise amount to be paid to each non-executive Director taking into consideration the duties and responsibilities assigned to each of them, their membership of Board committees and other objective circumstances that it deems relevant. The maximum amount payable to the non-executive Directors must also be set out in the Remuneration Policy that would be submitted for shareholder approval at the first general meeting of shareholders to be held during FY 2026. Following such approval, an increase of the maximum amount payable would require an amendment of the Remuneration Policy, which would require a further shareholders' approval.

In addition, according to the Remuneration Policy, non-executive Directors are not entitled to participate in any incentive scheme linked to the Company's performance or in any other long-term savings scheme. Also, non-executive Directors are not entitled to receive any compensation on termination of their appointment, or any other remuneration in addition to the fixed fees described above.

In addition, during FY 2025, it is expected that the Chair of the Board will receive, subject to Admission taking place, €1.4 or €2 million pursuant to the New MIP Director and Top Manager (depending on the results of the metrics to which the plan is linked), €5.7 million pursuant to the Additional Incentive Bonus and €1 million pursuant to an exit bonus (the "**Exit Bonus**"). All these incentives will have vested prior to Admission or on Admission before the new Remuneration Policy is effective. For further information on the New MIP Director and Top Manager and the Additional Incentive Bonus, see "*—Incentive Plans—Historical incentive plans to be liquidated upon Admission*" and "*—Incentive Plans—Extraordinary incentives and awards*" below.

Compensation of Directors for the performance of executive duties

Under the Remuneration Policy, the remuneration of executive Directors may consist of the following components:

- A fixed annual amount as base salary, which will reflect the market value of the role and skills of the executive Director, as well as his/her experience and performance, to ensure talent is attracted and retained.
- Benefits, including but not limited to the entitlement to use a Company vehicle, health and life insurance, compliance support, relocation benefits, and other benefits following the relevant polices approved by the Company from time to time.
- A long-term savings scheme (i.e., pension benefits).
- A variable annual remuneration that is approved by the Remuneration Committee in consultation with the Chair, based on individual performance, the Company's performance against financial, operational, or strategic objectives linked to the Group's business plan, and other non-financial

(i.e., environmental, social, and governance) and risk-related measures. This variable remuneration is calculated as a percentage of the individual's fixed base salary, paid in cash.

- A long-term variable incentive plan. Long-term variable incentive schemes shall be subject to the fulfilment of certain key objectives such as financial and shareholder return objectives (which may include, among others, the following metrics: total shareholder return, revenue growth and free cashflow conversion) and other key non-financial objectives linked to environmental, social or governance metrics. The final amount of any long-term variable remuneration payable to an executive Director will be determined by the Remuneration Committee, in consultation with the Chair, based on the level of achievement of the objectives set out in the applicable plan. The settlement of these plans will be through the delivery of shares, and will be subject to malus and clawback clauses. See "*—Incentive Plans—Incentive plans following Admission*".

The remuneration components and the maximum value or amounts payable in respect of each component are set out in the Remuneration Policy, which was approved in principle by the Board on 14 January 2025 and is expected to be ratified by the Company's Board on 10 February 2025 and by the Company's Remuneration Committee in its first meeting following Admission. The Remuneration Policy will be effective from the date of Admission and is intended to apply up to the first general meeting of shareholders to be held during FY 2026. In accordance with s. 439A of the UK Companies Act, a new remuneration policy, which is expected to be broadly consistent with the present Policy, will be submitted for shareholders' approval at the first general meeting of shareholders to be held during FY 2026. Following such approval, any change to the remuneration components and the maximum value or amounts payable in respect of each component would require an amendment of the Remuneration Policy, which would require a further shareholders' approval.

As of the date of this Prospectus, the only director who has executive duties within the Company is the Chief Executive Officer.

On 17 December 2021, the Company entered into an indefinite term-contract service agreement with the Chief Executive Officer. This service agreement amends the contract governing the previous terms and conditions of his duties as chief executive officer of the Group entered into on 4 May 2021. It is expected that, on 10 February 2025, the Board will approve the novation of this contract in favour of the Company, without making any material amendment to its terms and conditions.

The Chief Executive Officer's remuneration for the services rendered under such service agreement, as novated, is made up of the following components and amounts for FY 2025 and FY 2026:

- A fixed base salary, which includes the annual remuneration for the performance of his general role as Director of €700,107 for FY 2025 and €850,000 for FY 2026.
- A maximum of €60,000 for FY 2025 and €65,000 for FY 2026 of in-kind and in cash benefits, which does not include expenses properly incurred in connection with the discharge of his duties as Director.
- A long-term savings scheme (i.e., pension benefits) instrumented through an insurance policy, whereby annual gross contributions of €70,011 for FY 2025 and €85,000. for FY 2026 are made by the Company.
- A variable annual remuneration which, in the scenario where 100% of the objectives are achieved, will amount to €1,100,169 for FY 2025 (to be paid in FY 2026) and €1,275,000 for FY 2026 (to be paid in FY 2027), with the maximum bonus payable for the variable annual remuneration in the scenario where 200% of the objectives are achieved being €2,200,338 for FY 2025 (to be paid in FY 2026) and €2,550,000 for FY 2026 (to be paid in FY 2027).
- A long-term variable remuneration, which in the scenario where 100% of the objectives are achieved, will amount to 200% of the fixed based salary, with the maximum amount payable being 300% of the fixed based salary in the scenario where 200% of the objectives are achieved. This long-term variable remuneration will be implemented following Admission through the Performance Share Plan (see *"—Incentive Plans—Incentive plans following Admission*" below).

The service agreement executed with the Chief Executive Officer, as novated, contains clauses that are customary in these type of agreements, such as: exclusivity, confidentiality, post-contractual non-competition of a one-year period (during which he would be entitled to receive as compensation 100% of his annual fixed base salary). No provisions regulating the right to compensation of the Chief Executive Officer in case of change of control are included in this contract. In addition, he would be entitled to a severance payment of seven days of fixed base salary per year of service (capped at a maximum amount equivalent to six months of fixed base salary) if the senior management employment contract (*contrato de alta dirección*) that the Chief Executive Officer had in place before this service agreement (and which was held in abeyance when the service agreement was executed) is terminated at the free will of the Company without a serious or punishable breach by the Chief Executive Officer.

In addition, the Chief Executive Officer is a beneficiary of the Additional Incentive Bonus, pursuant to which, subject to Admission taking place, he will receive an additional bonus in cash of €32.8 million (without considering social security costs) as a reward for his extraordinary delivery over the years. For further information on the Additional Incentive Bonus, see *"—Incentive Plans—Extraordinary incentives and awards*" below. Also, as further described in *"—Executive Committee compensation*" below, at the first Board meeting to be held following Admission, the Potential Retention Bonus Increase (as defined below) may be proposed for approval by the Board. If proposed and approved, under the Potential Retention Bonus Increase, the Chief Executive Officer could receive up to €1.9 million (up to €942,922 for FY 2025 (payable in FY 2026) and up to €942,922 for FY 2026 (payable in FY 2027)).

The compensation paid to the Chief Executive Officer in FY 2024 for the services rendered to HBG Ltd is summarised in the following table:

Fixed remuneration (1)	**Variable remuneration (1)**	**Benefits (1)**	**Savings plan (1)**
€700,096	€2,200,202(2)	€52,748	€70,008

Notes

(1) Without considered social security costs.
(2) Annual variable remuneration accrued during FY 2023 and paid during FY 2024.

The compensation that is expected to be paid to the Chief Executive Officer in FY 2025 for the services rendered to HBG Limited until Admission and to the Company following Admission, as well as for the Additional Incentive Bonus, is summarised in the following table:

Fixed remuneration (1)	**Variable remuneration (1)**	**Benefits (1)**	**Savings plan (1)**	**Additional Incentive Bonus(1)**
€700,107	€3,421,236(2)	€60,000	€70,011	€32,793,761

Notes

(1) Without considering social security costs.
(2) Annual variable remuneration accrued during FY 2024 and paid in December 2024.

The Chief Executive Officer does not receive additional remuneration from any other Group company.

Executive Committee compensation

The compensation paid to the members of the executive committee of HBG Ltd for FY 2024 amounted to €6.9 million (excluding social security costs). This amount covers twelve senior managers, excluding the Chief Executive Officer, and reflects only the period each manager served on the Executive Committee during FY 2024. This amount primarily includes fixed remuneration, annual variable remuneration accrued during FY 2023 and paid during FY 2024, variable remuneration corresponding to the 2023 vesting of the 2021-2024 LTIP, in-kind benefits and contributions to savings plans.

For FY 2025, the maximum compensation to be paid to the members of the Executive Committee of the Company (eight senior managers, excluding the Chief Executive Officer, whose compensation is detailed above) is expected to amount, in aggregate, to approximately: (i) €7,8 million (excluding social security costs) of fixed remuneration, variable remuneration accrued during FY 2024 that was paid in December 2024, and benefits, with this €7,8 million figure also including a €1 million exit bonus payable subject to Admission, and (ii) between €56 million and €58 million (excluding social security costs) of variable remuneration corresponding to all Historical LTIPs (see "*—Incentive Plans—Historical incentive plans to be liquidated upon Admission*" below) and the Additional Incentive Bonus. For further information on the long-term incentive plans and the Additional Incentive Bonus, see "—Incentive Plans—Historical incentive plans to be liquidated upon Admission" and "*—Incentive Plans—Extraordinary incentives and awards*" below. For FY26, the maximum compensation to be paid to the members of the Executive Committee of the Company is expected to be between €9.6 million and €10.4 million (excluding social security costs) of fixed remuneration, variable remuneration accrued during FY 2025 that will be paid during FY 2026 and benefits.

As a consequence of the settlement of the Historical LTIPs (see *"—Incentive Plans—Historical incentive plans to be liquidated upon Admission*" below), certain employees and managers, including some of the Executive Committee members will suffer a loss of competitiveness in their total remuneration system from Admission until the proceeds of the Performance Share Plan start to be paid to its beneficiaries, at a crucial time for the organisation when HBX Group must retain the best talent. On those grounds, it is expected that, on 10 February 2025, the Board will approve a complimentary incentive for certain employees and managers, including some of the Executive Committee members, conditional upon Admission and starting from that date, linked to (i) continued employment until the end of the accrual period and (ii) fulfillment of certain financial objectives linked to HBX Group's strategic goals, as well as individual performance (the "**Retention Bonus**"). The aggregate amount of the Retention Bonus will be €3.6 million (of which €1.3 million correspond to certain Executive Committee members, excluding the Chief Executive Officer). The Retention Bonus is expected to have a two-year term (FY 2025 and FY 2026) with an annual vesting of 50% of the relevant Retention Bonus (i.e., €1.8 million) at the end of each of FY2025 (payable in FY 2026) and FY2026 (payable in FY 2027), once accrual conditions have been assessed and met. The cost of this plan for FY 2025 in relation to members of the Executive Committee (i.e., €650,000, which would be payable in FY 2026) is included in the compensation figures of the members of the Executive Committee for FY 2026 described above (i.e., €9.6 million). The cost of this plan for FY 2026 in relation to members of the Executive Committee (i.e., €650,000), will be payable in FY 2027.

An increase in the amount of the Retention Bonus which may include as beneficiaries certain employees, managers and certain members of the Executive Committee, including the Chief Executive Officer (the "**Potential Retention Bonus Increase**"), may be proposed to the first Board meeting following approval of the Retention Bonus. The aggregate amount of the Potential Retention Bonus Increase could be of up to €4.6 million (of which €3.5 million would corresponds to certain members of the Executive Committee including the Chief Executive Officer). However, even if the Potential Retention Bonus Increase is approved, the Board, following the recommendation of the Remuneration Committee, could decide not to pay any amount (or to reduce the maximum amount payable) under the Potential Retention Bonus Increase. The Potential Retention Bonus Increase would have a two-year term (FY 2025 and FY 2026) with an annual vesting of 50% of the relevant Retention Bonus (i.e., €2.3 million) at the end of each of FY2025 (payable in FY 2026) and FY2026 (payable in FY 2027), once accrual conditions have been assessed and met. The cost of this plan for FY 2025 in relation to members of the Executive Committee excluding the Chief Executive Officer (i.e., €0.8 million), which would be payable in FY 2026) is included in the high end of the compensation range of the members of the Executive Committee for FY 2026 described above (i.e., €10.4 million). The cost of this plan for FY 2026 in relation to members of the Executive Committee excluding the Chief Executive Officer (i.e., €0.8 million), would be payable in FY 2027. The maximum amount potentially payable to the Chief Executive Officer under the Potential Retention Bonus Increase would be €1.9 million (up to €942,922 for FY 2025 (payable in FY 2026) and up to €942,922 for FY 2026 (payable in FY 2027)).

The contracts executed with the members of the Executive Committee contain clauses that are customary in these type of agreements, such as: exclusivity, confidentiality, post-contractual non-competition of between six-months and a one-year period (during which they would be entitled to receive as compensation 60% to 70% of their annual fixed base salary) and non-solicitation. In addition, members of the Executive Committee are entitled to severance payments whose terms and conditions vary depending on the law to which each agreement is subject.

Incentive Plans

Historical incentive plans to be liquidated upon Admission

Since 2016, HBX Group has put in place a number of long-term incentive plans in response to the various challenges that it has faced, namely the integration process following the acquisition of Hotelbeds from the TUI Group by Cinven and CPPIB, the Covid-19 pandemic, the incentivisation for the transformation of the company in the post-pandemic period, and the need to retain talent. The long-term incentive plans currently in place within the HBX Group that include among their beneficiaries Directors and members of the Executive Committee are the following:

- Long-term incentive plan effective as of 1 October 2016, in favour of certain employees (including former employees and two members of the Executive Committee) (the "**2016 LTIP**"). As at the date of this Prospectus, this plan is fully vested and will be payable in cash upon Admission. The amount payable under this plan is expected to range between €13.5 million and €15.6 million (based on metrics linked to the Offering Price), without considering social security costs.

- Long-term incentive plan effective as of September 2017, in favour of certain employees (including former employees and two members of the Executive Committee) (the "**2017 LTIP**"). As at the date of this Prospectus, this plan is fully vested and will be payable in cash upon Admission. The amount payable under this plan is expected to range between €2 million and €3.9 million (based on metrics linked to the Offering Price), without considering social security costs.

- Long-term incentive plan effective as of 16 December 2020, in favour of certain employees (including six members of the Executive Committee) (the "**2021-2024 LTIP**"). This plan has a four-year term (2021 to 2024), with annual vestings every December and with the vested incentives being paid on an annual basis. This plan was fully vested and paid in December 2024. The amount paid under this plan in December 2024 was €2.3 million (without considering social security costs). On 1 October 2024, the board of HBG Ltd. approved an extension of the 2021-2024 LTIP to cover the period between 16 December 2024 and Admission and ensure retention of the relevant employees during this period. This extension was awarded to the same eligible beneficiaries and maintains the same terms and conditions as the 2021-2024 LTIP, except for the term. The amount to be paid under this extension is expected to be €0.3 million (without considering social security costs) and will be payable in cash upon Admission.

- Long-term incentive plan effective as of 29 April 2021 and valid until December 2025, in favour of certain employees (including five members of the Executive Committee) (the "**New MIP**"). At 30 September 2024, the vesting conditions were not expected to be met, as the vesting of the plan was subject to a successful exit event taking place by 31 December 2024, and therefore no accrual was recognised for FY 2024 in the Special Purpose Consolidated Financial Information. However, in October 2024, the vesting conditions of the New MIP were amended to enable participants to benefit from their award, such that the incentive plan is now expected to vest in FY 2025, contingent upon a successful exit event. This plan will be liquidated and payable in cash upon Admission. The amount payable under this plan is expected to be €30.1 million, without considering social security costs.

- Long-term incentive plan effective as of 29 April 2021 in favour of certain employees (including former employees and seven members of the Executive Committee) and the Chair (the "**Complementary 2021 LTIP**"). It is not expected that payment rights in favour of this plan's beneficiaries will be triggered upon Admission provided that the Offering Price falls within the Offering Price Range, in which case any rights under the plan will cease.

- Long-term incentive plan effective as of 29 April 2021 and valid until December 2025, in favour of the Chair, one member of the Executive Committee and one former member of the executive committee of HBG Ltd (the "**New MIP Director and Top Manager**"). At 30 September 2024, the vesting conditions were not expected to be met, as the vesting of the plan was subject to a successful exit event taking place by 31 December 2024, and therefore no accrual was recognised for FY 2024 in the Special Purpose Consolidated Financial Information. In October 2024, the vesting conditions of the New MIP Director and Top Manager were amended to enable participants to benefit from their award, such that the incentive plan is now expected to vest in FY 2025, contingent upon a successful exit event. This plan will be liquidated and payable in cash upon Admission. The amount payable under this plan is expected to range between €9.2 and €4.3 million (based on metrics linked to the Offering Price, with the incentive decreasing as the Offering Price increases), without considering social security costs.

- Long-term incentive plan effective as of 22 June 2023 in favour of one member of the Executive Committee (the "**Fintech LTIP**"). No payment rights under this plan will be triggered upon Admission and the plan will cease upon Admission.

The 2016 LTIP, the 2017 LTIP, the 2021-2024 LTIP, the New MIP, the Complementary 2021 LTIP, the New MIP Director and Top Manager and the Fintech LTIP, together, the "Historical LTIPs".

All Historical LTIPs will be liquidated and cease to exist upon Admission, and the relevant amounts are expected to be paid within the two months following Admission. The only amounts that have been provisioned in the FY 2024 accounts in relation to the Historical LTIPs are the following: €20.3 million for the 2016 LTIP and the 2017 LTIP and €2.8 million for the 2021-2024 LTIP.

The Group also established two long-term incentive plans, one of them effective as of 1 October 2020 in favour of two key employees and the other one effective as of 22 June 2023 in favour of one key employee (none of them members of the Executive Committee and one of whom is no longer an employee of the Group) which will be liquidated and payable in cash upon Admission (the "**Roiback LTIPs**"). The amount payable under these plans (which are not linked to the Offering Price) is expected to be €4 million. An amount of €3 million has been provisioned in the FY 2024 accounts in relation to the plan effective as of 1 October 2020.

In addition to the above, HBX Group has in place the EIP (as defined and described in the section "Business—Employees & Culture"), an additional incentive plan in favour of employees only (i.e., excluding Directors and members of the Executive Committee).

For additional detail on the total cash outflow and impact (including social security costs) on the Group's consolidated profit and loss account in FY 2025 of the Historical LTIPs, the Roiback LTIPs and the EIP, see "—*Risks relating to the Group and its Business—Certain payments linked to the Offering will result in significant cash outflows*".

Extraordinary incentives and awards

On 1 October 2024, the board of HBG Ltd, approved in favour of a total of 48 key Group employees (including all members of the Executive Committee), managers and directors, the right to receive an additional cash bonus as a reward for their extraordinary value creation achieved over the years (the "**Additional Incentive Bonus**"), subject to Admission taking place before the second quarter of calendar year 2025 and the beneficiaries remaining continuously employed with or contracted to HBX Group until Admission. The maximum amount payable under the Additional Incentive Bonus is €119.8 million without considering social security costs. Payment would take place no later than two months following Admission.

Incentive plans following Admission

On 14 January 2025, HBG Ltd's remuneration committee approved, and it is expected that on 10 February 2025 the Company's Board will adopt, subject to Admission, a long-term incentive plan for key employees, managers and executive Directors (including the members of the Executive Committee) of HBX Group (the "**Performance Share Plan**") who are invited to participate in the Performance Share Plan by the HBX Group. It is expected that the Performance Share Plan will be ratified by the Remuneration Committee in its first meeting following Admission.

The Performance Share Plan is a long-term incentive program offered by HBX Group to align key employees, managers and executive Directors' efforts with the organisation's long-term goals. It involves granting the beneficiaries Company's shares contingent on meeting specific performance targets over a set performance period thus creating a direct link between the employee and senior executive's performance and the Company's market value.

The Performance Share Plan will be implemented through the granting of a certain number of "theoretical shares" or "units", which will entitle the holder to receive shares at the end of the performance period, provided that the objectives of the plan are met, including the fulfilment of certain financial and non-financial objectives and the holder remains employed with or providing services to the HBX Group from the start date of the relevant cycle until the vesting date of the relevant cycle.

The number of units to be awarded to each beneficiary would be determined based on a target reference amount in cash, corresponding to a percentage of the annual fixed remuneration of each of the beneficiaries that would be determined by the Remuneration Committee (in consultation with the Chair in the case of the Chief Executive Officer).

The Performance Share Plan will have a total duration of five years, and it will be divided into three independent and overlapping three-year cycles (the "**Cycles**" and each of them, a "**Cycle**"), according to the following calendar:

- First Cycle: from Admission, until 30 September 2027.
- Second Cycle: from 1 October 2025 to 30 September 2028.
- Third Cycle: from 1 October 2025 to 30 September 2029.

The objectives foreseen for the first Cycle and their weighting are as follows:

- Total shareholders return: weighting 30%.
- Revenue growth: weighting 30%.
- Free cashflow conversion: weighting 30%.

- Environmental, Social and Governance (ESG): weighting 10%.

For the rest of the Cycles, the objectives will be approved by Remuneration Committee, following the provisions of the Remuneration Policy.

The settlement of the Plan would be made, after determining the degree of achievement of the objectives of the corresponding Cycle, in shares of the Company.

The Performance Share Plan will be subject to a change of control clause and malus and clawback clauses.

To comply with the Spanish Governance Code, executive Directors (as the date of this Prospectus, only the Chief Executive Officer) would not be able to transfer the shares awarded until a period of at least three years from the settlement has elapsed, except for those executive Directors that hold shares (or a net economic exposure to the variation in the price of shares) with a value equivalent to at least twice their fixed annual remuneration.

The maximum cost of the Performance Share Plan to the Group is expected to be approximately €54 million (without considering social security costs) for the three Cycles of the Performance Share Plan, payable according to the plan vesting terms and conditions over its total duration of five years. The expected maximum amount that may be awarded per cycle to the Chief Executive Officer is €2.6 million and the expected maximum aggregate amount that may be awarded per cycle to remaining members of the Executive Committee (excluding the Chief Executive Officer) is €5.9 million. The cost of the Performance Share Plan will be funded with the future results of the Group and not with proceeds from the Offering.

Board Liability, D&O Insurance Policy and Indemnity

Under the UK Companies Act, the Directors may be liable to the Company for breaches of the duties owed by them to the Company, as well as for negligence, default or breach of trust. They may also be liable to the Company and to shareholders for breaches of the Articles of Association and to third-parties in respect of civil damages. In certain circumstances, they may also incur additional specific civil and criminal liabilities.

Subject to the provisions of the UK Companies Act, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every Director or other officer of the Company (other than any person (whether an officer or not) engaged by the Company as auditor) shall be indemnified out of the assets of the Company against any liability incurred by him or her for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company, provided that the Articles of Association shall be deemed not to provide for, or entitle any such person to, indemnification to the extent that it would cause the Articles of Association, or any element of them, to be treated as void under the UK Companies Act.

Subject to Admission, the Directors and officers of the Company will be insured under a director's and officer's liability insurance policy with an overall coverage of €35 million and terms customary for a publicly listed company of the size of the Company.

Share dealing code of conduct

Subject to Admission, the Group will have in place a share dealing code of conduct, which was approved in principle by the Board on 14 January 2025.

Spanish Governance Code

In anticipation of Admission, the Company conducted a review of its corporate governance and sought to determine the most appropriate recognised governance code for it to report against going forward given that neither the UK Corporate Governance Code nor the Spanish Governance Code will mandatorily apply to the Company from Admission. Following this review, the Company determined to voluntarily adopt the Spanish Governance Code from Admission.

The Spanish Governance Code, as amended, was published by the CNMV on 18 February 2015 and last amended in 2020. The Spanish Governance Code contains principles and best practice provisions for the Board, the shareholders and general shareholders' meetings, financial reporting, auditors, disclosure, compliance and enforcement standards, and is based on a "comply or explain" principle. Accordingly, the Company will be required to disclose in its annual reports whether or not it is in compliance with the various principles and provisions of the Spanish Governance Code and, in the event that the Company deviates from a best practice provision in the Spanish Governance Code, the reason for such deviation must be properly explained in its annual report. A copy of the Spanish Governance Code can be found on www.cnmv.es.

The Company acknowledges the importance of good corporate governance. The Company endorses the underlying principles of the Spanish Governance Code and applies the Spanish Governance Code as the guiding principles for its corporate governance policy.

On Admission, the Company will comply with the following recommendations (once the amendments to its regulations or approval of internal regulations, rules and policies regarding the different aspects of these recommendations become effective upon Admission): 3, 4, 5, 6, 7, 8, 9, 10, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 27, 28, 29, 30, 31, 32, 33, 35, 36, 39, 40, 41, 42, 43, 44, 45, 46, 48, 49, 50, 51, 52 (except for 52.a)), 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63 and, 64.

The deviations from the Spanish Governance Code are noted below (or in the case of any future deviation, subject to explanation thereof at the relevant time):

- *Recommendation 1*: Even though generally the Articles of Association do not directly or indirectly impose a ceiling on the number of votes that a shareholder can issue, those shareholders of the Company who are subject to a special Canadian legal regime which restrict the number of securities of a corporation with voting rights to appoint or remove the directors that the shareholder can invest in (such as the Canada Pension Plan Investment Board Regulations (SOR/99-190) or the Pension Benefits Standards Regulations (Canada)) will be limited in the number of votes that they may cast at a general meeting exclusively in connection with the appointment or removal of Directors. As a consequence, the voting rights corresponding to the Shares held by the relevant shareholders in excess of the aforementioned 30% threshold will be suspended when voting in connection with the appointment or removal of Directors.

  However, the relevant shareholder affected by this limitation may request the Board to disapply such limitation, either on an *ad hoc* basis or on a permanent basis, when the special legal regime reference above to which such shareholder is subject does not specifically require the existence of a limitation on the number of votes that such shareholder may cast in connection with the appointment or removal of the Directors of the Company.

- *Recommendation 26*: Even though the Board Regulations set out that at least eight Board meetings per year will be held, given that HBG Ltd will be the parent company of the Group until completion of the Proposed Reorganisation and Admission is expected to take place during the second quarter of FY 2025, this recommendation is expected to be complied with from FY 2026 onwards.

- *Recommendation 47 and 52.a)*: On Admission, 50% of the members of the Nomination Committee will be considered as independent pursuant to the definition of the Spanish Governance Code.

In addition, the recommendations 2, 11, 34, 37 and 38 of the Spanish Governance Code do not and are not expected to apply to the Company.

Conflicts of Interests

Conflicts of interest are governed by both the UK Companies Act and, by voluntary application, by the Spanish Governance Code. The Articles of Association in combination with the Board Regulations and the Remuneration Policy provide for rules and measures applicable to the Board to ensure compliance with both sets of rules and to prevent conflicts of interest between the Directors and the Company.

Each of the Directors has a statutory duty under the UK Companies Act to avoid conflicts of interest with the Company and to disclose the nature and extent of any such interest to the Board. Similarly, the Spanish Governance Code requires the Directors to avoid any form of conflict of interest with the Company and to immediately report any (potential) conflict of interest to the Chair under provision of all relevant information.

The Board Regulations provide that the Board shall determine whether there is a conflict of interest in respect of the Directors outside the presence of the relevant Director.

A conflict of interest in relation to a Director exists in any event if the Company intends to enter into a transaction with a legal entity (i) in which such Director personally has a material financial interest, (ii) which has an executive director or a member of the management board who is related under family law to such Director; or (iii) in which such Director has an executive or non-executive position. Each of the Directors has a statutory duty under the UK Companies Act to avoid a situation in which they have or can have a direct or indirect interest that conflicts or possibly may conflict with the interests of the Company. This duty includes both a conflict of interest and a conflict of duties. Directors are required to disclose the nature and extent of any such interest to the Board. This duty is not infringed if the situation cannot reasonably be regarded as likely to give rise to a conflict of interest or if the matter has been authorised by the Board in accordance with the UK Companies Act and the Articles of Association. The Board may impose express terms or limitations to any such authorisation and may vary or terminate such authorisation at any time.

If a Director is in any way, directly or indirectly, interested in a proposed transaction or arrangement with the Company, it is a statutory duty under the UK Companies Act that the Director declare the nature and extent of that interest to the Board. A Director is also required to declare an interest, whether it is direct or indirect, in any existing transaction or arrangement into which the Company has entered. Except in certain circumstances as set out in the Articles of Association, a Director shall not vote on any resolution of the Board concerning a matter in which the Director has an interest which can reasonably be regarded as likely to give rise to a conflict with the interests of the Company.

The Company shall maintain a register of both situational conflicts authorised by the Board and transactional conflicts declared.

Decisions to enter into transactions in which there are conflicts of interest with Directors that are of material significance to the Company and/or to the relevant Director require the approval of the Board. Such transactions should be published in the annual board report. As permitted by the UK Companies Act, the Board may authorise any matter which would otherwise involve a Director breaching this duty to avoid conflicts of interest.

The Company should not grant Directors any personal loans, guarantees or the like unless in the normal course of business and on terms applicable to HBX Group's personnel as a whole, and after approval of the Board. No remission of loans should be granted.

As of the date of this Prospectus, no Director or member of the Executive Committee has a conflict of interest (actual or potential) between his or her duties to the Company and his or her private interests and/or other duties.

Family relationships

There are no family relationships nor "close relatives" (as this term is defined in applicable regulations for related party transactions and, in particular, in Order EHA/3050/2004 of 15 September) among the Directors, the Directors and the members of the Executive Committee, or among the members of the Executive Committee themselves.

PRINCIPAL AND SELLING SHAREHOLDERS

As of the date of this Prospectus, HNVR Topco is the sole shareholder of the Company. HNVR Topco is a private limited company duly incorporated on 1 June 2016 and existing under the laws of England and Wales, having its registered office at 7th Floor Tower 42, 25 Old Broad Street, London, EC2N 1HN, United Kingdom, and registered with the Companies House under number 10209686.

However, as soon as reasonably practicable following the date of this Prospectus, and in any case prior to the publication of the Offering Price (expected to take place on 10 February 2025), HNVR Topco will transfer the entire issued share capital of the Company to Prometheus Aggregator. See section "*Proposed Reorganisation*".

Following the completion of the Share-for-Share Exchange and the Management Selldown in the context of the Proposed Reorganisation (see section "*Proposed Reorganisaton*"), the Company's issued share capital will amount to €1,800,000), divided into 180,000,000 Shares, each with a par value of €0.01 and belonging to a single class.

For the purposes of the Management Reinvestment, the Company will issue between 4,370,294 and 4,111,829 Shares at a price per Share equal to the Offering Price (based on an Offering Price at the lower and upper ends of the Offering Price Range, respectively), resulting in an issued share capital ranging from €1,843,702.94 to €1,841,118.29, divided into 184,370,294 and 184,111,829 Shares immediately before the Offering. These newly-issued Shares will not form part of the New Offer Shares.

Pursuant to the Offering, between 69,047,619 and 58,000,000 New Offer Shares (based on an Offering Price at the lower and upper ends of the Offering Price Range, respectively), each with a par value of €0.01, are expected to be issued, resulting in a post-Offering issued share capital ranging from €2,534,179.13 to €2,421,118.29, divided into between 253,417,913 and 242,111,829 Shares.

The ranges of the newly-issued Shares deriving from the Management Reinvestment and the New Offer Shares as well as of the issued share capital and number of Shares post-Management Reinvestment and post-Offering are indicative only as they have been determined on the basis of the non-binding Offering Price Range.

Each of the Shares entitles the holder to one vote (in the case of CPPIB, subject to the limitations set out in the Articles of Association. See section "*Description of Share Capital—The General Meeting—Voting Rights—30% Rule*") and there is no limit as to the maximum number of voting rights that may be held by individual shareholders or by companies of the same group.

The following table sets forth certain information with respect to the ownership (and voting rights) of the Shares (i) immediately prior to the Offering and assuming the Share-for-Share Exchange, the Management Selldown and the Management Reinvestment have been completed and (ii) upon completion of the Offering, assuming that all the Existing Offer Shares are sold in the Offering, full exercise/no exercise of the Over-allotment Option and that the number of New Offer Shares is between 69,047,619 and 58,000,000, which is the number of New Offer Shares required to raise gross proceeds of approximately €725 million assuming an Offering Price at the lower and upper ends of the Offering Price Range, respectively.

	Immediately prior to the Offering[1]				Upon completion of the Offering (assuming an Offering Price at the lower and upper ends of the Offering Price Range)							
					Assuming no exercise of Over-allotment Option and sale/subscription of all the Offer Shares				Assuming full exercise of Over-allotment Option and sale/subscription of all the Offer Shares			
	Lower end		Upper end		Lower end		Upper end		Lower end		Upper end	
Shareholder												
Cinven[2]	37.62%	69,360,200	37.99%	69,943,465	27.05%	68,541,927	28.55%	69,115,642	25.33%	64,181,703	27.01%	65,390,440
CPPIB[3]	37.62%	69,360,200	37.99%	69,943,465	27.05%	68,541,927	28.55%	69,115,642	25.33%	64,181,703	27.01%	65,390,440
Kiwi Feeder[4]	16.71%	30,807,904	15.80%	29,094,814	12.01%	30,444,450	11.87%	28,750,460	11.25%	28,507,757	11.23%	27,200,864
The Foundation[5]	1.52%	2,810,069	1.44%	2,653,682	1.11%	2,810,069	1.10%	2,653,682	1.11%	2,810,069	1.10%	2,653,682
Richard Solomons[6]	0.19%	351,304	0.20%	374,513	0.14%	351,304	0.15%	374,513	0.14%	351,304	0.15%	374,513
Nicolas Huss[6]	0.83%	1,522,698	0.74%	1,366,488	0.60%	1,522,698	0.56%	1,366,488	0.60%	1,522,698	0.56%	1,366,488
Certain members of the Executive Committee[6]	1.12%	2,057,248	1.06%	1,944,941	0.81%	2,057,248	0.80%	1,944,941	0.81%	2,057,248	0.80%	1,944,941
Other shareholders[7]	4.39%	8,100,671	4.77%	8,790,461	3.20%	8,100,671	3.63%	8,790,461	3.20%	8,100,671	3.63%	8,790,461
Public (other free float)	—		—		28.04%	71,047,619	24.78%	60,000,000	32.24%	81,704,760	28.50%	69,000,000
Total	**100%**	**184,370,294**	**100%**	**184,111,829**	**100%**	**253,417,913**	**100%**	**242,111,829**	**100%**	**253,417,913**	**100%**	**242,111,829**
Free float[8]	—		—		33.15%		30.31%		37.36%		34.03%	

Notes

(1) Assuming (i) the indicative non-binding Offering Price Range is between €10.50 and €12.50 per Offer Share; (ii) the Share-for-Share Exchange, (iii) the Management Selldown and (iv) the Management Reinvestment in the context of the Proposed Reorganisation have been completed. See section "Proposed Reorganisation".

*(2) Through Prometheus Aggregator S.à r.l., which is wholly-owned by Fifth Cinven Fund (No. 1) Limited Partnership, Fifth Cinven Fund (No. 2) Limited Partnership, Fifth Cinven Fund (No. 3) Limited Partnership, Fifth Cinven Fund (No. 4) Limited Partnership, Fifth Cinven Fund (No. 5) Limited Partnership, Fifth Cinven Fund (No. 6) Limited Partnership (together referred to as the "**Fifth Cinven Fund**"), Fifth Cinven Fund Co-Investment Partnership and Fifth Cinven Fund FCP-SIF. No investors directly or indirectly own a 25% or more equity interest in the Fifth Cinven Fund. The Fifth Cinven Fund is controlled by its general partner Cinven Capital Management (V) Limited Partnership Incorporated, which in turn is controlled by its general partner Cinven Capital Management (V) General Partner Limited.*

(3) CPPIB is a federal Crown corporation established pursuant to the Canada Pension Plan Investment Board Act, which is not controlled by any other person or entity.

(4) Kiwi Feeder is indirectly controlled by EQT VII, which is managed by EQT Fund Management S.à r.l., which is in turn controlled by EQT AB. EQT AB is not controlled by any other person or entity.

(5) Directly as well as through KHS Holding S.à r.l., which is a wholly-owned subsidiary of the Foundation.

(6) These individuals acquired their Shares as part of the Management Reinvestment (see section "Proposed Reorganisation"). All the shares they previously held in HBG Ltd were acquired by them under the Shares Investment Opportunity (see section "Related Party Transactions—Relationship with Other Companies of the Group—Shares Investment Opportunity").

(7) Relates to certain other individuals and non-institutional shareholders, including certain former officers and senior employees of the Group who acquired their Shares as part of the Share-for-Share Exchange in the context of the Proposed Reorganisation or, in the case of two individuals who are not members of the Executive Committee, through the Management Reinvestment (see section "Proposed Reorganisation"). All the shares they previously held in HBG Ltd were acquired by them under the Shares Investment Opportunity (see section "Related Party Transactions—Relationship with Other Companies of the Group—Shares Investment Opportunity").

(8) Comprises the shareholdings of the Foundation, certain members of the Executive Committee, other shareholders and public (other free float) as set out in the table.

The Company will communicate its final ownership (and voting rights) structure together with the Offering Price through the publication of an inside information notice (*comunicación de información privilegiada*).

Orderly Market Agreement

On or around the date of the execution of the Underwiring Agreement (expected to be on or about 10 February 2025), Prometheus Aggregator, CPPIB and Kiwi Feeder are expected to enter into an orderly market agreement (the "**Orderly Market Agreement**"). The principal purpose of the Orderly Market Agreement (which would be conditional upon Admission) is to ensure that any sale of the Shares held by each of Prometheus Aggregator, CPPIB and Kiwi Feeder (the "**OMA Parties**", and each an "**OMA Party**") (and its respective transferees) at any time following Admission (subject to the lock-up restrictions contained in the Underwriting Agreement) are in accordance with an agreed sell-down process (subject to certain exemptions) such that each OMA Party sells its Shares in an orderly and coordinated manner (see section "*Risk Factors—Risks in relation to the Shares and the Offering—Certain Selling Shareholders will retain significant interests in, and will continue to exert influence over, HBX Group following the Offering and their interests may differ from or conflict with those of other Shareholders*").

The Orderly Market Agreement is expected to provide that each OMA Party (and its respective affiliates) can only sell the Shares they each hold in the Company in accordance with an agreed sell-down process, subject to certain exemptions broadly relating to: (i) transfers to affiliates (subject to such affiliates agreeing to be bound by the Orderly Market Agreement); (ii) transfers pursuant to a general offer made to all holders of Shares (or giving an irrevocable commitment to accept such a general offer); (iii) transfers in connection with any share buy-back programmes conducted by the Company; (iv) transfers in connection with any corporate restructuring of the Company; (v) transfers of any Shares acquired post-Admission; and (vi) transfers in accordance with a mandatory court order or as required by law or regulation.

The sell-down process is expected to involve any OMA Party proposing to dispose of any Shares, in which case the other parties will be entitled to participate in such sell-down pro rata to each of their holdings in the Company at the time of Admission (or as otherwise agreed by the OMA Parties participating in the respective sell-down process).

The Orderly Market Agreement is expected to terminate in the event that: (i) the Company ceases to be listed on the Spanish Stock Exchanges; or (ii) either Prometheus Aggregator or CPPIB, together with its respective transferees, ceases to hold or otherwise control at least 3% of the Shares. Notwithstanding the above, the sell-down restrictions will cease to apply to Kiwi Feeder upon the earlier of (i) Kiwi Feeder, together with its transferees, ceasing to hold or otherwise control at least 5% of the Shares; and (ii) the date falling three (3) years after Admission.

In any case, the information disclosed in the Prospectus is, in the opinion of the Company, the information necessary for investors to be able to make their investment decisions.

Change of Control of the Company

As of the date of the Prospectus, there are no arrangements between the shareholders of the Company that would result in a change of control in the Company at a subsequent date other than the Orderly Market Agreement, which governs how the Selling Shareholders may dispose of their Shares and which could therefore result in a person acquiring control in the future.

In addition, as of the date of Admission, there are no shareholders of the Company who exercise control for the purposes of Article 42 of the Spanish Commercial Code and Article 4 of the Spanish Securities Market Act. Therefore, the Company does not have a controlling shareholder.

Lock-up Arrangements

For a discussion of certain lock-up arrangements agreed in the context of the Offering, see "*—Plan of Distribution—Lock-up*" above.

DILUTION

As part of the Offering, the Company has decided to carry out a share capital increase in order to issue the New Offer Shares and the Selling Shareholders have waived their pre-emptive subscription rights.

Assuming that the Share-for-Share Exchange, the Management Selldown and the Management Reinvestment in the context of the Proposed Reorganisation have been completed, the Company's existing shareholders' ownership in the Company upon completion of the Offering would represent (i) 71.96% and 75.22% of the total number of Shares and voting rights at the lower and upper ends of the Offering Price Range, respectively, if the Over-allotment Option is not exercised, and (ii) 67.76% and 71.50%, respectively, if the Over-allotment Option exercised in full, with respect to the ownership percentage they held prior to the Offering.

The table below sets forth the increase in the number of Shares as a result of the Offering.

	Prior to the Offering(1)		**Upon completion of the Offering**	
	Lower end(2)	**Upper end**(2)	**Lower end**(2)	**Upper end**(2)
Existing Shares	184,370,294	184,111,829	184,370,294	184,111,829
New Offer Shares	—	—	69,047,619	58,000,000
Total	184,370,294	184,111,829	253,417,913	242,111,829

Notes:

(1) Assumes completion of the Share-for-Share Exchange, the Management Selldown and the Management Reinvestment. See section "Proposed Reorganisation".

(2) Refers to the lower and upper end of the Offering Price Range.

As of 30 September 2024, the net asset value of HBG Ltd per share (calculated as the sum of total assets less total liabilities as of 30 September 2024 and divided by the total number of shares of HBG Ltd at that date) amounted to approximately €1.13, while the indicative non-binding Offering Price Range at which the Offer Shares will be subscribed for or acquired by investors in the Offering is between €10.50 and €12.50 per Offer Share.

The Company may decide to carry out additional share capital increases in the future. In the event that share capital increases were completed, shareholders could be diluted if they do not exercise their pre-emptive rights or in the event such share capital increases exclude pre-emptive rights for existing shareholders in accordance with the Articles of Association.

RELATED PARTY TRANSACTIONS

General Information

In the ordinary course of its business, from time to time, members of HBX Group enter into agreements with certain related parties or their affiliates, including other companies within HBX Group relating to the rendering of intra-group services. These agreements are negotiated and executed on an arm's length basis and on the basis that the terms of these transactions are comparable to those contracted with unrelated third-party suppliers and service providers.

For IFRS-EU purposes, a "related party" is a person or entity that is related to the entity that is preparing its financial information.

The Company is required to report all related party transactions, as defined in International Accounting Standard 24 Related Party Transactions ("**IAS 24**"), in accordance with IFRS-EU and under the UK Companies Act. For IFRS-EU purposes, a "related party transaction" is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Prior to Admission, in accordance with Regulation (EU) 2023/1803 of 13 August 2023 adopting certain international accounting standards in accordance in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council dated 19 July 2002 on the application of international accounting standards, the Company considered related parties the following:

- its affiliates and Group companies;
- associate and joint venture interests;
- the Selling Shareholders;
- persons or entities related to the Selling Shareholders, and
- key management and close family members of key management.

The tables below set out the details of related party transactions entered into by members of HBX Group during the period covered by the financial information included in this Prospectus, except for those relating to Directors and senior management, which are described in section "*Management and Board of Directors—Compensation*". The breakdown from related party transactions described in the tables below has been derived from the Special Purpose Consolidated Financial Information. For further information on these related party transactions, please see Note 20 to the Special Purpose Consolidated Financial Information attached:

	FY 2022		
	Shareholders	**Associates**	**Other related parties**
		(€ millions)	
Sales to/Income from related parties	-	-	-
Purchases from/Expenses with related parties	0.3	-	4.8
Interest on loan notes	114.0	-	-
Dividends[(1)]	22.0	-	-
Accounts receivable from related parties/Current financial investments	-	-	-
Accounts payable to related parties	-	-	-

Note:

(1) Accrued dividends on preference shares.

	FY 2023		
	Shareholders	**Associates**	**Other related parties**
		(€ million)	
Sales to/Income from related parties	-	-	-
Purchases from/Expenses with related parties	0.3	-	10.2
Interest on loan notes	126.0	-	-
Dividends[(1)]	25.0	-	-
Accounts receivable from related parties/Current financial investments	-	-	-
Accounts payable to related parties	-	-	-

Note:

(1) Accrued dividends on preference shares.

	FY 2024		
	Shareholders	Associates	Other related parties
		(€ million)	
Sales to/Income from related parties	-	4.7	-
Purchases from/Expenses with related parties	0.3	-	12.2
Interest on loan notes	140.0	-	-
Dividends(1)	16.0	-	-
Accounts receivable from related parties/Current financial investments	-	0.3	-
Accounts payable to related parties	-	-	-

Note:

(1) Accrued dividends on preference shares.

Transactions with Related Parties

Transactions with Selling Shareholders

All transactions with other entities controlled by Cinven or CPPIB are carried out on an arm's length basis. During FY 2024, fees of €0.3 million were charged to the Group by Cinven and CPPIB (€0.3 million in FY 2023 and €0.3 million in FY 2022). No other transactions with persons or entities related to the Selling Shareholders have taken place in FY 2024, FY 2023 and FY 2022.

Transactions with Other Related Parties

The Group's total TTV^{APM} sales to PerfectStay, an associate under the Group's significant influence, amounted to €4.7 million for FY 2024. As of 30 September 2024, PerfectStay had an outstanding balance of €0.3 million payable to the Group.

Shareholder Loan Notes

The Group issued unsecured shareholder debt in the form of different classes of loan notes in favour principally of the ultimate shareholders of the Group (the "Shareholder Loan Notes"). These Shareholder Loan Notes are divided into several classes but all have the same principal terms and conditions and accrue interest at 10% per annum. This interest is not paid on a regular basis but is rolled up into the Shareholder Loan Notes and added to the principal balance of the Shareholder Loan Notes until they fall due for repayment. As interest is added to the principal balance, interest is calculated on the higher principal balance in subsequent periods as the basis for the calculation of interest is higher. Interest charged on the Shareholder Loan Notes in FY 2024 totalled €140 million (€126 million in FY 2023 and €114 million in FY 2022). As at the date of this Prospectus, the Shareholder Loan Notes had a total carrying value of €1,528 million. Pursuant to the Proposed Reorganisation, the holders of HNVR Topco Shareholder Loan Notes will transfer their Shareholder Loan Notes to HBG Ltd in exchange for 158,470,109 newly issued preference shares in HBG Ltd immediately following the execution of the Underwriting Agreement and the publication of the Offering Price and the final size of the Offering, and in any case before the Initial Registration Time. See section "*Proposed Reorganisation*". These Shareholder Loan Notes are considered related party transactions because they are held by the Selling Shareholders and management.

The table below shows the details of loan notes balances by ultimate holders and the interest accrued for the periods indicated.

	FY 2022		FY 2023		FY 2024	
	Balance	Interest accrued	Balance	Interest accrued	Balance	Interest accrued
			(€ million)			
Shareholder						
Cinven	495	45	545	50	600	55
CPPIB	495	45	545	50	600	55
EQT VII(1)	198	18	217	19	239	22
Other (2)	74	6	81	7	89	8
Total	**1,262**	**114**	**1,388**	**126**	**1,528**	**140**

Note:

(1) Through relevant holding vehicles from time to time, in each case indirectly controlled by EQT VII.
(2) Includes current and former members of the management body of HBG Ltd.

Relationship with Other Companies of the Group

Preference Shares

On 3 October 2017, HNVR Topco issued 27,300,000 preference shares of €1.00 each to Kiwi Holding II S.A. and KHS Holding S.à r.l. and, subsequently, on 22 January 2021 HBG Ltd issued 174,999,996 preference shares of €1.00 each to CPPIB, Cinven, Kiwi Investments II SCSp and certain members of management (collectively, the "**Preference Shares**") which are classified as liabilities based on the terms of the contract. The Preference Shares carry a cumulative dividend of 10% per annum. However, these dividends are not paid on a regular basis but are rolled up into the outstanding balance until they fall due for repayment.

In April 2024, the 174,999,996 Preference Shares issued by HBG Ltd were repaid in full (which amounted to €175 million), together with all their accrued dividends up to the date of redemption (which amounted to €63 million). The carrying value of the remaining 27,300,000 Preference Shares issued by HNVR Topco including accrued dividends as at 30 September 2024 is €53 million.

Pursuant to the Proposed Reorganisation, the remaining Preference Shares will be redeemed after the registration of the Prospectus and immediately following the execution of the Underwriting Agreement and the publication of the Offering Price and the final size of the Offering, and in any case before the Initial Registration Time. See section "*Proposed Reorganisation*".

Shares Investment Opportunity

Since 12 September 2016, certain Directors, officers, directors of HBG Ltd, members of the Executive Committee and senior employees of HBX Group (of which 48 remain employed by the company and 77 are leavers), have acquired shares in HBG Ltd pursuant to a shares investment opportunity put in place following the acquisition of Hotelbeds from the TUI Group by Cinven and CPPIB (the "**Shares Investment Opportunity**").

In order to allow certain Directors, officers, directors of HBG Ltd, members of the Executive Committee and active and former senior employees of HBX Group as well as other non-institutional shareholders who acquired their shares in HBG Ltd under the Shares Investment Opportunity (see section "*Related Party Transactions—Shares Investment Opportunity*") to benefit from the Offering and sell down their shares in HBG Ltd, the Reorganisation Deed enables these persons to transfer their shares in HBG Ltd to the Company immediately following the execution of the Underwriting Agreement and the publication of the Offering Price and the final size of the Offering, and in any case before the Initial Registration Time, for Deferred Sale Consideration (approximately €58 million and €107 million, assuming an Offering Price at the lower and upper end of the Offering Price Range, respectively) which will be left outstanding until after Admission, to be paid by the Company using proceeds from the Offering. See section "*Proposed Reorganisaton—Pre-Admission steps*"

To that end, the Company:

- has agreed a mechanism under the Reorganisation Deed that mirrors a structure, in which the active and former managers had exchanged all or part of their shares in HBG Ltd for Shares and subsequently participated in the Offering by selling Shares as additional selling shareholders; and
- has decided to increase the size of the primary tranche of the Offering in order to ensure that (i) the gross proceeds from the sale of the New Offer Shares are sufficient to cover the Company's payment obligations under the Deferred Sale Consideration and (ii) it still achieves, together with the Refinancing, its post-Offering target of Adjusted Net Debt to Adjusted EBITDA^{APM} of approximately 2.5x or to 1.9x excluding working capital adjustments to Adjusted Net Debt^{APM}. See section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures—Adjusted Net Debt to Adjusted EBITDA^{APM}*" for an explanation and reconciliation of Adjusted Net Debt to Adjusted EBITDA^{APM}.

While certain individuals and non-institutional shareholders will be able to sell to the Company 100% of the shares they hold in HBG Ltd in exchange for Deferred Sale Consideration, the remaining individuals and non-institutional shareholders will only be able to sell a number of shares in HBG Ltd to the Company that is *pro rata* to the number of Existing Offer Shares to be sold by Prometheus Aggregator and CPPIB in the Offering over the aggregate number of Shares held by such Selling Shareholders immediately prior to such sale. The remainder of their HBG Ltd shares will then be exchanged for Shares. See section "*Proposed Reorganisaton—Pre-Admission steps*".

Additionally, the Chair of the Board, seven members of the Executive Committee (including the Chief Executive Officer) and two senior managers will reinvest in the Company immediately following the execution of the Underwriting Agreement and the publication of the Offering Price and the final size of the Offering, and in any case before the Initial Registration Time, by subscribing for Shares (newly issued at this stage) at the Offering Price against an undertaking to pay the subscription price following Admission. This reinvestment will amount to between 20% and 75% of their after-tax proceeds (with an average reinvestment of over 50%) resulting from the payment of all applicable Historical LTIPs, the Exit Bonus, the Additional Incentive Bonus and the Deferred Sale Consideration (see section "*Proposed Reorganisaton—Pre-Admission steps*") and they will be subject to a lock-up in respect of the subscribed new Shares. See section "*Plan of Distribution—Lock-up—Directors and Executive Committee lock-up*". These newly-issued Shares do not form part of the New Offer Shares.

Loans granted and loan notes

As at 30 September 2024 certain HBG Ltd directors collectively had borrowed approximately €2.4 million from the Group pursuant to loans granted for the purchase of HBG Ltd shares (FY 2023: €2.4 million and FY 2022: €2.3 million). Interest charged for the year ended 30 September 2024 amounted to €0.07 million (FY 2023: €0.06 million and FY 2022: €0.05 million). The average interest rate on these loans is 3% and accrued interest is capitalised and added to the outstanding principal amount every 30 September. These loans will be repaid in full as part of the Proposed Reorganisation immediately following the execution of the Underwriting Agreement and the publication of the Offering Price and the final size of the Offering, and in any case before the Initial Registration Time.

In addition, as at 30 September 2024 certain HBG Ltd Directors collectively held approximately €1.4 million in loan notes and accrued interest (FY 2023: €1.4 million and FY 2022: €1.5 million). Interest charged for the year ended 30 September 2024 amounted to €0.3 million (FY 2023: €0.2 million and FY 2022: €0.2 million). The average interest rate on these loan notes is 10% and accrued interest is capitalised and added to the outstanding principal amount every 30 September.

Reorganisation Deed

For a description of the Reorganisation Deed, see section "*Proposed Reorganisation*".

Relationship with Directors and Members of the Executive Committee

During the period starting on 1 October 2021 and up to the date of this Prospectus, the Group has not entered into any arrangements with the members of the Executive Committee and Directors, other than that described above and those in relation to any compensation or benefits paid to them (see section "*Management and Board of Directors—Compensation*").

In FY 2024, FY 2023 and FY 2022, the Group companies did not carry out any transactions with directors that fall outside of their ordinary course of business or in conditions other than prevailing market conditions.

DESCRIPTION OF SHARE CAPITAL

Set out below is a summary of certain relevant information concerning the Company's share capital and of certain significant provisions of English, Spanish and EU law and the Articles of Association. It is based on relevant provisions of English, Spanish and EU law as in effect on the date of this Prospectus, Board Regulations and the Articles of Association as these will ultimately be in effect on Admission.

This summary does not purport to give a complete overview and should be read in conjunction with, and is qualified in its entirety by reference to the relevant provisions of, English law and Spanish law as in effect on the date of this Prospectus, the Articles of Association and the Board Regulations, in each case as they will ultimately be in effect on Admission. The Articles of Association in the governing English language as well as the Board Regulations in the English language will be available on the Company's website at www.investors.hbxgroup.com.

For the avoidance of doubt, unless specifically incorporated by reference into this Prospectus, information contained on any website referred to in this Prospectus does not form part of this Prospectus. The CNMV as competent authority has not scrutinised or approved the information on any website referred to in this Prospectus.

General

The Company was incorporated as a limited company in England and Wales on 20 December 2023 with the name HBX Group International Limited and subsequently re-registered as a public limited company in accordance with section 755 of the UK Companies Act on 6 January 2025. The Company's commercial name is "HBX Group" and its website is www.hbxgroup.com. HBX Group's website will comply with the requirements set out by Circular 3/2015 of the CNMV.

The principal laws and legislation under which the Company operates and the Shares have been created is the UK Companies Act and regulations made thereunder.

In accordance with the UK Companies Act, the Company's corporate objects are unrestricted unless the Company elects to restrict its objects in the Articles of Association. The Articles of Association do not restrict the objects of the Company, but the Company's activity is primarily expected to be that of a holding company.

As at the date of this Prospectus, the Company's share capital is €57,100.01 and is divided into 1 ordinary share with a nominal value of €0.01, and 57,100 redeemable non-voting preference shares, each with a nominal value of €1.00, which are fully paid up. Following the completion of the Proposed Reorganisation (see section "*Proposed Reorganisaton*"), the Company's issued share capital will amount to between €1,843,702.94 and €1,841,118.29 (assuming an Offering Price at the lower and upper ends of the Offering Price Range, respectively), divided into between 184,370,294 and 184,111,829 Shares (assuming an Offering Price at the lower and upper ends of the Offering Price Range, respectively), each with a par value of €0.01 and belonging to a single class.

The Offer Shares will be created pursuant to the UK Companies Act and rank *pari passu* in all respects with the Shares, including with respect to the right to vote and the right to receive all dividends and other distributions declared, made or paid on the Company's share capital. The Shares are ordinary shares, created under and in accordance with the UK Companies Act, denominated in euro, with a nominal value of €0.01 each in the share capital of the Company and each Share, including the Offer Shares, carries one vote at the general shareholders' meetings of the Company. There are no restrictions on the voting rights of the Shares, including the Offer Shares, other than those described under "*—30% Rule*" below. The Articles of Association do not specify an authorised share capital.

The ISIN code assigned to the Company's ordinary shares is GB00BNXJB679. The ISIN code has been assigned by the London Stock Exchange Group (LSEG) as sole issuer for ISIN codes for Great Britain, Jersey, Guernsey and the Isle of Man.

Since the incorporation of the Company, there have been no changes to the Company's share capital, nor any expected changes in relation thereto, other than those to be carried out in the context of the Proposed Reorganisation (see section "*Proposed Reorganisation*").

All Shares are fully subscribed and paid-up.

At the date of this Prospectus there are no convertible securities, exchangeable securities or securities with warrants issued by the Company.

The Shares will be represented by book entries upon Admission and the entity responsible for maintaining the corresponding accounting records will be Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal (Iberclear), with registered office at Plaza de la Lealtad, 1, 28014 Madrid, Spain. For this purpose, legal title over all Shares will be transferred by the relevant holders for nil consideration to Iberclear. Once the register of members of the Company is updated to show Iberclear as the registered shareholder, Iberclear will be the legal holder of the Shares, whether or not share certificates of the Shares (the "**Share Certificates**") have been delivered in respect of Certificated Shares. Share Certificates will be delivered to Iberclear, which will in turn dematerialise the Certificated Shares though the creation of equity interests in book entry form pursuant to Iberclear's Circular 3/2019, of 10 September 2019, on registration of foreign securities and the functions of intervening entities (as amended and restated). The conversion of securities into book-entry form will take place on or prior to the Operation and Admission Date. Iberclear will make the relevant registrations in favour of those accrediting ownership over the Shares in accordance with English law.

For so long as any Offer Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act, the Company will, during any period in which the Company is neither subject to Section 13 or Section 15(d) of the U.S. Securities Act nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of such restricted securities or to any prospective acquiror of such restricted securities designated by such holder or beneficial owner upon the request of such holder, beneficial owner or prospective acquiror, the information required to be delivered to such person pursuant to Rule 144A(d)(4) under the U.S. Securities Act.

Dividend and Other Distributions

General

Subject to the provisions of the UK Companies Act, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend will exceed the amount recommended by the Board. All dividends will be declared and paid according to the amounts paid up on the Shares on which the dividend is paid, but no amount paid on a share in advance of the date on which a call is payable will be treated for these purposes as paid on the share.

No dividend or other moneys payable in respect of a share will bear interest against the Company unless otherwise provided by the rights attached to the share.

Interim distribution

Subject to the provisions of the UK Companies Act, the Board may pay interim dividends if it appears to the Board that they are justified by the profits of the Company available for distribution.

In the event the share capital of the Company were composed of different classes of shares, the Board may resolve to pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividends as well as on shares which confer preferential rights with regard to dividends, but no interim dividend may be paid on shares with deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears. If the Board acts in good faith it shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.

Distribution in kind

The Board may, if authorised by an ordinary resolution of the Company, offer any holder of Shares the right to elect to receive Shares, credited as fully paid, by way of scrip dividend instead of cash in respect of the whole (or some part, to be determined by the Board) of all or any dividend.

Profit ranking of the Shares

If the share capital is divided into different classes, the Board may also pay, at intervals determined by it, any dividend payable at a fixed rate if it appears to the Board that the profits available for distribution justify the payment. If the Board acts in good faith it shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.

Payment

Any dividend which has remained unclaimed for twelve years from the date on which it became due for payment will, if the Board so resolves, be forfeited and cease to remain owing by the Company.

Dissolution and Liquidation

Except as provided by the rights and restrictions attached to any class of shares, the holders of Shares will under general law be entitled to participate in any surplus assets in a winding up in proportion to their shareholdings. A liquidator may, with the sanction of a special resolution and any other sanction required by the Insolvency Act 1986, divide among the members in specie the whole or any part of the assets of the Company (i.e., distributing assets in non-cash form rather than selling the assets and distributing the resulting cash proceeds) and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members.

The General Meeting

Annual General Meetings

The Board shall convene and the Company shall hold general meetings as annual general meetings in accordance with the requirements of the UK Companies Act.

General Meetings

The Company will be authorised, by a Shareholders' resolution expected to be passed prior to Admission, until the Company's next annual general meeting, to call general meetings on 14 clear days' notice.

Place of General Meetings

General meetings will be held in whatever place the notice calling for such general meeting so specifies. The Company may hold meetings (wholly or partly) by means of electronic facility or facilities, without the need for shareholders to physically attend the respective general meeting.

Convocation Notice and Agenda

An annual general meeting shall be called by at least 21 clear days' notice. Subject to the provisions of the UK Companies Act, all other general meetings may be called by at least 14 clear days' notice. Subject to the provisions of the UK Companies Act, the notice shall specify the time and date of the meeting and the general nature of the business to be dealt with.

Admission and Registration

Subject to the provisions of the UK Companies Act, to the provisions of the Articles of Association and to any restrictions imposed on any shares, the notice shall be sent to every member and every Director. The auditors are entitled to receive all notices of, and other communications relating to, any general meeting which any member is entitled to receive.

Quorum

In accordance with the requirements of the UK Companies Act, provided that the Company only has one legal member (Iberclear), a general shareholders' meeting will be quorate with the attendance of one "qualifying person", which is expected will be the person appointed as proxy by the Company's registrar (which will be designated by the Company), acting under a power of attorney from Iberclear in relation to the meeting (see "*—Transfer of Shares*" below).

Voting Rights

Subject to any rights or restrictions attached to any shares, on a vote on a resolution on a show of hands:

- every member who is present in person shall have one vote;
- subject to the limitations set out in the following paragraph, every proxy present who has been duly appointed by one or more members entitled to vote on the resolution has one vote;
- a proxy has one vote for and one vote against the resolution if:
    - the proxy has been duly appointed by more than one member entitled to vote on the resolution, and
    - the proxy has been instructed by one or more of those members to vote for the resolution and by one or more other of those members to vote against it.

Subject to any rights or restrictions attached to any shares, on a vote on a resolution on a poll every member present in person or by proxy shall have one vote for every share of which the person is the holder.

30% Rule

Those shareholders of the Company who are subject to a special Canadian legal regime which restrict the number of securities of a corporation with voting rights to appoint or remove the directors that the shareholder can invest in (such as the Canada Pension Plan Investment Board Regulations (SOR/99-190) or the Pension Benefits Standards Regulations (Canada)) shall be limited in the number of votes that they may cast at a general meeting, or on any other shareholder resolution, in connection with the appointment or removal of Directors to a maximum of 30% of the votes that are entitled to vote in respect of the appointment or removal of Directors on such resolution after taking into account that aforementioned 30% threshold limitation. Consequently, the voting rights corresponding to the shares held by these shareholders in excess of the aforementioned 30% threshold shall be suspended.

Alteration of Share Capital and Issue of Shares and Pre-emptive Rights

The Articles of Association do not restrict the Company's ability to increase, consolidate or sub-divide its share capital. Therefore, subject to compliance with the UK Companies Act, the Company may by ordinary resolution increase, consolidate or sub-divide its share capital.

Subject to the provisions of the UK Companies Act, and without prejudice to any rights attached to any existing shares or class of shares: (i) any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine or, subject to and in default of such determination, as the Board shall determine; and (ii) shares may be issued which are to be redeemed or are liable to be redeemed at the option of the Company or the holder and the Board may determine the terms, conditions and manner of redemption of such shares provided that it does so prior to the allotment of those shares.

While under the UK Companies Act the Board has general authority to exercise all the powers of the Company to allot shares, authority in relation to share capital increases, suppression of pre-emption rights and allotment of shares lies with the Company's shareholders' meeting, which may authorise the Board to carry out capital increases, including non-pre-emptive share issues. However, as further described in "*Risks Relating to the Shares and the Offering—The issuance of additional debt or equity securities by the Company may dilute all other shareholdings*", the Company expects to comply with recommendation 5 of the Spanish Governance Code, which sets out that the Board should not make a proposal to the general shareholders' meeting for the delegation of powers to issue shares or securities convertible into shares without preemptive subscription rights for an amount exceeding 20% of the Company's share capital at the time of such delegation.

The Company may from time to time pass an ordinary resolution authorising, in accordance with section 551 of the UK Companies Act, the Board to exercise all the powers of the Company to allot Shares or to grant rights to subscribe for or to convert any security into Shares up to the maximum nominal amount specified in the resolution. Prior to Admission, the Company expects to put the following member's written resolutions to the existing shareholders. On 10 February 2025, the Company expects to put the following resolutions to its shareholder at that time at a general shareholder meeting of the Company:

- a resolution (the "**Allotment Resolution**") authorising the Board to allot Shares or grant rights to subscribe for or convert any security into Shares. The Allotment Resolution will expire at the next annual general meeting of the Company or (if earlier) the date that is 15 months after the Allotment Resolution is passed. Based on the assumption of the lower end of the Offering Price Range, the Allotment Resolution will allow the directors to allot Shares up to an aggregate nominal amount of €3,200,000, provided that following Admission (unless in connection with the Offering), such authority shall be limited to authority to allot Shares up to an aggregate nominal amount of approximately 20% of the issued share capital of the Company immediately following Admission; and
- a resolution (the "**Pre-Emption Rights Disapplication Resolution**") authorising the Board to allot Shares on the conditions outlined above in respect of the Allotment Resolution without the application of pre-emption rights which would otherwise arise under the UK Companies Act.

The Allotment Resolution and the Pre-Emption Rights Disapplication Resolution will allow the Directors to allot Shares in connection with the Proposed Reorganisation, Managers Reinvestment, the primary tranche of the Offering, and also allow the Directors to allot Shares following Admission without pre-emption rights applying up to an aggregate nominal amount of 20% of the share capital of the Company in issue immediately following Admission.

Acquisition of Own Shares

The Articles of Association do not restrict the Company's ability to purchase its own Shares. Therefore, subject to the UK Companies Act and without prejudice to any relevant special rights attached to any class of shares, the Company may purchase any of its own Shares of any class in any way and at any price (whether at par or above or below par).

Under Spanish law, there are restrictions on a company's ability to purchase its own shares, including a specific limit on the number of its own shares that a company can acquire, a list of instances in which a company can freely acquire its own shares, and a requirement that the audited financial statements of such company include a reference to any shares it holds of its own. By way of contrast, English law generally prohibits the Company from repurchasing its own Shares by way of off-market purchases without prior shareholder approval by ordinary resolution of the terms of the contract effecting the buyback. Such approval has not currently been sought or obtained, and it is not expected to be sought or obtained prior to Admission. English law prohibits the Company from conducting on market purchases as its Shares will not be traded on a recognised investment exchange in the United Kingdom. Therefore, the Company will not be able to effect any buy-back of its Shares until a buy-back contract has been approved by ordinary resolution of the Company's relevant shareholders. Such approval may last for up to five years from the date of the ordinary resolution, and renewal of such approval for additional five year terms may be sought more frequently.

Variation of Rights

Rights attached to any class of shares may be varied or abrogated with the written consent of the holders of three-quarters in nominal value of the issued shares of the class, or the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class.

Redemption and Conversion Rights

The terms of the Shares do not provide the holder thereof with conversion or redemption rights in relation to the Shares.

Lien and Forfeiture

The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys payable to the Company (whether presently or not) in respect of that share. The Company may sell, in such manner as the Board determines, any share on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within 14 clear days after notice has been sent to the holder of the share, or to the person entitled to it by transmission, demanding payment and stating that if the notice is not complied with the share may be sold.

Subject to the terms of the allotment, the Board may from time to time make calls on the members in respect of any moneys unpaid on their Shares (whether in respect of nominal value or premium). Each member shall (subject to receiving at least 14 clear days' notice specifying when and where payment is to be made) pay to the Company the amount called on their Shares as required by the notice. If a call or any instalment of a call remains unpaid in whole or in part after it has become due and payable, the Board may give the person from whom it is due not less than 14 clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued and any costs, charges and expenses incurred by the Company by reason of such non-payment. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the Shares in respect of which the call was made will be liable to be forfeited.

Transfer of Shares

Legal title over all Shares will be transferred by the relevant holders for nil consideration to Iberclear. Once the register of members of the Company is updated to show Iberclear as the registered shareholder, Iberclear will be the legal holder of the Shares, whether or not Share Certificates of the Shares have been delivered in respect of Certificated Shares. Share Certificates will be delivered to Iberclear, which will in turn dematerialise the Certificated Shares though the creation of equity interests in book entry form. The conversion of securities into book-entry form will take place on or prior to the Operation and Admission Date. Iberclear will make the relevant registrations in favour of those accrediting ownership over the Shares in accordance with English law.

Iberclear, which manages the clearance and settlement system of the Spanish Stock Exchanges, maintains the central registry reflecting the number of shares held by each of its participating entities (*entidades participantes*) from time to time as well as, on an aggregate basis, the securities balances corresponding to the clients of each participating entity. Each participating entity (*entidades participantes*), in turn, maintains a registry of the owners of such shares. Holders of shares may request their participating entity to open an account in the central registry of Iberclear to record their shares in a segregated manner. Shares traded on the Spanish Stock Exchanges are transferred through book-entry on the accounts of investors with participating entities or intermediaries that hold, directly or indirectly, accounts with Iberclear participating entities.

Under the Articles of Association, any and all rights and obligations attaching to the Certificated Shares held by Iberclear (as 'member') (including the right to exercise voting rights and receive dividends in respect of the relevant Shares), will, to the extent legally permissible, accrue to, be exercisable by or against, and be enforced by or against, the relevant holders of an equity interest in the Shares traded and settled through Iberclear (excluding, for the avoidance of doubt, Iberclear) (the "**Shareholders**") but not to, by, or against Iberclear. The Articles of Association treat Shareholders in the same way as they treat 'members' of the Company for English law purposes.

Under English law, Iberclear, as 'member', will hold all rights and obligations attaching to the Certificated Shares. To allow the exercise of such rights and obligations by and against Shareholders, the Company will have access upon request through Iberclear to the details of the Company's Shareholders. This includes the right to obtain information on (i) their names, addresses and contact details; (ii) the number of Shares held by them; and (iii) if expressly requested by the Company, the class of Shares, if applicable, and the date of ownership. In addition, Iberclear will establish the relevant mechanism to facilitate the exercise by Shareholders of their rights. In particular, to facilitate the voting rights of members of the Company being exercisable by the relevant Shareholders, with each equity holding in a Share being entitled to one vote, Iberclear has agreed with the Company to grant a power of attorney to a registrar to be designated following Admission by the Company, to enable the registrar to appoint a proxy or proxies to cast votes in accordance with the instructions of the Shareholders. It is intended that the receipt of such voting instructions from Shareholders will be facilitated by the registrar through its customary platform.

Dividends in respect of Shares will be distributed through the facilities of Iberclear (see section "*Dividend Policy–Manner and Time of Dividend Payments*").

The Company intends to be able to exercise and enforce its rights to the fullest extent permitted by law against any Shareholder breaching the Articles of Association and intends for Shareholders to be able to enforce their rights to the fullest extent permitted by law against the Company (and provided that the exercise of voting rights by Shareholders shall be facilitated as described above).

In respect of certain claims or rights that are only available under English law to the Company's members (i.e., the legal holders of shares that are registered in a company's shareholders' register) but not to Shareholders, i.e., being the rights of squeeze-out and sell-out as described further in section "*Description of Share Capital—Applicable Bidding Rules—UK Companies Act*", the claim of unfair prejudice (under which, generally, a member may petition the court for relief where affairs of a company have been conducted in a manner that is unfairly prejudicial to the interests of member generally, or some part of its members, in their capacity as such) and derivative actions and petitions for the winding up of the Company, Shareholders may need to withdraw the Shares in respect of which they hold equity interests from the Iberclear system in order to exercise such rights or make such claims as a member of the Company. See section "*Risk Factors—Risks relating to the Shares and the Offering—Environmental Risks—Not all rights available to shareholders under UK law may be available to Shareholders*".

To request the withdrawal of Shares from the Iberclear system and to be recorded as the holder of the relevant Shares in the Company register of members, a Shareholder will need to provide the registrar referred to in the paragraphs above with an ownership certificate (*certificado de legitimación*) accrediting the amount of Shares held by such Shareholder and the number of Shares to be withdrawn. Following the successful verification by the Company registrar of the ownership certificate, the Company will request from Iberclear the withdrawal of the relevant Shares from the Iberclear system, which will take place in accordance with the Iberclear technical procedures in place from time to time. Iberclear standard fees in place from time would be charged by Iberclear in case of de-registration of Shares. Once a Share is withdrawn from the Iberclear system, the rights and obligations attaching to it (including the payment of dividends) will be exercised in accordance with the Articles of Association and applicable law. Once withdrawn from the Iberclear system, the relevant Share(s) will no longer be tradeable on the Spanish Stock Exchanges. Shares that have been withdrawn can be delivered again to, and re-registered in, the Iberclear system in accordance with the Iberclear technical procedures in place from time to time. UK SDRT or stamp duty may be charged at a rate of 1.5% on any such redeposit and re-registration (see "*Taxation—UK Taxation Considerations—Stamp duty and stamp duty reserve tax ("SDRT")—Shares held through clearance systems, such as Iberclear, or depositary receipt arrangements*"). Any costs, expenses or fees (including any applicable taxes) associated to the withdrawal of Shares from, and/or subsequent re-registration of Shares with, the Iberclear system, shall be borne by the relevant Shareholder (for the withdrawal) or member (for the re-registration).

Each Shareholder's obligations in respect of the relevant Shares will include the obligation to notify the Company and the CNMV if the percentage of direct or indirect voting rights held by such Shareholder reaches, exceeds or falls below certain thresholds, as described in "—*Reporting requirements*".

The Shareholders, members or persons holding limited *in rem* rights or encumbrances on the Shares may obtain ownership certificates as provided for under the laws governing shares represented by book-entries.

Reporting Requirements

Transactions Affecting Voting Rights

Pursuant to Royal Decree 1362/2007, of 19 October, any individual or legal entity which, by whatever means, purchases or transfers Shares which grant voting rights in the Company, must notify the Company and the CNMV, if, as a result of such transaction, the proportion of voting rights held by that individual or legal entity reaches, exceeds or falls below a threshold of 3.0%, 5.0%, 10.0%, 15.0%, 20.0%, 25.0%, 30.0%, 35.0%, 40.0%, 45.0%, 50.0%, 60.0%, 70.0%, 75.0%, 80.0% and 90.0% of the Company's total voting rights.

The individual or legal entity obliged to carry out the notification must serve the notification by means of the form approved by the CNMV from time to time for such purpose to the CNMV and the Company, within four trading days from the date on which the individual or legal entity acknowledged or should have acknowledged the circumstances that generate the obligation to notify (Royal Decree 1362/2007 deems that the obliged individual or legal entity should have acknowledged the aforementioned circumstance within two trading days from the date on which the transaction was entered into, regardless of the date on which the transaction takes effect).

The reporting requirements apply not only to the purchase or transfer of Shares, but also to those transactions in which, without a purchase or transfer, the proportion of voting rights of an individual or legal entity reaches, exceeds or falls below the threshold that triggers the obligation to report as a consequence of a change in the total number of voting rights of a company on the basis of the information reported to the CNMV and disclosed by it. In such case, the transaction is deemed to be acknowledged within two trading days from the date of publication of the other relevant information communication (*comunicación de otra información relevante*) regarding such transaction.

The obligation to report will be applicable also if the thresholds mentioned above are exceeded as a result of holding financial instruments which: (i) on maturity, give the holder under a formal agreement either the unconditional right to acquire or discretion to decide to acquire voting shares already issued; or (ii) otherwise, are referenced to voting shares already issued and have a similar economic effect to that of the financial instruments referred to in (i) above, whether or not they confer a right to a physical settlement.

This means that, for instance, any derivative which grants its holder a long position over the voting shares of the Company (options, futures, swaps, forwards and other derivative agreements) is also disclosable (irrespective of whether it is cash or physically settled). It should be noted that voting rights related to financial instruments are calculated differently depending on how instruments are settled:

- Where financial instruments provide for physical settlement, the number of related voting rights is calculated by reference to the full notional number of underlying shares.
- Where financial instruments provide for cash settlement only, the number of voting rights is calculated by multiplying the notional number of underlying shares by the delta of the instrument (which indicates how much a financial instrument's theoretical value would vary in the event of variation in price of the underlying shares).

Regardless of the actual ownership of the Shares, any individual or legal entity with a right to acquire, transfer or exercise voting rights granted by the Shares, and any individual or legal entity which acquires, transfers or holds, whether directly or indirectly, other securities or financial instruments which grant a right to acquire Shares with voting rights, will also have an obligation to notify the Company and the CNMV of the holding of a significant stake in accordance with applicable regulations.

Should the person or group effecting the transaction be resident in a non-cooperative jurisdiction (as defined in Order HFP/115/2023) or in a country or territory levying no taxes or with which Spain has no effective exchange of tax information, the threshold that triggers the obligation to disclose the acquisition or transfer of Shares is reduced to 1.0% (and successive multiples thereof).

All Directors must report to both the Company and the CNMV any percentage or number of voting rights they held in the Company at the time of becoming or ceasing to be a Director within five trading days. Furthermore, all Directors must report any change in the percentage of voting rights they hold, regardless of the amount, as a result of any acquisition or disposition of their shares or voting rights, or financial instruments which carry a right to acquire or dispose of shares which have voting rights attached, including any stock-based compensation that they may receive pursuant to any of the Company's compensation plans.

The Company's senior managers must also report any stock-based compensation that they may receive pursuant to any of the Company's compensation plans or any subsequent amendment to such plans (see section "*Management and Board of Directors—Incentive Plans—Incentive plans following Admission*").

In certain circumstances established by Royal Decree 1362/2007, the notification requirements on the acquisition or transfer of shares also apply to any person or legal entity that, directly or indirectly, and independently of the ownership of the shares or financial instruments, may acquire, transmit or exercise the voting rights granted by those shares or financial instruments, provided that the aggregated proportion of voting rights reaches, increases above or decreases below, the percentages set forth by Spanish law.

Moreover, pursuant to Article 30.6 of Royal Decree 1362/2007, in the context of a tender offer, the following transactions should be notified to the CNMV: (i) any acquisition reaching or exceeding 1.0% of the voting rights, and (ii) any increase or decrease in the percentage of voting rights held by holders of 3.0% or more of the voting rights. The CNMV will immediately make public this information.

Disclosure Requirements Applicable to Persons Discharging Managerial Responsibilities

In addition, pursuant to Article 19 of MAR, persons discharging managerial responsibilities (all members of the Board and the Chief Financial Officer) and any persons having a close link (*vínculo estrecho*) with any of them must similarly report to the Company and the CNMV any acquisition or disposal of Shares, derivative or financial instruments linked to Shares, within three business days after the date on which the transaction is made. The notification of the transaction must include particulars of, among other things, the type of transaction, the date of the transaction and the market in which the transactions were carried out, the number of shares traded and the price paid. Members of Executive Committee must also report any stock-based compensation that they may receive pursuant to any of the Company's compensation plans or any subsequent amendment to such plans. This reporting obligation will apply to any subsequent transaction once a total amount of €20,000 has been reached within a calendar year.

Under Article 3(25) of MAR, a person discharging managerial responsibilities' means a person within an issuer, an emission allowance market participant or another entity referred to in Article 19(10) of the MAR, who is (a) a member of the administrative, management or supervisory body of that entity; or (b) a senior executive who is not a member of the bodies referred to in point (a), who has regular access to inside information relating directly or indirectly to that entity and power to take managerial decisions affecting the future developments and business prospects of that entity.

The transactions that must be notified according to the foregoing also include (i) the pledging (other than pledges, or similar security interests, of financial instruments in connection with the depositing of the financial instruments in a custody account, unless and until such time that such pledge or other security interest is designated to secure a specific credit facility) or lending of financial instruments by or on behalf of a person discharging managerial responsibilities or a person closely associated with such a person; (ii) transactions undertaken by persons professionally arranging or executing transactions or by another person on behalf of a person discharging managerial responsibilities or a person closely associated with such a person; and (iii) transactions made under a life insurance policy where (a) the policyholder is a person discharging managerial responsibilities or a person closely associated with such a person; (b) the investment risk is borne by the policyholder; and (c) the policyholder has the power or discretion to make investment decisions regarding specific instruments in that life insurance policy or to execute transactions regarding specific instruments for that life insurance policy.

Applicable Bidding Rules

The Company is organised and exists under the laws of England and Wales and it is intended for its Shares to be traded in the Spanish Stock Exchanges. As a result, trading in the Shares may be subject to requirements stemming from the regulations of different jurisdictions, in this case those of the United Kingdom and Spain, which are not necessarily coherent.

On 24 April 2024, the Code Committee of The Panel on Takeovers and Mergers (the "**UK Takeover Panel**") published Public Consultation Paper 2024/1 in relation to proposed changes to the UK City Code on Takeovers and Mergers (the "**UK Takeover Code**") to narrow the scope of companies to which the UK Takeover Code applies. On 6 November 2024, the UK Takeover Panel published Response Statement RS 2024/1 (the "**UK RS**") confirming the changes to the UK Takeover Code and confirming that the implementation date will be 3 February 2025. The Company will fall within the scope of a 'transition company' under the UK Takeover Code (as amended) for a two-year transition period ending 2 February 2027. However, on 12 December 2024, the UK Takeover Panel granted an exemption to the Company from being subject to the UK Takeover Code during the transition period.

The Spanish Takeover Act succinctly sets out that some of its provisions regarding acquisition of shares in companies listed on a Spanish regulated market should apply in relation to a public company with its registered office in a non-EU country. In particular, according to Article 1.4 the Spanish Takeover Act, if a company does not have its registered office in Spain or in any other member state of the EU and its shares are admitted to trading on a Spanish regulated market, the rules in Article 1.3.a) and b) of the Spanish Takeover Act will apply, i.e., the decision on the authorisation of a takeover bid will correspond to the CNMV and matters relating to the consideration or price offered in the takeover bid (in particular, information on the offeror's decision to make a bid, the contents of the takeover bid prospectus and the announcement of the bid) and competing bids shall be subject to the provisions of the Spanish Takeover Act. However, Spanish law is unclear on whether the remaining provisions of the Spanish Takeover Act (including those mentioned in Article 1.3.c) of the Spanish Takeover Act, i.e., information to be provided to the employees of the affected company and applicable aspects of company law, in particular the percentage of voting rights conferring control and the exceptions to the obligation to make a bid, as well as the conditions under which the board of the offeree company may take action that may disrupt the conduct of the bid) apply when the affected company does not have its registered office in Spain or in any other EU member state and its shares are listed on a Spanish regulated market. There is a lack of practice and precedent to provide guidance on the interpretation of the appropriate Spanish provisions of law. However, the Articles of Association include a provision whereby any person that makes a voluntary takeover bid, or is under an obligation to make a mandatory takeover bid, over the Company shall be subject to Law 6/2023, of 17 March 2023, on Securities Markets and Investment Services, and Spanish Takeover Act. As a result, the decision on the authorisation of the takeover bid shall be taken by the CNMV, and Law 6/2023, of 17 March 2023, on Securities Markets and Investment Services and the Spanish Takeover Act shall apply, without limitation, to:

- matters relating to (i) the consideration or price offered in the takeover bid, (ii) the information to be provided on the offeror's decision to make a takeover bid, (iii) the content of the relevant takeover bid prospectus, (iv) the dissemination of the takeover bid's terms to the public; and (v) the regime applicable to competing bids; and
- matters relating to (i) the definition of control for takeover purposes and the percentage of voting rights deemed to confer control over the Company; (ii) the exceptions to the obligation to launch a takeover bid for the Company; (iii) the conditions under which the board of directors or management of the Company may take any action that may disrupt the development of a takeover; and (iv) the information to be provided to the Company's employees in relation to the takeover bid.

Notwithstanding the exemption from the UK Takeover Code and the above provision in the Articles of Association, there are certain provisions of UK company law, such as 'squeeze-out' and 'sell-out' provisions, which will still apply to the Company, which will be in conflict with certain rules of the Spanish Takeover Act (see "*—UK Companies Act*" below). Consequently, certain provisions of the UK Companies Act and the Spanish Takeover Act will be simultaneously applicable to the Company. See section "*Risk Factors—Risks relating to the Shares and the Offering—There is a lack of practice and precedent on the interpretation of the relevant Spanish law provisions applicable to the Shares in relation to applicable bidding rules*".

Such situations may cause uncertainty or ambiguity when exercising shareholder rights or fulfilling shareholders obligations, or when fulfilling obligations related to trading in a significant block of shares in accordance with the laws of the different jurisdictions. See below a summary of the main takeover provisions that could apply to the Company.

UK Companies Act

Squeeze-out

Under the UK Companies Act, if an offeror were to make an offer to acquire all of the Shares not already owned by it and were to acquire 90% of the Shares to which such offer related, it could then compulsorily acquire the remaining 10%. The offeror would do so by sending a notice to outstanding members telling them that it will compulsorily acquire their Shares and then, six weeks later, it would deliver a transfer of the outstanding Shares in its favour to the Company which would execute the transfer on behalf of the relevant members, and pay the consideration to the Company which would hold the consideration on trust for outstanding members. The consideration offered to the members whose shares are compulsorily acquired under this procedure must, in general, be the same as the consideration that was available under the original offer unless a member can show that the offer value is unfair.

Sell-out

The UK Companies Act also gives minority members a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer related to the Shares and, at any time before the end of the period within which the offer could be accepted, the offeror held or had agreed to acquire not less than 90% of the Shares, any holder of Shares to which the offer related who had not accepted the offer could by a written communication to the offeror require it to acquire those Shares. The offeror would be required to give any member notice of his/her right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of minority members to be bought out, but that period cannot end less than three months after the end of the acceptance period or, if later, three months from the date on which notice is served on members notifying them of their sell-out rights. If a member exercises his/her rights, the offeror is entitled and bound to acquire those Shares on the terms of the offer or on such other terms as may be agreed.

These rights are only available under English law to the Company's members that are registered in its shareholders' register. Shareholders may need to withdraw the Shares in respect of which they hold equity interests from the Iberclear system in order to exercise such rights, as a member against the Company or another member (see section "Description of Share Capital—Transfer of Shares").

Takeovers and Tender Offers in Spain

Tender offers are governed in Spain by Articles 108 et seq. of the Spanish Securities Law and the Spanish Takeover Act (*Real Decreto 1066/2007, de 27 de julio, de régimen de las ofertas públicas de adquisición de valores*) which implement Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004. Other than the referred tender offer regulation, there is no other special regulation in Spain that may govern mandatory tender offers over the Shares.

Under Spanish law, any natural or legal person that needs to launch or ought to launch a tender offer in relation to all of the issued shares of a listed company or any other securities that may grant a right for its acquisition of subscription will be subject to the Spanish Takeover Act.

The Spanish Takeover Act considers listed companies to be those companies whose shares are admitted to trading in an official secondary market in Spain and which have their registered address in Spain. However, where such entities do not have their registered address in Spain, nor in any other member state of the European Union the following takeovers and tender offers rules will apply:

- the decision regarding the authorisation in relation to the tender offer will correspond to the CNMV; and
- the matters related to (i) the consideration or price offered in the tender offer process, in particular, the information related to the offeror's decision to launch a tender offer, the content of the prospectus and the reach of the offer; and (ii) competing tender offers, will be subject to the provisions of the Spanish Takeover Act.

Tender offers in Spain may qualify as either mandatory or voluntary.

Mandatory tender offers must be launched for all the shares of the target company and all other securities that might directly or indirectly entitle their holders to acquire or subscribe such shares (including, without limitation, convertible and exchangeable notes) at an equitable price and not subject to any conditions, when any person or entity acquires control of a Spanish listed company, whether such control is obtained:

- by means of the acquisition of shares or other securities that directly or indirectly entitle the relevant holder to subscribe or acquire voting shares in such company;
- through shareholder agreements with shareholders or other holders of said securities; or
- as a result of other situations of equivalent effect as provided in the applicable Spanish regulation on tender offers (which constitute indirect control acquired through mergers, share capital decreases, changes in the target's treasury stock). In these cases, the obligation to launch a tender offer does not apply if, within three months from the date such control was obtained or the holder is notified by the company of changes in the treasury stock, such holder (or the company regarding changes in treasury stocks) disposes of a number of shares necessary to reduce the voting rights that exceed the relevant control threshold and in the meantime does not exercise its voting rights exceeding such threshold, or obtains a waiver from the CNMV.

A person or entity is deemed to have control over a target company, either individually or jointly with other parties acting in concert, whenever:

- it acquires, directly or indirectly, a percentage of the company's voting rights equal to or greater than 30.0%; or

- it has acquired a percentage that is less than 30.0% of the voting rights and appoints, during the 24-month period following the date of acquisition of said percentage, a number of directors that, together with those already appointed by it (if any), represents more than half of the members of the target company's board of directors. The Spanish regulation on tender offers also sets forth certain situations where directors are deemed to have been appointed by the bidder or persons acting in concert therewith unless evidence to the contrary is provided.

For the purposes of calculating the percentages of voting rights acquired, the Spanish regulation establishes the following rules:

- percentages of voting rights corresponding to: (i) companies belonging to the same group as the bidder; (ii) members of the board of directors of the bidder or of companies of its group (unless evidence to the contrary is provided); (iii) persons acting in concert with or on behalf of the bidder; (iv) voting rights which may be exercised freely and over an extended period by the bidder under proxy granted by the actual holders or owners of such rights, in the absence of their specific instructions with respect thereto; and (v) shares held by a nominee (such nominee being a third-party whom the bidder totally or partially covers against the risks related to acquisitions or transfers of the shares or the possession thereof), will be deemed to be held by the bidder;
- both the voting rights arising from the ownership of shares and those enjoyed under a usufruct or pledge or under any other contractual title, will also be deemed to be held by the bidder;
- the percentage of voting rights will be calculated based on the entire number of the company's shares with voting rights, even if the exercise of such rights has been suspended. Treasury stock held directly or indirectly by the target company (according to the information available on the date of calculation of the percentage of voting rights held by the bidder) will be excluded from the calculation. Non-voting shares will be taken into consideration only when they carry voting rights pursuant to applicable law; and
- acquisitions of securities or other financial instruments which entitle the holder to the subscription, conversion, exchange or acquisition of shares which carry voting rights will not result in the obligation to launch a tender offer until such subscription, conversion, exchange or acquisition occurs.

Notwithstanding the foregoing, upon the terms established in the applicable Spanish regulation on tender offers, the CNMV will conditionally exempt a person or entity from the obligation to launch a mandatory tender offer when another person or entity not acting in concert with the potential bidder, directly or indirectly holds an equal or greater voting percentage in the target company.

Spanish regulations establish certain exceptions where control is obtained but no mandatory tender offer is required, including, among others:

- Subject to the CNMV's approval, acquisitions or other transactions resulting from the conversion or capitalisation of claims into shares of listed companies if their financial feasibility is subject to serious and imminent danger provided that such transactions are intended to ensure the Company's financial recovery in the long term. The approval of the CNMV will not be required if the acquisition takes place in the context of a refinancing agreement under the Spanish recast insolvency law approved by Royal Legislative Decree 1/2020, of 5 May (*Real Decreto Legislativo 1/2020, de 5 de mayo, por el que se aprueba el texto refundido de la Ley Concursal*), as amended from time to time, including without limitation, by virtue of Law 16/2022, of 5 September (*Ley 16/2022, de 5 de septiembre, de reforma del texto refundido de la Ley Concursal*) (the "**Spanish Recast Insolvency Law**").
- In the event of a merger, provided that those acquiring control did not vote in favor of the merger at the relevant general meeting of shareholders of the target company and provided also that it can be shown that the primary purpose of the transaction is not the takeover but an industrial or corporate purpose.
- When control has been obtained after a voluntary tender offer for all of the securities, if either the bid has been launched at an equitable price or has been accepted by holders of securities representing at least 50% of the voting rights to which the bid was directed (excluding voting rights already held by the bidder and those belonging to shareholders who entered into an agreement with the bidder regarding the tender offer).

The price of the mandatory tender offer is deemed to be equitable when it is at least equal to the highest price paid by the bidder or any person acting in concert therewith for the same securities during the 12 months preceding the announcement of the tender offer. Other rules used to calculate such equitable price are set forth in the applicable Spanish regulation. However, the CNMV may change the price determined pursuant to said rules in certain circumstances (extraordinary events affecting the price, evidence of market manipulation, deterioration of the target company's financial position etc.).

Mandatory offers must be launched as soon as possible and at any event within one month from the acquisition of the control of the target company.

Voluntary tender offers may be launched in those cases in which a mandatory offer is not legally required. Voluntary tender offers are subject to the same rules established for mandatory offers except for the following:

- they might be subject to certain conditions (such as amendments to the articles of association or adoption of certain resolutions by the general shareholders' meeting of the target company, acceptance of the offer by a minimum number of shares of the target company, approval of the offer by the general shareholders' meeting of the bidder; and any other condition deemed by the CNMV to be in accordance with law), provided that the fulfilment of such conditions may be verified by the end of the offer acceptance period, which are regulated in the Spanish tender offer regulations but include any other condition approved by the CNMV; and
- they may be launched at a price other than an equitable price.

By way of exception, the price in a voluntary tender offer must be the higher of the equitable price and the price resulting from an independent valuation report, and must at least consist of cash as an alternative if certain circumstances have occurred during the two years prior to the announcement of the offer including (i) the trading price for the shares being affected by price manipulation practices, market or share prices being affected by natural disasters, war, calamities, force majeure, or other exceptional events, or (ii) the target company being subject to expropriation or confiscation resulting in significant impairment of the company's real value).

The Spanish regulation on tender offers sets forth further relevant provisions, including, amongst others:

- the board of directors of the target company will be exempt from the prohibition to carry out frustrating or defensive actions against a foreign bidder provided the latter's board of directors is not subject to equivalent passivity rules and subject to prior approval by the target company's general shareholders' meeting within the 18-month period before the date of the public announcement of the tender offer; and
- defensive measures included in a listed company's articles of association and transfer and voting restrictions included in agreements among a listed company's shareholders will remain in place whenever the company is the target of a tender offer, unless the shareholders decide otherwise (in which case any shareholders whose rights are diluted or otherwise adversely affected will be entitled to compensation at the target company's expense).

The Company has never been the target of a tender offer by a third party bidder over the Shares.

Short Positions

Net Short Position

In accordance with Regulation (EU) No 236/2012 of the European Parliament and of the Council of 14 March 2012 on short selling and certain aspects of credit default swaps (as amended by Regulation (EU) No 2485/2023 and further supplemented by several delegated regulations regulating technical aspects necessary for its effective enforceability and to ensure compliance with its provisions, the "**Short Selling Regulation**"), net short positions on shares listed on the Spanish Stock Exchanges equal to, or in excess of, 0.1% of the relevant issuer's share capital and any increases or reductions thereof by 0.1% are required to be disclosed to the CNMV. If the net short position reaches 0.5%, and also at every 0.1% above that, the CNMV will disclose the net short position to the public. The Short Selling Regulation restricts uncovered short sales in shares, providing that a natural or legal person may enter into a short sale of a share admitted to trading on a trading venue only where one of the conditions established in article 12 of the Short Selling Regulation is fulfilled.

The notification or disclosure mentioned above shall be made not later than at 3:30 p.m. (Madrid time) on the following trading day.

Notification is mandatory even if the same position has been already notified to the CNMV in compliance with transparency obligations previously in force in that jurisdiction.

The information to be disclosed is set out in Table 1 of Annex I of Delegated Regulation 826/2012, according to the format approved as Annex II of this Regulation. The information will be published, where appropriate, on a web page operated or supervised by the CNMV.

Moreover, pursuant to the Short Selling Regulation, where the CNMV considers that (i) there are adverse events or developments that constitute a serious threat to financial stability or to market confidence (serious financial, monetary or budgetary problems, which may lead to financial instability, unusual volatility causing significant downward spirals in any financial instrument, etc.); and (ii) the measure is necessary and will not be disproportionately detrimental to the efficiency of financial markets in view of the advantages sought, it may, following consultation with the European Securities and Markets Authority ("**ESMA**"), take any one or more of the following measures:

- impose additional notification obligations by either (a) reducing the thresholds for the notification of net short positions in relation to one or several specific financial instruments; and/or (b) requesting the parties involved in the lending of a specific financial instrument to notify any change in the fees requested for such lending; and
- restrict short selling activity by either prohibiting or imposing conditions on short selling.

In addition, according to the Short Selling Regulation, where the price of a financial instrument has fallen significantly during a single day in relation to the closing price on the previous trading day (10.0% or more in the case of a liquid share), the CNMV may prohibit or restrict short selling of financial instruments for a period not exceeding the end of the trading day following the trading day on which the fall in price occurs.

Finally, the Short Selling Regulation also vests powers to ESMA in order to take measures similar to the ones described above in exceptional circumstances, when the purpose of these measures is to deal with a threat affecting several EU member states and the competent authorities of these EU member states have not taken adequate measures to address it.

MARKET INFORMATION

Prior to the Offering, there has been no public market for the Shares. The Company will apply to list the Shares on the Spanish Stock Exchanges and to have them quoted on the AQS of the Spanish Stock Exchanges. The Company expects that its Shares (including the Offer Shares offered hereby) will be listed on the Spanish Stock Exchanges and commence trading through the AQS on or about 13 February 2025 under the ticker symbol "HBX". No application has been made or is currently intented to be made for the Company's shares to be admitted to trading on any other stock exchange.

AQS

The AQS links the four Spanish Stock Exchanges, providing those securities listed on it with a uniform continuous market that eliminates certain of the differences between the local exchanges. The principal feature of the system is the computerised matching of bid and offer orders at the time of entry of the relevant order. Each order is executed as soon as a matching order is entered, but can be modified or cancelled until it is executed. The activity of the market can be continuously monitored by investors and brokers.

The AQS is operated and regulated by Sociedad de Bolsas, S.A. ("**Sociedad de Bolsas**"), a company owned by Bolsas y Mercados Españoles, Sociedad Holding de Mercados y Sistemas Financieros, S.A. ("**BME**"), a holding company which also holds a 100% interest in each of the Spanish official secondary markets, including the Spanish Stock Exchanges. All trades on the AQS must be placed through a brokerage firm, a dealer firm or a credit entity that is a member of one of the Spanish Stock Exchanges.

In a pre-opening session held from 8:30 a.m. to 9:00 a.m. (CET) each trading day, an opening price is established for each security traded on the AQS based on a real-time auction in which orders can be entered, modified or cancelled but not executed. During this pre-opening session, the system continuously displays the price at which orders would be executed if trading were to begin at that moment. Market participants only receive information relating to the auction price (if applicable) and trading volume permitted at the current bid and offer price. If an auction price does not exist, the best bid and offer price and associated volumes are shown. The auction terminates with a random period of 30 seconds in which share allocation takes place. Until the allocation process has finished, orders cannot be entered, modified or cancelled. In exceptional circumstances (including the admission of new securities on the AQS) and after giving notice to the CNMV, Sociedad de Bolsas may establish an opening price without regard to the reference price (the previous trading day's closing price), alter the price range for permitted orders with respect to the reference price and modify the reference price.

The computerised trading hours, known as the open session, are from 9:00 a.m. to 5:30 p.m. (CET). During the trading session, the trading price of a security is permitted to vary up to a maximum so-called 'static' range of the reference price, provided that the trading price for each trade of such security is not permitted to vary in excess of a maximum so-called 'dynamic' range with respect to the trading price of the immediately preceding trade of the same security. If, during the trading session, there are matching bid and offer orders for a security within the authorisation system which exceed any of the above 'static' or 'dynamic' ranges, trading on the security is automatically suspended and a new auction is held where a new reference price is set, and the 'static' and 'dynamic' ranges will apply over such new reference price. The 'static' and 'dynamic' ranges applicable to each particular security are set up and reviewed periodically by Sociedad de Bolsas.

The session finishes with a real time closing auction held between 5:30 p.m. and 5:35 p.m. (CET) subject to similar rules to those applicable to the pre-opening auction, where the closing price of every security is set.

Between 5:40 p.m. and 8:00 p.m. (CET), trades may occur outside the computerised matching system without prior authorisation of Sociedad de Bolsas (provided such trades are communicated to Sociedad de Bolsas), at a price within the range of 5% above the higher of the average price and closing price for the day and 5% below the lower of the average price and closing price for the day if (i) there are no outstanding bids or offers, respectively, on the system matching or bettering the terms of the proposed off-system transaction, and (ii) if, among other things, the trade involves more than €300,000 and more than 20% of the average daily trading volume of the stock during the preceding three months. These off-system trades must also relate to individual orders from the same person or entity and be reported to Sociedad de Bolsas before 8:00 p.m. (CET).

At any time trades may take place (with the prior authorisation of Sociedad de Bolsas) at any price if:

- the trade involves more than €1,500,000 and more than 40% of the average daily trading volume of the stock during the preceding three months;

- the transaction derives from a merger or spin-off, or from the reorganisation of a group of companies;
- the transaction is executed for the purpose of settling litigation or completing a complex set of sale and purchase agreements; or
- Sociedad de Bolsas finds another appropriate cause.

Information with respect to the computerised trades which take place between 9:00 a.m. and 5:30 p.m. (CET) is made public immediately, and information with respect to trades which occur outside the computerised matching system is reported to the Sociedad de Bolsas by the end of the trading day and is also published in the Stock Exchange Official Gazette (*Boletín de Cotización*) and on the computer system by the beginning of the next trading day.

Moreover, bilateral over-the-counter trades may occur at any time between 5:00 a.m. and 4:00 p.m. (CET) for delivery versus payment trades or until 6:00 p.m. (CET) for free of payment trades through the facilities of Iberclear by way of submission of matching OTC instructions by the participants acting as custodians for the seller and the acquiror outside the AQS and without the involvement of any market member as broker or dealer whatsoever.

Clearing, Settlement and Book-entry System

The Spanish clearing, settlement and book-entry system is governed by Law 6/2023 of 17 April on Securities Markets and Investment Services and Royal Decree 814/2023 of 8 November and the provisions set forth in Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the EU and on central securities depositaries, amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012. Under this regime, transactions carried out on the AQS are settled by Iberclear, as central securities depositary, and are cleared by BME Clearing, S.A. ("**BME Clearing**"), as central counterparty ("**CCP**"). Investors are urged to contact their agent or custodian in Spain as soon as possible to make the arrangements necessary for registering the relevant Shares in their name on the Operation and Admission Date. Iberclear and the CCP are owned by BME, which in turn is owned by SIX Group AG.

Shares of companies listed in the Spanish Stock Exchanges are represented in book-entry form. The book-entry system is a two-tier level registry: the keeping of the central book-entry register corresponds to Iberclear and the keeping of the detail records correspond to the participating entities in Iberclear.

Access to become a participating entity is restricted to (i) credit institutions, (ii) investment services companies that are authorised to render custody and administration of financial instruments, (iii) the Bank of Spain, (iv) the General Administration and the General Social Security Treasury, (v) other duly authorised central securities depositaries and central clearing counterparties and (vi) other public institutions and private entities when expressly authorised to become a participating entity in central securities depositaries.

The central registry managed by Iberclear reflects: (i) one or several proprietary accounts which will show the balances of the participating entities' proprietary accounts; (ii) one or several general third-party accounts that will show the overall balances that the participating entities hold for third parties; (iii) individual accounts in which the balances of tradable securities corresponding to those clients of the participating entities that have agreed to keep such accounts in the central registry will be recorded in a segregated manner; and (iv) individual special accounts of financial intermediaries which use the optional procedure of settlement of orders. Each participating entity, in turn, maintains the detail records of the owners of such shares.

According to the above, Spanish law considers the owner of the shares to be:

- the participating entity appearing in the records of Iberclear as holding the relevant shares in its own name.
- the investor appearing in the records of the participating entity as holding the shares; or
- the investor appearing in the records of Iberclear as holding shares in a segregated individual account.

Law 6/2023 of 17 April on Securities Markets and Investment Services expressly states that the entity appearing in the relevant records can also maintain those securities holdings on behalf of its customers.

BME Clearing is the CCP in charge of the clearing of transactions closed on the Spanish Stock Exchanges. BME Clearing interposes itself on its own account as seller in every purchase and as buyer in every sale. It calculates the buy and sell positions vis-à-vis the participants designated in such buy or sell instructions. The CCP then generates and sends to Iberclear the relevant settlement instructions.

The settlement and book-entry registration platform managed by Iberclear, which operates under the trade name of ARCO, receives the settlement instructions from BME Clearing and forwards them to the relevant participating entities involved in each transaction. ARCO operates under a T+2 settlement standard, by which any transactions must be settled within two business days following the date on which the transaction was completed. As an exception, the settlement of purchase and sale transactions executed as a result of sale or subscription public offerings or accelerated placements of equity securities to be admitted to trading on the Spanish Stock Exchange may take place between T and T+2 (at the discretion of the parties involved in the transaction). As of the date of this Prospectus, the Spanish Stock Exchanges have approved the entry into force of only the T+1 settlement procedures so same-day settlement procedures are not currently available for the settlement of such transactions.

Obtaining legal title to shares of a company listed on the Spanish Stock Exchanges requires the participation of a Spanish official stockbroker, broker-dealer or other entity authorised under Spanish law to record the transfer of shares. To evidence title to shares, at the owner's request the relevant participating entity must issue an ownership certificate (*certificado de legitimación*). If the owner is a participating entity or a person holding shares in a segregated individual account, Iberclear is in charge of the issuance of the certificate regarding the shares held in its name.

Euroclear and Clearstream, Luxembourg

Shares deposited with depositaries for Euroclear Bank, S.A./N.V., as operator of the Euroclear System ("**Euroclear**"), and Clearstream Banking, Société Anonyme ("**Clearstream**"), and credited to the respective securities clearance account of acquirors in Euroclear or Clearstream against payment to Euroclear or Clearstream, will be held in accordance with the Terms and Conditions Governing Use of Euroclear and Clearstream, the operating procedures of the Euroclear System (as amended from time to time), the Management Regulations of Clearstream and the Instructions to Participants of Clearstream (as amended from time to time), as applicable. Subject to compliance with such regulations and procedures, those persons on whose behalf accounts are kept at Euroclear or Clearstream and to whom shares have been credited ("**investors**"), will be entitled to receive a number of shares equal to that amount credited in their accounts.

With respect to shares deposited with depositaries for Euroclear or Clearstream, such shares will be initially recorded in the name of Euroclear or one of its nominees or in the name of Clearstream or one of its nominees, as the case may be. Thereafter, investors may withdraw shares credited to their respective accounts if they wish to do so, upon payment of the applicable fees (as described below), if any, and once the relevant recording in the book-entry records kept by the members of Iberclear has occurred.

Under Spanish law, only the investor appearing in the records of Iberclear or its participant entities is entitled to dividends and other distributions and to exercise voting, pre-emptive and other rights in respect of such shares. Euroclear (or its nominees) or Clearstream (or its nominees) will, respectively, be the sole record holders of the shares that are deposited with any depositaries for Euroclear and Clearstream.

Cash dividends or cash distributions, as well as stock dividends or other distributions of securities, received in respect of the shares that are deposited with the depositories for Euroclear and Clearstream will be credited to the cash accounts maintained on behalf of the investors at Euroclear and Clearstream, as the case may be, after deduction of any applicable withholding taxes, in accordance with the applicable regulations and procedures of Euroclear and Clearstream. See section "*Taxation*".

Euroclear and Clearstream will endeavour to inform investors of any significant events of which they become aware affecting the shares recorded in the name of Euroclear (or its nominees) and Clearstream (or its nominees) and requiring action to be taken by investors. Each of Euroclear and Clearstream may, at its discretion, take such action, as it shall deem appropriate in order to assist investors in exercising their voting rights in respect of the shares.

In case the Company offers or causes to be offered to Euroclear (or its nominees) and Clearstream or its nominees, acting in their capacity as record holders of the ordinary shares deposited with the depositaries for Euroclear and Clearstream, respectively, any rights to acquire additional shares or rights of any other nature, each of Euroclear and Clearstream will, respectively, endeavour to inform investors of the terms of any such rights of which it becomes aware in accordance with the applicable provisions in the aforementioned regulations and procedures. Such rights will be exercised, insofar as practicable and permitted by applicable law, according to written instructions received from investors, or, alternatively, such rights may be sold and, in such event, the net proceeds to be received by the Company from the Offering will be credited to the cash account maintained on behalf of the investor with Euroclear or Clearstream.

MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Company or another member of HBX Group: (a) within two years immediately preceding the date of this Prospectus which are, or may be, material to the Company or HBX Group, and (b) at any time and contain provisions under which the Company or HBX Group has an obligation or entitlement which is, or may be, material to the Company or HBX Group as of the date of this Prospectus.

New Facilities Agreement

For a description of the New Facilities Agreement, see section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Borrowings—Senior Debt—New Facilities Agreement*".

Preference Shares

For a description of the Preference Shares, see section "*Related Party Transactions—Relationship with Other Companies of the Group—Preference Shares*". See also section "*Proposed Reorganisation*".

Shareholder Loan Notes

For a description of the Shareholder Loan Notes, see section "*Related Party Transactions—Transactions with Related Parties—Shareholder Loan Notes*". See also section "*Proposed Reorganisation*".

Reorganisation Deed

For a description of the Reorganisation Deed, see section "*Proposed Reorganisation*".

Material contracts relating to the Offering

For a description of the material contracts relating to the Offering, see section "*Plan of Distribution*".

PLAN OF DISTRIBUTION

General Offering Overview

The Company is offering such number of New Offer Shares at the Offering Price as are necessary to raise gross proceeds of approximately €725,000,000. The Selling Shareholders are offering an aggregate of 2,000,000 Existing Offer Shares at the Offering Price, representing between 1.08% and 1.09% of the Company's share capital immediately before the issuance of the New Offer Shares (assuming the Offering Price is set at the lower and upper ends of the Offering Price Range, respectively). However, prior to executing the Underwriting Agreement, the Selling Shareholders may elect to amend the number of Existing Offer Shares being offered, in which case the Company will report such amendment to the CNMV through the publication of an inside information notice (*comunicación de información privilegiada*).

In addition, the Selling Shareholders, acting severally and not jointly, will grant an Over-allotment Option to the Stabilising Manager (on behalf of the Managers) exercisable in whole or in part, within 30 calendar days from the date on which the Shares (including the Offer Shares offered hereby) commence trading on the Spanish Stock Exchanges, by the Stabilising Manager, acting on behalf of the Managers, to acquire Over-allotment Shares representing up to 15% of the Initial Offer Shares at the Offering Price to cover over-allotments of Shares in the Offering, if any, and short positions resulting from stabilisation transactions, which may result in the Selling Shareholders obtaining additional gross proceeds beyond those obtained from the offer of their Existing Offer Shares. Assuming that the Offering Price is set at the lower and upper end of the Offering Price Range, and the Over-allotment Option is exercised in full, the number of Over-allotment Shares will be 10,657,141 and 9,000,000, respectively.

The Offer Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold within the United States, except in certain transactions exempt from the registration requirements of the U.S. Securities Act. The Managers have advised the Company and the Selling Shareholders that they propose to resell the Offer Shares initially at the Offering Price (i) in the United States, through their respective selling agents, to persons reasonably believed to be qualified institutional buyers (as defined in Rule 144A) in reliance on Rule 144A, and (ii) outside the United States in compliance with Regulation S. Any offer or sale of Offer Shares in reliance on Rule 144A will be made by broker-dealers who are registered as such under the U.S. Securities and Exchange Act of 1934, as amended (the "**U.S. Exchange Act**"). Until 40 days after the later of the commencement of the Offering and the last transaction date of the Offering, any offer or sale of Offer Shares that is made in the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if made otherwise than in accordance with Rule 144A or another available exemption from registration under the U.S. Securities Act.

The Underwriting Agreement

The Company, HBG Ltd, the Selling Shareholders and the Managers are expected to enter into an underwriting agreement (the "**Underwriting Agreement**") upon the finalisation of the bookbuilding period (expected to be on or about 10 February 2025), with respect to the New Offer Shares being issued by the Company, the Existing Offer Shares being sold by the Selling Shareholders and the Over-allotment Shares (if any) that may be sold by the Selling Shareholders pursuant to the Over-allotment Option. Subject to the satisfaction of certain conditions and on the terms set out in the Underwriting Agreement, each Manager will agree, severally but not jointly, nor jointly and severally, to procure acquirors for or, failing which, to acquire (as the case may be) such percentage of the total number of Initial Offer Shares as is set forth opposite its name in the following table:

Managers	% of Initial Offer Shares
Morgan Stanley	23.0%
BofA Securities	18.5%
Citigroup	18.5%
Banco Santander	7.0%
Barclays	7.0%
BNP PARIBAS	7.0%
Deutsche Bank	7.0%
UBS Investment Bank	7.0%
Alantra	2.5%
BBVA	2.5%
Total	**100%**

To the extent that any of the Managers does not ultimately enter into the Underwriting Agreement, the underwriting quota of such Manager will be reallocated, at the sole and absolute discretion of the Company and the Selling Shareholders, to any of the other Managers or any other underwriter that the Company and the Selling Shareholders might appoint in their sole and absolute discretion. Accordingly, the actual underwriting quotas to be allocated to each Manager under the Underwriting Agreement may differ from those included above.

In consideration of the agreement by the Managers to procure acquirors for, or, failing which, to acquire (as the case may be) the Initial Offer Shares as described in the table above, and pursuant to the Underwriting Agreement, the Company and the Selling Shareholders will pay to the Managers a commission to be agreed under the Underwriting Agreement which will be a percentage of their respective portion of the aggregate gross proceeds of the Offering (including, if applicable, any gross proceeds from the sale of the Over-allotment Shares), to be distributed among the Managers in proportion to their underwriting quotas as set out in the Underwriting Agreement. In addition, the Company and the Selling Shareholders, at their sole and absolute discretion, may elect to pay an additional discretionary fee based on their respective portion of the aggregate gross proceeds of the Offering (including, if applicable, any gross proceeds from the sale of the Over-allotment Shares) to be paid to the Managers which, if paid, may be distributed amongst any of the Managers in the proportions determined at the Company and Selling Shareholders' sole and absolute discretion (for the avoidance of doubt, any such proportions may differ from the Manager's underwriting quotas and the Company and/or the Selling Shareholders will reserve the right not to allocate any discretionary fee to the Managers or to any Manager).

Furthermore, the Company will agree to reimburse the Managers for certain documented fees, expenses, disbursements and other costs incurred by the Managers in connection with the Offering, as set out in the Underwriting Agreement.

The final identity of the Managers and the exact number of Initial Offer Shares to be underwritten by each of the Managers shall be determined if and when the Underwriting Agreement is entered into. The Company will inform the market of any amendment in the identity of the Managers, or in the percentage of Initial Offer Shares to be finally underwritten by any of the Managers, which may occur through publication of an inside information notice (*comunicación de información privilegiada*) or a relevant information notice (*comunicación de otra información relevante*), as applicable.

The Underwriting Agreement will contain certain representations and warranties given by the Company and the Selling Shareholders to the Managers and will provide that the obligations of the Company, the Selling Shareholders and the Managers are subject to satisfaction of certain conditions precedent. The Underwriting Agreement will also provide that the Company will, subject to certain exceptions, indemnify the Managers against certain liabilities, including liabilities under applicable securities laws that may arise in connection with the Offering. Also, the Underwriting Agreement may be terminated in certain circumstances (see "*—Withdrawal and Revocation of the Offering*" below).

If one or more Managers fail before the positive verification by the CNMV of the compliance by the Company with the requirements for Admission (the "**Verification Time**") (expected at or around 4:00 p.m.

CET on the Operation and Admission Date (expected to be 12 February 2025)), to procure acquirors for or, failing which, to acquire the Initial Offer Shares which it or they are obliged to acquire under the Underwriting Agreement (the "**Defaulted Shares**"), the non-defaulting Joint Global Coordinators will have the right, within 24 hours thereafter (or as otherwise may be agreed among the non-defaulting Joint Global Coordinators, the Company and the Selling Shareholders) (with the calendar of the Offering adjusted accordingly), to make arrangements for one or more of the non-defaulting Managers, or any other underwriter that the Company and the Selling Shareholders might appoint, to procure acquirors for, or to itself or themselves acquire all of the Defaulted Shares, as the case may be, in such amounts as may be agreed among the non-defaulting Managers upon the terms set forth in the Underwriting Agreement. If, however, the non-defaulting Joint Global Coordinators have decided not to exercise that right or have not completed such arrangements within such 24-hour period, then:

(i) if the number of Defaulted Shares does not exceed 15% of the number of Initial Offer Shares to be acquired, each of the non-defaulting Managers or any other underwriter that the Company and the Selling Shareholders might appoint at their sole and absolute discretion, shall be obliged, severally and not jointly nor jointly and severally, to procure acquirors for, or to itself acquire the full amount thereof in the proportions that their respective underwriting obligations bear to the underwriting obligations of all non-defaulting Managers; or

(ii) if the number of Defaulted Shares exceeds 15% of the number of Initial Offer Shares to be acquired, the non-defaulting Managers shall not be required to procure acquirors for, or to themselves acquire, any Initial Offer Shares (without prejudice to the corresponding liability on the part of any defaulting Manager for damages occasioned by its or their default to the Company, Selling Shareholders and the non-defaulting Managers, as applicable) in which case the Offering will be revoked.

The Offering

Tentative Calendar of the Offering

The Company and the Selling Shareholders expect that the indicative timetable for the Offering will be as follows:

Event	Estimated Date [(1)]
Approval and registration of this Prospectus with the CNMV	30 January 2025
Commencement of the bookbuilding period	Following approval and registration of this Prospectus with the CNMV
Finalisation of the bookbuilding period	10 February 2025
Setting of the number of Initial Offer Shares, Over-allotment Shares and the Offering Price	10 February 2025
Execution of the Underwriting Agreement	10 February 2025
Commencement of implementation of the Proposed Reorganisation (no later than)	10 February 2025
Publication of an "inside information notice" (*comunicación de información privilegiada*) with the number of the Initial Offer Shares, the Over-allotment Shares and the Offering Price	10 February 2025
Allocation of Initial Offer Shares to investors (Transaction Date)	11 February 2025
Completion of the Proposed Reorganisation (before the Initial Registration Time)	12 February 2025
Initial registration of all of the Shares as equity interests in dematerialised book-entry form (including the New Offer Shares) with Iberclear (Initial Registration Time)	12 February 2025
Verification of requirements for Admission by the CNMV (Verification Time), execution of the special stock exchange transaction (*operación bursatil especial*) of the Offering and approval of Admission by the Spanish Stock Exchanges (Operation and Admission Date)	12 February 2025
Start of trading and commencement of Stabilisation Period and of the Over-allotment Option exercise period (on or about)	13 February 2025
Settlement Date (on or about)	13 February 2025
End of Stabilisation Period and the Over-allotment Option (no later than)[(2)]	14 March 2025

Notes:

(1) Each of the dates included in the above tentative calendar is subject to change without prior notice. Any change including without limitation, any extension or curtailment of the tentative calendar, will be made public by means of the publication of the corresponding "relevant information notice" (comunicación de otra información relevante) with the CNMV.

(2) The Over-allotment Option will be exercisable, in whole or in part, for a period of 30 calendar days from the date of commencement of trading of the Shares on the Spanish Stock Exchanges.

Amount and volume of the Offering

The Company is offering such number of New Offer Shares at the Offering Price as are necessary to raise gross proceeds of approximately €725,000,000, representing between 69,047,619 and 58,000,000 New Offer Shares (at the lower and upper ends of the Offering Price Range). The Selling Shareholders are offering 2,000,000 Existing Offer Shares in the Offering, of which Prometheus Aggregator will offer between 818,273 and 827,823 Existing Offer Shares (at the lower and upper ends of the Offering Price Range), CPPIB will offer between 818,273 and 827,823 Existing Offer Shares (at the lower and upper ends of the Offering Price Range) and Kiwi Feeder will offer between 363,454 and 344,354 Existing Offer Shares (at the lower and upper ends of the Offering Price Range). As a result, the overall size of the Offering (expressed as the aggregate gross proceeds received by the Company and the Selling Shareholders) will amount to between €746,000,000 and €750,000,000 (assuming no exercise of the Over-allotment Option) or between €857,899,980 and €862,500,000,00 (assuming the Over-allotment Option is exercised in full), in each case at the lower and upper ends of the Offering Price Range, respectively.

Payment and settlement of the Offer Shares

The Offering will be conducted through a bookbuilding process. During the bookbuilding period, which is expected to start following approval and registration of this Prospectus with the CNMV and end on 10

February 2025 (both inclusive), the Managers will market the Initial Offer Shares among qualified investors in accordance with, and subject to, the selling and transfer restrictions set forth in this Prospectus. Investors may make their acquisition proposals during this period, indicating the number of Initial Offer Shares and the price at which they would be interested in acquiring them.

The bookbuilding period may be reduced or extended by agreement among the Company, the Selling Shareholders and the Joint Global Coordinators if, in the first case, the book of demand is sufficiently covered in their view before the end of the bookbuilding period or, in the second case, if they consider that an extension of the bookbuilding period for up to one additional week is desirable to ensure the success of the Offering. In the event there is such a reduction or extension of the bookbuilding period, the Company will inform the market through a relevant information notice (*comunicación de otra información relevante*).

Acquisition proposals by investors for the Initial Offer Shares constitute only an indication of their interest in the Initial Offer Shares and shall not be binding on any investors, the Company or the Selling Shareholders. The confirmation of such acquisition proposals, which will take place no later than the business day immediately following the execution of the Underwriting Agreement (expected on 11 February 2025) (the "**Transaction Date**"), shall be irrevocable, except in the exceptional cases where a supplement to this Prospectus is published (see "—*Publication of a Supplement*" below). On the Transaction Date, the Joint Global Coordinators will submit the details of the final allocation of the Initial Offer Shares to the Managers, which will in turn notify such details to the relevant investors.

The Offering Price, the definitive number of Initial Offer Shares (including the number of New Offer Shares and Existing Offer Shares), and the Over-allotment Shares will be determined in the Underwriting Agreement and communicated through the publication of an inside information notice (*comunicación de información privilegiada*) as soon as possible on the date that the bookbuilding ends and as soon as reasonably practicable after the execution of the Underwriting Agreement.

In order to expedite the issuance of the New Offer Shares, it is expected that the initial registration of all of the New Offer Shares as equity interests in dematerialised book-entry form with Iberclear is made in the name of one or several Joint Global Coordinators, in their capacity as fronting bank(s) and acting in the name and on behalf of the final acquirors of the New Offer Shares or (failing the procurement of final acquirors by the Managers) each Manager (the "**Fronting Bank(s)**"). Therefore, the Fronting Bank(s), acting on behalf of the final acquirors of the New Offer Shares or the Managers, as the case may be, will acquire equity interests in dematerialised book-entry form representing the New Offer Shares in exchange for an undertaking by the Fronting Bank(s) to pay the subscription price for the New Offer Shares. Release of the registered global certificate in respect of all of the Shares in the name of Iberclear and initial registration in respect of all of the Shares as equity interests in dematerialised book-entry form (including in respect of the New Offer Shares in the name of the Fronting Bank(s)) with Iberclear is expected to take place before 2:00 p.m. CET on 12 February 2025 (the "**Initial Registration Time**").

The verification by the CNMV of the compliance by the Company with the requirements for Admission, the special stock exchange transaction of the Offering (*operación bursátil especial*) with the intermediation of the Agent Bank for the purposes of transferring the Initial Offer Shares to the investors in the Offering (which will be put on hold until the approval of Admission by the Spanish Stock Exchanges), and the approval of Admission by the Spanish Stock Exchanges (effective on the following business day) are expected to take place on the same day, which will be no later than on or about the business day immediately following the Transaction Date (expected on 12 February 2025) (the "**Operation and Admission Date**").

On the Operation and Admission Date, investors' payment orders for the Initial Offer Shares, including for the New Offer Shares acquired by and initially registered in the name of the Fronting Bank(s), will be processed via the Spanish Stock Exchanges and Iberclear and, assuming the Joint Global Coordinators (acting on behalf of the Managers) have not exercised the termination rights contained in the Underwriting Agreement, investors shall be entitled to receive the relevant Initial Offer Shares acquired by them in the Offering.

The Company must comply with certain English legal formalities in respect of share issuances including pursuant to the Companies Act 2006, i.e., the passing of: (i) an ordinary resolution of the Company's shareholders meeting under section 551 of the Companies Act 2006 that gives the directors a general authority to allot shares; and (ii) a special resolution of the Company's shareholders meeting waiving pre-emption rights relating to the allotment and issuance of shares, as well as certain filings to be made with Companies House. The ordinary and special resolutions referred to in (i) and (ii) above in relation to the issuance of the New Offer Shares will be passed prior to the Initial Registration Time. Following receipt of the undertaking by the Fronting Bank(s) to pay the subscription price for the New Offer Shares due, the Company will declare the amount of the share capital increase corresponding to the relevant number of

New Offer Shares newly issued, closed and inform the CNMV, Iberclear, and the Madrid Stock Exchange, as lead stock exchange for the listing of the Shares (including the New Offer Shares).

The Company will request admission to trading of the Shares (including the Offer Shares offered hereby) on the Spanish Stock Exchanges through the AQS as soon as possible thereafter. The verification by the CNMV of the compliance by the Company with the requirements for Admission is expected to take place, in accordance with the envisaged timetable, after the completion of the Proposed Reorganisation and the Initial Registration Time on the Operation and Admission Date. After the Verification Time, the special stock exchange transaction of the Offering (*operación bursátil especial*) will be processed via the Spanish Stock Exchanges and Iberclear and put on hold until the approval of Admission by the Spanish Stock Exchanges takes place (expected also on the Operation and Admission Date but effective on the following business day). If there is any delay in the CNMV's verification of the requirements for Admission or the approval thereof by the Spanish Stock Exchanges, the Company will publicly announce, via a relevant information notice (*comunicación de otra información relevante*), such delay and a revised expected date of Admission. All of the Shares are expected to commence trading on the Spanish Stock Exchanges through the AQS on the business day immediately following the Operation and Admission Date (expected on 13 February 2025), under the ticker symbol "HBX".

Payment by the final investors to the Company (via the Fronting Bank(s)) and the Selling Shareholders, as the case may be, will be made against delivery of the New Offer Shares and Existing Offer Shares through the book-entry facilities of Iberclear and its participating entities no later than the first business day following the Operation and Admission Date, which is expected to take place on or about 13 February 2025 (the "**Settlement Date**").The Fronting Bank(s) will transfer the funds received from the sale of the New Offer Shares to the Company's account in the Agent Bank.

Neither the Company nor the Selling Shareholders shall dispose of any funds received unless and until each of the following has occurred: (i) Admission is complete; (ii) settlement of the Offering has taken place on the Settlement Date and payment is received by the Fronting Bank(s) from or on behalf of the Managers or the final acquirors, as the case may be, for the New Offer Shares (other than in respect of the Fronting Bank(s)' own underwriting commitments); and (iii) the Agent Bank has withdrawn or segregated such funds as to make payment of the commissions and ancillary expenses payable to the Managers under the terms of the Underwriting Agreement.

Pricing of the Offering

Prior to the Offering, there has been no public market for the Shares.

Offering Price Range

The indicative non-binding Offering Price Range is €10.50 to €12.50 per Offer Share. The Offering Price Range implies a market capitalisation of the Company of between €2.66 billion and €3.03 billion (at the lower and upper ends of the Offering Price Range, respectively).

The Offering Price Range has been determined by the Company and the Selling Shareholders after consultation with the Joint Global Coordinators, and no independent experts were consulted in determining the Offering Price Range.

The Offering Price Range is indicative only and may change during the course of the Offering, and the Offering Price may be set higher or lower than the Offering Price Range. There can be no assurance that the prices at which the Shares will sell in the public market after the Offering will not be lower than the Offering Price Range or that an active trading market in the Shares will develop and continue after the Offering. See section "*Risk factors—Risks related to the Shares and the Offering—The Shares are exposed to trading risks and other external factors*".

Among the factors considered in determining the Offering Price Range were the Company's future prospects and the prospects of its industry in general, the Company's revenue and net income, and certain other financial and operating information in recent periods, and the financial ratios, market prices of securities and certain financial and operating information of companies engaged in activities similar to the Company's activities.

The Company may, by agreement with the Joint Global Coordinators, modify the Offering Price Range at any time prior to the pricing of the Offering, which will be reported to the CNMV through an inside information notice (*comunicación de información privilegiada*) no later than one business day following the date on which the decision is taken.

Offering Price and number of Initial Offer Shares

The Offering Price and the number of Offer Shares will be determined by the Company and the Selling Shareholders after consultation with the Joint Global Coordinators upon the finalisation of the bookbuilding period (expected to be on or about 10 February 2025). The abovementioned date is indicative and may be advanced or delayed by the Company and the Selling Shareholders in their sole and absolute discretion, after consultation with the Joint Global Coordinators, following the extension or shortening of the bookbuilding period, which will be reported to the CNMV through an inside information notice (*comunicación de información privilegiada*) as soon as practicably possible together with the new calendar for the Offering and it will be announced through an inside information notice (*comunicación de información privilegiada*) to be filed with the CNMV as soon as practicable after the execution of the Underwriting Agreement. No independent experts will be consulted in determining the Offering Price.

The number of New Offer Shares offered in the Offering will be calculated by dividing €725,000,000 by the Offering Price. The number of Initial Offer Shares, Over-allotment Shares and the Offering Price will be announced through an inside information notice (*comunicación de información privilegiada*) to be filed with the CNMV.

Expenses and taxes charged to the investor

The Company and the Selling Shareholders will not charge investors any expenses in addition to the Offering Price.

Without prejudice to the above, acquirors of Offer Shares may be required to pay stamp taxes and other charges in compliance with the laws and practices of their country of residency in addition to the Offering Price.

In addition, investors will have to bear the commissions payable to the financial intermediaries through which they will hold the Offer Shares, including those commissions related to the administration and security custody which are freely set by the relevant financial intermediaries and notified to the CNMV or the Bank of Spain, as the case may be.

Allocation of the Initial Offer Shares

The final allocation of the Initial Offer Shares will be decided by the Company and the Selling Shareholders after consultation with the Joint Global Coordinators, and shall be notified to the relevant investors on the Transaction Date. The Agent Bank shall arrange the delivery of the Initial Offer Shares to the relevant investors on the Settlement Date.

Withdrawal and Revocation of the Offering

Withdrawal of the Offering

The Company and the Selling Shareholders expressly reserve the right to withdraw the Offering, postpone it, defer it or suspend it temporarily or indefinitely for any reason at any time before the setting of the Offering Price. The Company and the Selling Shareholders will notify the CNMV, the Agent Bank and the Joint Global Coordinators of the withdrawal of the Offering on the date that the withdrawal takes place or as soon as practicable by means of an inside information notice (*comunicación de información privilegiada*).

Revocation of the Offering

The Offering will be revoked: (a) if the Underwriting Agreement is not executed on or before 3:00 a.m. Madrid time on the date following the finalisation of the bookbuilding period (which is expected to finalise on or about 10 February 2025) or any other date as may have been duly notified to the CNMV if the bookbuilding period is shortened or extended; (b) if the CNMV or any other relevant authority suspends or revokes the Offering; (c) if the Proposed Reorganisation is not completed prior to the Initial Registration Time; (d) if Admission has not been completed before 11:59 pm CET time on 20 February 2025; or (e) if the Underwriting Agreement is terminated by the Joint Global Coordinators (on behalf of the Managers) acting unanimously and in good faith, after consultation to the extent reasonably practicable in the circumstances with the Company and the Selling Shareholders, upon the occurrence of any of the following termination events set forth in the Underwriting Agreement at any time before the Verification Time on the Operation and Admission Date, provided always that the effect of any such event makes it impracticable or inadvisable to proceed with the Offering:

(A) a failure by the Company or the Selling Shareholders to satisfy the conditions precedent when and as required in the Underwriting Agreement;

(B) there has been a breach by the Company, HBG Ltd or the Selling Shareholders of any of the representations, warranties and undertakings contained in the Underwriting Agreement;

(C) since the date of the Underwriting Agreement or since the respective dates indicated in such agreement, there has been, in the good faith judgement of the Joint Global Coordinators (acting unanimously), a material adverse change or any development reasonably likely to result, individually or in the aggregate, in a material adverse change in the business, financial condition, prospects, results of operations, or assets of the Group taken as a whole occurring since the date of the Underwriting Agreement;

(D) any moratorium on or suspension of commercial banking activities shall have been declared by competent authorities in Spain, the United Kingdom or the United States, or a material disruption has occurred in commercial banking activities, securities settlement, payment or clearance services in Spain, the United Kingdom or the United States;

(E) the occurrence of:

   a. a suspension or material limitation in trading in securities generally on any of the Spanish Stock Exchanges, the London Stock Exchange or the New York Stock Exchange;

   b. any material adverse change in the financial, political or economic conditions, any financial markets or any currency exchange rates or controls, in each case, in Spain, the United Kingdom or the United States; or

   c. an outbreak or escalation of hostilities or acts of terrorism or a declaration of a national emergency or war or any other calamity or crisis; or

(F) an amendment or supplement to the Prospectus is published that seeks to correct any untrue statement of a material fact or omission, to state a material fact necessary in order that the Prospectus will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

In case of withdrawal or revocation of the Offering, all offers to acquire will be cancelled and all acquisition orders related to the Offering of the Offer Shares will be terminated. Additionally, the Company will have no obligation to issue and deliver the New Offer Shares and the Selling Shareholders will have no obligation to deliver the Existing Offer Shares owned by each of them and the investors (including for the purposes of this section, the Fronting Bank(s), acting in the name and on behalf of the final acquirors of the New Offer Shares or (failing the procurement of final acquirors by the Managers) the Managers, as the case may be, will have no obligation to acquire the Initial Offer Shares.

The fact that the Offering has been withdrawn or revoked will be announced through an inside information notice (*comunicación de información privilegiada*) filed with the CNMV.

In addition, in case of withdrawal or revocation of the Offering as set forth herein, the Managers will not be entitled to any commission, and if the withdrawal or revocation of the Offering takes place after payment of any commissions to the Managers, to the extent applicable, each of the Managers shall reimburse the Company and Selling Shareholders, as soon as reasonably practicable, any commissions received by it.

Following payment by the final investors and delivery of the Initial Offer Shares to the final investors on the Settlement Date, the Offering will not be capable of withdrawal or revocation. If subsequently required by a court or regulatory authority of competent jurisdiction, the Company and the Selling Shareholders will take all reasonable steps to comply with any valid order of such court or regulatory authority to repurchase or repay by reduction of capital the Initial Offer Shares for amounts equal to the moneys paid by the final investors in respect of such Initial Offer Shares, subject to applicable law and regulation.

Publication of a Supplement

Pursuant to Article 23 (1) and (2) of the Prospectus Regulation, a supplement to this Prospectus will be published if a significant new factor, material mistake or material inaccuracy relating to the information contained in the Prospectus which may affect the assessment of the Offer Shares, arises or is noted between the date of approval of the Prospectus and the Transaction Date or the time when trading on the Spanish Stock Exchanges begins, whichever occurs later. Investors who have already submitted acquisition proposals in respect of the Initial Offer Shares before such supplement is published, shall have the right, exercisable within three business days after the publication of such supplement, to withdraw their orders by written notice to the Managers, provided that the significant new factor, material mistake or material inaccuracy referred to above arose or was noted before the closing of the offer period. That period may be extended by the Company and the Selling Shareholders in consultation with the Joint Global Coordinators. The final date of the right of withdrawal shall be stated in the supplement.

Agent Bank

The Agent Bank will be responsible for, among other things: maintaining the Existing Offer Shares deposited in the securities accounts held with it by the Selling Shareholders until settlement of the Offering; instructing the entities participating in the Offering on the procedures applicable to its execution; receiving and processing information on the selection and confirmations of acquisition proposals and collaborating in the allocation of the Initial Offer Shares to the relevant investors, as per the instructions of the Company, the Fronting Bank(s) and the Selling Shareholders; and cooperating with the Company in the Admission process.

Authorisations of the Offering

On 3 December 2024, the Board resolved to approve the issuance of New Offer Shares and apply for Admission and, on 27 January 2025, the Board established an Offering Price Range of between €10.50 and €12.50 in connection with the Offering. On or around 10 February 2025, the Board is expected to establish the amount of New Offer Shares to be allocated in the context of the Offering and to carry out a share capital increase in connection with the issue of the New Offer Shares.

It is expected that on 10 February 2025, the General Shareholders' Meeting will grant the Board the necessary authority to resolve the allotment and issuance of between 69,047,619 and 58,000,000 New Offer Shares (assuming an Offering Price at the lower and upper ends of the Offering Price Range) to raise gross proceeds of €725 million.

Prior to the date of this Prospectus, the Selling Shareholders decided to carry out the offering of 2,000,000 Existing Offer Shares to raise gross proceeds of between €21,000,000 and €25,000,000 (assuming an Offering Price at the lower and upper ends of the Offering Price Range).

For the avoidance of doubt, no application has been made or is currently intended to be made for the Shares (including the Offer Shares offered hereby) to be admitted to listing or trading on any exchange other than the Spanish Stock Exchanges and the AQS.

No pre-emptive subscription and/or acquisition rights are applicable in relation to the Offering, taking into account that all of the Company's current shareholders have irrevocably waived their pre-emptive subscription rights over the New Offer Shares, and that no pre-emptive acquisition rights apply to the transfer of the Existing Offer Shares and Over-allotment Shares.

The Offering shall not be subject to any administrative approval or authorisation besides the regime applicable to the approval by the CNMV of this document as a "prospectus" for the purposes of the Offering and the subsequent Admission in accordance with the Prospectus Regulation and the Securities Markets Law and related regulation.

In addition, the Company will publish any change in the date expected for Admission through a relevant information notice (*comunicación de otra información relevante*) with the CNMV.

Stabilisation

In connection with the Offering, BofA Secutities, or any of its agents, as stabilising manager (the "**Stabilising Manager**"), may (but will be under no obligation to) to the extent permitted by applicable law, engage in transactions that stabilise, support, maintain or otherwise affect the price, as well as over-allot the Shares or effect other transactions, all with a view to supporting the market price of the Shares at a level higher than that which might otherwise prevail in the open market. Any stabilisation transactions shall be undertaken in accordance with applicable laws and regulations, in particular, Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC ("**MAR**") and Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the conditions applicable to buy-back programmes and stabilisation measures ("**Regulation 2016/1052**").

The stabilisation transactions shall be carried out in the Spanish Stock Exchanges through the AQS for a maximum period of 30 calendar days from the date of commencement of trading of the Company's ordinary shares in the Spanish Stock Exchanges, provided that trading is carried out in compliance with the applicable rules, including any rules concerning public disclosure and trade reporting. The stabilisation period is expected to commence on 13 February 2025 and end no later than 14 March 2025 (the "**Stabilisation Period**").

For this purpose, the Stabilising Manager may carry out an over-allotment of Shares in the Offering, which may be covered by the Stabilising Manager pursuant to one or several securities loans granted by the Selling Shareholders. The Stabilising Manager is (i) not required to enter into such transactions; and (ii) such transactions may be effected on the Spanish Stock Exchanges and may be taken at any time during the Stabilisation Period. However, neither the Stabilising Manager nor any of its agents are under any obligation to effect stabilising transactions and there is no assurance that the stabilising transactions will be undertaken. Such stabilisation, if commenced, may be discontinued at any time without prior notice, without prejudice to the duty to give notice to the CNMV of the details of the transactions carried out under Regulation 2016/1052. In no event will measures be taken to stabilise the market price of the Shares above the Offering Price. In accordance with Article 5.5 of MAR and Article 6.2 of Regulation 2016/1052, the details of all stabilisation transactions will be notified by the Stabilising Manager to the CNMV no later than closing of the seventh daily market session following the date of execution of such stabilisation transactions.

The maximum number of Over-allotment Shares over which the Over-allotment Option may be exercised by the Stabilising Manager shall be reduced by the number of Shares that have been acquired in the market by the Stabilising Manager in the context of the stabilisation transaction by the end of the Stabilisation Period.

Additionally, in accordance with Articles 5.4 and 5.5 of MAR and Article 6.3 of Regulation 2016/1052, the following information will be disclosed to the CNMV by the Stabilising Manager within one week of the end of the Stabilisation Period: (i) whether or not stabilisation transactions were undertaken; (ii) the date on which stabilisation transactions started; (iii) the last date on which stabilisation transactions last occurred; and (iv) the price range within which any stabilisation transactions were carried out, for each of the dates during which stabilisation transactions were carried out.

Liquidity Providers

There are no entities which have a firm commitment to act as intermediaries in secondary trading providing liquidity through bid and offer rates.

Over-allotment Option

In connection with the Offering, the Selling Shareholders, acting severally and not jointly, will grant to BofA Securities, in its capacity as Stabilising Manager, acting on behalf of the Managers, acting severally and not jointly, an option to acquire up to between 10,657,141 and 9,000,000 Over-allotment Shares (representing 15% of the Initial Offer Shares at the lower and upper end of the Offering Price Range, respectively). The table below sets forth the maximum number of Over-allotment Shares that may be acquired by the Stabilising Manager from each of the Selling Shareholders, at the lower and upper end of the Offering Price Range, respectively:

Maximum number of Over-allotment Shares	Lower end[(1)]	Upper end[(1)]
Prometheus Aggregator	4,360,224	3,725,202
CPPIB	4,360,224	3,725,202
Kiwi Feeder	1,936,693	1,549,596
Total	10,657,141	9,000,000

Note:

(1) Refers to the lower or upper ends of the Offering Price Range, as applicable.

The Over-allotment Option is exercisable by the Stabilising Manager, on behalf of the Managers acting severally and not jointly nor jointly and severally, upon notice to the Selling Shareholders, on one occasion in whole or in part, only for the purpose of covering over-allotments (if any) and to cover any short positions resulting from stabilisation transactions (if any), at any time on or before the 30th calendar day after the commencement of trading of the Shares on the Spanish Stock Exchanges. This period is expected to commence on 13 February 2025 and end on 14 March 2025. Any Over-allotment Shares made available pursuant to the Over-allotment Option will rank *pari passu* in all respects with the New Offer Shares and the Existing Offer Shares, including for all dividends and other distributions declared, made or paid on the New Offer Shares and the Existing Offer Shares, if any, will be acquired on the same terms and conditions as the New Offer Shares and the Existing Offer Shares being issued or sold in the Offering and will form a single class for all purposes with the other Shares.

The exercise of the Over-allotment Option will not be subject to any conditions and will be notified by means of the corresponding relevant information notice (*comunicación de otra información relevante*) to be filed with the CNMV including the date in which the Over-allotment Option will be exercised together with the definitive number of Over-allotment Shares.

Lock-up

Company lock-up

The Company will agree that during a period commencing on the date on which the Underwriting Agreement is signed to and including 180 days from Admission, neither the Company nor any of its subsidiaries nor any person acting on its or their behalf (other than the Managers, as to whom the Company will give no undertaking) will, without the prior written consent of a majority in number of the Joint Global Coordinators (provided always that all the Joint Global Coordinators are simultaneously notified by the Issuer in writing of any lock-up waiver request), such consent not to be unreasonably withheld or delayed:

(i) directly or indirectly, issue, offer, pledge, sell, contract to sell, sell or grant any option, right, warrant or contract to purchase, exercise any option to sell, purchase any option or contract to sell, or lend or otherwise transfer or dispose of any Shares or other shares of the Company, or any securities convertible into or exercisable or exchangeable for Shares or other shares of the Company, or file any prospectus under the Prospectus Regulation or any similar document with any other securities regulator, stock exchange, or listing authority with respect to any of the foregoing;

(ii) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic rights of any Shares or other shares of the Company,

whether any such transaction described in paragraphs (i) or (ii) above is to be settled by delivery of Shares or any securities convertible into or exercisable or exchangeable for Shares, in cash or otherwise; or

(iii) enter into any other transaction with the same economic effect as those described in paragraphs (i) or (ii) above, or agree to do or announce such an intention to effect any such transaction.

The foregoing sentence shall not apply to (A) the issuance of Shares in the context of the Proposed Reorganisation and sale of the New Offer Shares; (B) transfers of Shares as a result of the operation of a liquidity agreement entered into by the Company with an authorised dealer or broker pursuant to the CNMV Circular 1/2017, of April, 26 and Circular 2/2019, of November, 27; (C) transfers of Shares by the Company required by law; or (D) transfers of Shares held as treasury stock by the Company to the offeror in the context of a merger or a tender offer for the acquisition of the Company and/or the delivery of an irrevocable undertaking to tender Shares in such a tender offer.

Selling Shareholders lock-up

The Selling Shareholders will agree that during a period commencing on the date on which the Underwriting Agreement is signed to and including 180 days from Admission, neither the Selling Shareholders nor any of their subsidiaries nor any person acting on its or any of their behalf (other than the Managers, as to whom the Selling Shareholders will give no undertaking) will, without the prior written consent of a majority in number of the Joint Global Coordinators (provided always that all the Joint Global Coordinators are simultaneously notified in writing of any lock-up waiver request by any such Selling Shareholder), such consent not to be unreasonably withheld or delayed:

(i) directly or indirectly, offer, pledge, sell, contract to sell, sell or grant any option, right, warrant or contract to purchase, exercise any option to sell, purchase any option or contract to sell, or lend or otherwise transfer or dispose of any Shares or other shares of the Company or any securities convertible into or exercisable or exchangeable for Shares or other shares of the Company or request or demand that the Company publicly files any prospectus under the Prospectus Regulation or any similar document with any other securities regulator, stock exchange or listing authority with respect to any of the foregoing;

(ii) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic rights of any Shares or other shares of the Company,

whether any such transaction described in paragraphs (i) or (ii) above is to be settled by delivery of Shares or any securities convertible into or exercisable or exchangeable for Shares, in cash or otherwise; or

(iii) enter into any other transaction with the same economic effect as those described in paragraphs (i) and (ii) above, or agree to do or announce such an intention to effect any such transaction.

The foregoing sentence shall not apply to (A) the subscription of Shares pursuant to the Proposed Reorganisation and the sale of Offer Shares by the Selling Shareholders pursuant to the Underwriting Agreement; (B) any transfer of Shares held by the Selling Shareholders as may be lent by the Selling Shareholders to the Stabilising Manager pursuant to the stock lending agreement to be entered into between the Selling Shareholders and the Stabilising Manager; (C) the sale of the Over-allotment Shares in the event the Over-allotment Option is exercised; (D) the transfers of Shares to the offeror in the context of a merger or a tender offer for the acquisition of the Company and/or the delivery of an irrevocable undertaking to tender Shares in such a tender offer; (E) a transfer which is required by applicable law or regulation, or in accordance with a court order; (F) taking up rights granted in respect of a rights issue or other pre-emptive share offering by the Company or any disposal of rights to new Shares to be issued by way of rights issue to fund its take up of the balance of its rights; (G) transferring or disposing of Shares pursuant to a compromise or arrangement between the Company and its creditors or any class of them or between the Company and its members or any class of them which is agreed to by the creditors or members and (where required) sanctioned by the court; (H) any transfer of Shares to an Affiliate of the Selling Shareholder, to any investment fund or other entity which is controlled or managed by the Selling Shareholder, or by an Affiliate of the Selling Shareholder, or to an ultimate holding company or to any subsidiaries or subsidiary undertakings, or to any subsidiaries or subsidiary undertakings of an ultimate holding company of, the Selling Shareholders; (I) any disposal of Shares pursuant to any offer by the Company to purchase its own securities which is made on identical terms to all holders of Shares; (J) any offer by a third party purchaser to acquire Shares in a private transaction on the basis of an individually-negotiated sale and purchase agreement with such purchaser where such Shares have not been made available to investors generally; (K) any disposal of Shares in connection with a scheme of reconstruction (or similar legal mechanism used for a corporate restructuring or reorganisation) in relation to the Company; (L) any mortgage, pledge, lien, charge or other legal or equitable security over or in respect of Shares as security or assigning any rights in relation to any Shares (a "**Security Interest**") for the benefit of any finance provider(s), including any margin loan lender(s) (and if applicable, its or their permitted assignees and transferees) or any security agent or trustee on its or their behalf (a "**Margin Loan Lender**"); (M) any appropriation, transfer or disposal (in whole or in part) of Shares pursuant to any enforcement of any Security Interest over the Shares granted by the Selling Shareholders to or for the benefit of such finance provider(s), including a Margin Loan Lender, who shall not be prevented from taking ownership of, transferring or selling any Shares as a result of any such enforcement in favour of any transferee or purchaser; and (N) any disposal (in whole or in part) of Shares for the purposes of selling, transferring or granting a Security Interest over (or enforcing such Security Interest by way of transfer, sale and/or appropriation) any Shares that have previously been transferred, sold and/or appropriated to or by any person in accordance with sub-clause (M) above.

It is agreed that each of the carve-outs set out in sub-clauses (H), (J), (M) and (N) (other than in respect of the granting of a Security Interest) above is subject to the condition that any such transferees shall agree to be bound by the lock-up obligations of such Selling Shareholder as are set forth in the Underwriting Agreement for the remainder of such 180-day period.

The lock-up restrictions of the Selling Shareholders will not apply to transactions relating to Shares acquired by the Selling Shareholders, any of their respective affiliates or any person acting on their behalf in open market purchases following the consummation of the Offering.

Directors and Executive Committee lock-up

Certain Directors of the Company, namely Richard Solomons and Nicolas Huss, certain members of the Executive Committee, namely Carlos Muñoz, Brendan Brennan, Daniel Nordholm, Mark Antipof, Elena Pérez and Paula Felstead and two senior employees of the Group, namely Paul Anthony and Andres Clemente Garcia-Tenorio Del Cerro, who will reinvest in the Company pursuant to the Management Reinvestment, will agree with the Managers to certain lock-up arrangements (subject to certain exceptions) during the period from the date on which the Underwriting Agreement is signed to 360 days after Admission, such lock-up arrangements to be waivable with the prior written consent of a majority of the Joint Global Coordinators, such consent not to be unreasonably withheld or delayed. For the avoidance of doubt, any other persons, whether current or former employees, who participated in the Shares Investment Opportunity and who will own Shares immediately following the Proposed Reorganisation will not be subject to any lock-up restrictions. These persons comprise the individuals and non-institutional shareholders who do not sell all of their shares in HBG Ltd to the Company for Deferred Sale Consideration and who are referred to in step 4(j)(iii) under the heading "*Pre-Admission steps*" in the section "*Proposed Reorganisation*". Shares held by such persons will amount to between 7,661,627 and 8,364,574 Shares immediately following the Offering and represent between 3.02% and 3.50% of the Company's share capital (assuming an Offering Price at the lower and upper end of the Offering Price Range).

Foundation lock-up

The Foundation will agree with the Managers to certain lock-up arrangements (subject to certain exceptions) during the period from the date on which the Underwriting Agreement is signed to 180 days after Admission, such lock-up arrangements to be waivable with the prior written consent of a majority of the Joint Global Coordinators, such consent not to be unreasonably withheld or delayed.

Other Relationships

The Managers and their respective affiliates are full-service financial institutions and have engaged in, and may in the future engage in, transactions with and have performed, any may in the future perform, various investment banking, commercial banking, financial advisory and other services for the Company and the Selling Shareholders and their respective affiliates. They have received, or may in the future receive, customary fees and commissions as well as reimbursement of expenses for these transactions.

In the ordinary course of their business activities, the Managers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) in the Company, the Selling Shareholders and their respective affiliates for their own account and for the accounts of their clients and may at any time hold long and short positions in such securities and instruments.

In addition, certain of the Managers or their affiliates are, or may in the future be, lenders or agents or managers for the lenders under certain of the credit or debt facilities and other credit arrangements of the Company, the Selling Shareholders and their respective affiliates. In particular, on 16 January 2025, the Company entered into a senior facilities agreement with certain Managers (or their affiliates), namely BBVA, Banco Santander, BofA Securities, Barclays, BNP PARIBAS, Citigroup, Deutsche Bank, Morgan Stanley and UBS Investment Bank, which is comprised of (i) a €450 million term loan A facility; (ii) a €400 million multi-currency revolving credit facility; and (iii) a €750 million term loan B facility, whose purpose was to refinance all its existing indebtedness incurred under the Senior Facilities Agreement and cancel the facilities available under the Existing Senior Facilities Agreement (see section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Borrowings—Senior Debt*").

In their capacity as lenders, such Managers (or their affiliates) may, in the future, seek a reduction of a loan commitment to the Company, the Selling Shareholders or their respective affiliates, or impose incremental pricing or collateral requirements with respect to such facilities or credit arrangements, in the ordinary course of business. In addition, certain of the Managers or their affiliates that have a lending relationship with the Company and/or the Selling Shareholders routinely hedge their credit exposure to the Company and/or the Selling Shareholders consistent with their customary risk management policies. A typical such hedging strategy would include these Managers or their affiliates hedging such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the Company's and/or the Selling Shareholders' securities. The Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Offering Expenses

The following table is for illustrative purposes only and sets forth the estimated expenses payable by the Company in relation to the offer of New Offer Shares, by the Selling Shareholders in relation to the offer of Existing Offer Shares, and by the Selling Shareholders in relation to the offer of Over-allotment Shares, which shall be added where applicable, in each case excluding VAT:

Estimated expenses	**Lower end[(5)]**	**Upper end[(5)]**
	(€ millions)	
Underwriting commissions New Offer Shares[(1)(2)]	19.9	19.9
Underwriting commissions Existing Offer Shares[(3)]	0.6	0.7
Underwriting commissions Over-allotment Shares[(4)]	3.1	3.1
Iberclear fee, Spanish Stock Exchanges fees and the CNMV fee[(2)]	0.4	0.6
Legal, financial advisory, audit and other expenses[(2)]	25.7	25.7
Total	**49.7**	**50.0**

Notes:

(1) *Assuming payment of the maximum amount of the discretionary fee to the Managers (excluding VAT).*
(2) *Payable by the Company.*
(3) *Payable by the Selling Shareholders. Assuming that (i) 2,000,000 Existing Offer Shares are sold in the Offering at the lower and upper end of the Offering Price Range, respectively; and (ii) payment of the maximum amount of the discretionary fee to the Managers (excluding VAT) is paid.*
(4) *Payable by the Selling Shareholders. Assuming that (i) the Over-allotment Option has been exercised in full; (ii) that the Over-allotment Shares are sold in the Offering at the lower and upper end of the Offering Price Range, respectively; and (iii) payment of the maximum amount of the discretionary fee to the Managers (excluding VAT) is paid.*
(5) *Refers to the lower or upper ends of the Offering Price Range, as applicable.*

SELLING AND TRANSFER RESTRICTIONS

General

This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or acquire or subscribe for, any securities other than the securities to which it relates or any offer or invitation to sell or issue, or any solicitation of any offer to purchase or acquire or subscribe for, such securities by any person in any circumstances in which such offer or solicitation is unlawful.

The distribution of this Prospectus and the offer and sale of the Offer Shares to persons resident in, or which are citizens of, certain jurisdictions may be affected and/or restricted by law and therefore persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions, including those in the paragraphs that follow. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

No action has been taken or will be taken in any jurisdiction that would permit a public offering or sale of the Offer Shares, or possession or distribution of this Prospectus (or any other offering or publicity material relating to the Offer Shares), in any country or jurisdiction where action for that purpose is required or doing so may be restricted by law. Receipt of this document will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this document will be sent for informational purposes only and should not be copied or redistributed.

None of the Offer Shares may be offered for subscription, sale or acquisition or be delivered, and this Prospectus and any other offering material in relation to the Offer Shares may not be circulated, in any jurisdiction where to do so would breach any securities laws or regulations of any jurisdiction or give rise to an obligation to obtain any consent, approval or permission, or to make any application, filing or registration.

No Offer Shares have been marketed to, or are available for acquisition in whole or in part by, the public in Spain or elsewhere in conjunction with the Offering. This Prospectus does not constitute a public offer or the solicitation of a public offer in Spain or elsewhere to buy any securities in the Company or any other entity.

Notwithstanding the below, any person who has demonstrated to the Company's and the Joint Global Coordinators' satisfaction that it is able to lawfully participate in the Offering may, with the prior written consent of the Joint Global Coordinators and subject to certain requirements, be permitted to subscribe for or acquire Offer Shares in the Offering.

Due to the following restrictions, acquirors of Offer Shares are advised to consult their professional adviser prior to making any offer for, resale, pledge or other transfer of the Offer Shares, as to whether they require any governmental or other consent or need to observe any other formalities to accept, sell or acquire Offer Shares.

The Offer Shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time.

If an investor receives a copy of this document, the investor may not treat this document as constituting an invitation or offer to the investor of the Offer Shares unless, in the relevant jurisdiction, such an offer could lawfully be made to the investor, or the Offer Shares could lawfully be dealt in without contravention of any unfulfilled registration or other legal requirements. Accordingly, if the investor receives a copy of this document or any other offering materials or advertisements, the investor should not distribute the same in or into, or send the same to any person in, or any jurisdiction where to do so would or might contravene local securities laws or regulations.

If an investor forwards this document or any other offering materials or advertisements into any such territories (whether under a contractual or legal obligation or otherwise) the investor should draw the recipient's attention to the contents of this section. Subject to the specific restrictions described below, investors (including, without limitation, any investor's nominees and trustees) wishing to accept, sell or acquire Offer Shares must satisfy themselves as to full observance of the applicable laws of any relevant territory including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories. Investors that are in any doubt as to whether they are eligible to acquire Offer Shares should consult their professional adviser without delay.

United States

The Offer Shares have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act. Accordingly, the Managers may offer Offer Shares (i) in the United States only through their U.S. registered broker affiliates to persons reasonably believed to be QIBs (as defined in Rule 144A under the U.S. Securities Act) in reliance on Rule 144A under the U.S. Securities Act or (ii) outside the United States in compliance with Regulation S under the Securities Act.

In addition, until 40 days after the later of the commencement of the Offering and the last transaction date of the Offering, any offer or sale of Offer Shares within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A or another available exemption from registration under the U.S. Securities Act.

Regulation S

Each acquiror of Offer Shares outside the United States will be deemed by its acceptance of Offer Shares to have represented and agreed, on its own behalf and on behalf of any investor accounts for which it is acquiring Offer Shares, that neither the Company, the Selling Shareholders, nor any of their affiliates nor any of the Managers, nor any person representing the Company, the Selling Shareholders, any of their affiliates or any of the Managers, has made any representation to it with respect to the offering or sale of any Offer Shares, other than the information contained in this Prospectus, which Prospectus has been delivered to it and upon which it is solely relying in making its investment decision with respect to the Offer Shares, it has had access to such financial and other information concerning the Company and the Offer Shares as it has deemed necessary in connection with its decision to acquire any of the Offer Shares, and that (terms defined in Regulation S shall have the same meanings when used in this section):

- the acquiror understands and acknowledges that the Offer Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority of any state of the United States, and may not be offered, sold or otherwise transferred except pursuant from an exception from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities law;
- the acquiror, and the person, if any, for whose account or benefit the acquiror is subscribing for or acquiring the Offer Shares, is subscribing for or acquiring the Offer Shares in an "offshore transaction" meeting the requirements of Regulation S and was located outside the United States at the time the buy order for the Offer Shares was originated;
- the acquiror is aware of the restrictions on the offer and sale of the Offer Shares pursuant to Regulation S described in this Prospectus;
- the Offer Shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S; and
- the Company and the Selling Shareholders shall not recognise any offer, sale, pledge or other transfer of the Offer Shares made other than in compliance with the above stated restrictions.

Rule 144A

Each acquiror of Offer Shares within the United States will be deemed by its acceptance of the Offer Shares to have represented and agreed on its behalf and on behalf of any investor accounts for which it is acquiring the Offer Shares, that neither the Company, the Selling Shareholders, nor any of their affiliates nor any of the Managers, nor any person representing the Company, the Selling Shareholders, any of their affiliates or any of the Managers, has made any representation to it with respect to the Offering or sale of any Offer Shares, other than the information contained in this Prospectus, which Prospectus has been delivered to it and upon which it is solely relying in making its investment decision with respect to the Offer Shares, that it has had access to such financial and other information concerning the Company and the Offer Shares as it has deemed necessary in connection with its decision to acquire any of the Offer Shares, and that (terms defined in Rule 144A shall have the same meanings when used in this section):

- the acquiror acknowledges that the Offer Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and are subject to restrictions on transfer;
- the acquiror (i) is a QIB, (ii) is aware that the subscription or sale to it is being made in reliance on Rule 144A, and (iii) is subscribing for or acquiring such Offer Shares for its own account or for the account of a QIB;

- the acquiror is aware that the Offer Shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act;
- if, prior to the date that is one year after the later of the date of the Offering and the last date on which the Offer Shares were subscribed for or acquired from the Company, the Selling Shareholders or any of their affiliates (the "**Resale Restriction Termination Date**"), the acquiror decides to offer, resell, pledge or otherwise transfer such Offer Shares, such Offer Shares may be offered, sold, pledged or otherwise transferred only (a) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB acquiring for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A under the U.S. Securities Act, (ii) in an "offshore transaction" complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act, or (iii) pursuant to an exemption from registration under the U.S. Securities Act provided by Rule 144 thereunder (if available), and (b) in accordance with all applicable securities laws of the states of the United States and any other jurisdiction, and agrees to give any subsequent acquiror of such Offer Shares notice of any restrictions on the transfer thereof;
- the Offer Shares have not been offered to it by means of any general solicitation or general advertising;
- the Offer Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 under the U.S. Securities Act for resales of any Offer Shares.
- the acquiror will not deposit or cause to be deposited such Offer Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Offer Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act;
- the Offer Shares (to the extent they are in certificated form), unless otherwise determined by the Company and the Selling Shareholders in accordance with applicable law, will bear a legend to the following effect:

"**THE SECURITY EVIDENCED HEREBY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A) (1) TO A PERSON WHO THE SELLER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT ACQUIRING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, OR (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE) AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND ANY OTHER JURISDICTION. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE U.S. SECURITIES ACT FOR RESALES OF THIS SECURITY**; and

- the Company and the Selling Shareholders shall not recognise any offer, sale, pledge or other transfer of the Offer Shares made other than in compliance with the above stated restrictions.

Each acquiror acknowledges that the Company, the Selling Shareholders and the Managers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements, and agrees that if any of the acknowledgements, representations or agreements deemed to have been made by such acquiror by its acquisition of Offer Shares are no longer accurate, it shall promptly notify the Company, the Selling Shareholders and the Managers; if it is subscribing for or acquiring Offer Shares as a fiduciary or agent for one or more investor accounts, each acquiror represents that it has sole investment discretion with respect to each such account and full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

Terms defined in Rule 144A or Regulation S shall have the same meanings when used in this section.

Each acquiror of the Offer Shares will be deemed by its acceptance of the Offer Shares to have represented and agreed that it is acquiring the Offer Shares for its own account, or for one or more investor accounts for which it is acting as a fiduciary or agent, in each case for investment, and not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the U.S. Securities Act or any state securities laws, subject to any requirement of law that the disposition of its property or the property of such investor account or accounts be at all times within its or their control.

European Economic Area

In relation to each Member State, no Offer Shares have been offered or will be offered to the public pursuant to the Offering in that Member State prior to the publication of a prospectus in relation to the Offer Shares which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, all in accordance with the Prospectus Regulation, except that the Offer Shares may be offered to the public in that Member State at any time:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation), subject to obtaining the prior consent of the Joint Global Coordinators for any such offer; or

(c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation.

provided that no such offer of the Offer Shares shall require the Company, the Selling Shareholders, or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation and each person in a Member State who initially subscribes for or acquires any Offer Shares or to whom any offer is made will be deemed to have represented, warranted and agreed to and with the Company, the Selling Shareholders and the Managers that it is a qualified investor within the meaning of the Prospectus Regulation.

In the case of any Offer Shares being offered to a financial intermediary, as that term is used in Article 5(1) of the Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the Offer Shares subscribed for or acquired by it in the Offering have not been subscribed for or acquired on a non-discretionary basis on behalf of, nor have they been subscribed for or acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer to the public other than their offer or resale in a Member State to qualified investors, in circumstances in which the prior consent of the Joint Global Coordinators has been obtained to each such proposed offer or resale.

The Company, the Selling Shareholders, the Managers and their respective affiliates, and others, will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements. Notwithstanding the above, a person who is not a qualified investor and who has notified the Managers of such fact in writing may, with the consent of the Joint Global Coordinators, be permitted to subscribe for or acquire Offer Shares in the Offering.

For the purposes of this provision, the expression an "**offer to the public**" in relation to the Offer Shares in any Member State means the communication in any form and by any means of sufficient information on the terms of the Offering and any Offer Shares to be offered so as to enable an investor to decide to acquire or subscribe for any Offer Shares, and the expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129.

United Kingdom

No Offer Shares have been offered or will be offered pursuant to the Offering to the public in the United Kingdom prior to the publication of a prospectus in relation to the Offer Shares which has been approved by the Financial Conduct Authority, except that the Offer Shares may be offered to the public in the United Kingdom at any time:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Joint Global Coordinators for any such offer; or

(c) in any other circumstances falling within Section 86 of the FSMA,

provided that no such offer of the Offer Shares shall require the Company, the Selling Shareholders or any Manager to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation and each person in the UK who initially subscribes for or acquires any Offer Shares or to whom any offer is made will be deemed to have represented, warranted and agreed to and with the Company, the Selling Shareholders and the Managers that it is a qualified investor within the meaning of the UK Prospectus Regulation.

In the case of any Offer Shares being offered to a financial intermediary, as that term is used in Article 5(1) of the UK Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the Offer Shares subscribed for or acquired by it in the Offering have not been subscribed for or acquired on a non-discretionary basis on behalf of, nor have they been subscribed for or acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer to the public other than their offer or resale in the UK to qualified investors, in circumstances in which the prior consent of the Joint Global Coordinators has been obtained to each such proposed offer or resale.

The Company, the Selling Shareholders, the Managers and their respective affiliates, and others, will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements. Notwithstanding the above, a person who is not a qualified investor and who has notified the Managers of such fact in writing may, with the consent of the Joint Global Coordinators, be permitted to subscribe for or acquire Offer Shares in the Offering.

For the purposes of this provision, the expression an "**offer to the public**" in relation to the Offer Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Offer Shares to be offered so as to enable an investor to decide to acquire or subscribe for any Offer Shares and the expression "**UK Prospectus Regulation**" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

Canada

The Offer Shares may be sold only to acquirors acquiring, or deemed to be acquiring, as principals that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Offer Shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide an acquiror with remedies for rescission or damages if this Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the acquiror within the time limit prescribed by the securities legislation of the acquiror's province or territory. The acquiror should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal adviser.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Managers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this Offering.

Dubai International Financial Center (DIFC)

The Offer Shares to which this prospectus relates may not be offered or sold to any person in the Dubai International Financial Centre unless such offer is:

(a) an "Exempt Offer" in accordance with the Markets Rules (MKT) Module of the Dubai Financial Services Authority (the "**DFSA**") rulebook; and

(b) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the Conduct of Business (COB) Module of the DFSA rulebook.

United Arab Emirates

The Offer Shares have not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates (including the DIFC) other than in compliance with the laws of the United Arab Emirates (and the DIFC) governing the issue, offering and sale of securities. Further, this Prospectus does not constitute a public offer of securities in the United Arab Emirates (including the DIFC) and is not intended to be a public offer. This Prospectus has not been approved by or filed with the Central Bank of the United Arab Emirates, the Securities and Commodities Authority or the DFSA.

Australia

This Prospectus:

- does not constitute a disclosure document or a prospectus under Chapter 6D.2 of the Corporations Act 2001 (Cth), or the Corporations Act;
- has not been, and will not be, lodged with the Australian Securities and Investments Commission, or the ASIC, as a disclosure document for the purposes of the Corporations Act and does not purport to include the information required of a disclosure document for the purposes of the Corporations Act; and
- may only be provided in Australia to select investors who are able to demonstrate that they fall within one or more of the categories of investors, available under section 708 of the Corporations Act, or the Exempt Investors.

The Offer Shares may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for or buy the Offer Shares may be issued, and no draft or definitive offering memorandum, advertisement or other offering material relating to any Offer Shares may be distributed in Australia, except where disclosure to investors is not required under Chapter 6D of the Corporations Act or is otherwise in compliance with all applicable Australian laws and regulations. By submitting an application for the Offer Shares, you represent and warrant to us that you are an Exempt Investor.

As any offer of Offer Shares under this Prospectus will be made without disclosure in Australia under Chapter 6D.2 of the Corporations Act, the offer of those securities for resale in Australia within 12 months may, under section 707 of the Corporations Act, require disclosure to investors under Chapter 6D.2 if none of the exemptions in section 708 applies to that resale. By applying for the Offer Shares you undertake to us that you will not, for a period of 12 months from the date of issue of the Offer Shares, offer, transfer, assign or otherwise alienate those Offer Shares to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

Japan

The Offer Shares have not been and will not be registered under the Financial Instruments and Exchange Law (Law No.25 of 1948, as amended) and, accordingly, will not be offered or sold, directly or indirectly, in Japan, or for the benefit of any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person, except in compliance with all applicable laws, regulations and ministerial guidelines promulgated by relevant Japanese governmental or regulatory authorities in effect at the relevant time.

For the purposes of this paragraph, "**Japanese Person**" shall mean any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

Switzerland

The offering of the Offer Shares in Switzerland is exempt from requirement to prepare and publish a prospectus under the Swiss Financial Services Act ("**FinSA**") because the Offer Shares are offered to less than 500 investors and the Offer Shares will not be admitted to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. This Prospectus does not constitute a prospectus or a similar document pursuant to FinSA, and no such prospectus has been or will be prepared for or in connection with the offering of the Offer Shares.

Israel

This Prospectus does not constitute a prospectus under the Israeli Securities Law, 5728-1968, or the Israeli Securities Law, and has not been filed with or approved by the Israel Securities Authority. In Israel, this Prospectus is being distributed only to, and is directed only at, and any offer of the Offer Shares is directed only at, (i) a limited number of persons in accordance with the Israeli Securities Law and (ii) investors listed in the first addendum, or the Addendum, to the Israeli Securities Law, consisting primarily of joint investment in trust funds, provident funds, insurance carriers, banks, portfolio managers, investment advisors, members of the Tel Aviv Stock Exchange, underwriters, venture capital funds, entities with equity in excess of NIS 50 million and "qualified individuals," each as defined in the Addendum (as it may be amended from time to time), or, collectively referred to as qualified investors (in each case, acquiring for their own account or, where permitted under the Addendum, for the accounts of their clients who are investors listed in the Addendum). Qualified investors are required to submit written confirmation that they fall within the scope of the Addendum, are aware of the meaning of same and agree to it.

Brazil

The offer and sale of the Offer Shares have not been and will not be registered with the Brazilian Securities Commission (*Comissão de Valores Mobiliários*, or "**CVM**") and, therefore, will not be carried out by any means that would constitute a public offering in Brazil under CVM Resolution No. 160, dated 13 July 2022, as amended ("**CVM Resolution 160**") or unauthorised distribution under Brazilian laws and regulations. The Offer Shares will be authorised for trading on organised non-Brazilian securities markets and may only be offered to Brazilian Professional Investors (as defined by applicable CVM regulation), who may only subscribe for or acquire the Offer Shares through a non-Brazilian account, with settlement outside Brazil in a non-Brazilian currency. The trading of these Offer Shares on regulated securities markets in Brazil is prohibited.

ENFORCEMENT OF CIVIL LIABILITIES

The Company is a UK company and most of its assets are located outside the United States. In addition, all of its Directors and executive officers, as well as its principal shareholders, reside or are located outside the United States, mainly in the United Kingdom. As a result, investors may not be able to effect service of process upon the Company or these persons, or to enforce judgments obtained against the Company or these persons in foreign courts predicated solely upon the civil liability provisions of U.S. securities laws. Furthermore, it is doubtful that a lawsuit based upon U.S. federal or state securities laws, or upon the laws of any non-UK jurisdiction, could be brought in an original action in the United Kingdom and that a foreign judgment based upon such laws would be enforceable in the United Kingdom.

VALIDITY OF THE SHARES AND LEGAL MATTERS

The validity of the Offer Shares and certain matters relating to the Offering will be passed upon for the Company by Freshfields PartG mbB, Sucursal en España de Sociedad Profesional (with respect to English law and Spanish law) and Freshfields LLP (with respect to English and United States Federal law). Certain legal matters relating to the Offering will be passed upon for the Managers by Uría Menéndez Abogados, S.L.P. (with respect to Spanish law) and by Davis Polk & Wardwell London LLP and Davis Polk & Wardwell LLP (with respect to English law and United States Federal law, respectively).

REPORTING ACCOUNTANTS AND INDEPENDENT AUDITORS

The Special Purpose Consolidated Financial Information and the Company Financial Information, included in Annex I and Annex II to the Prospectus, respectively, have been audited by PricewaterhouseCoopers LLP. The respective audit reports are unqualified.

PricewaterhouseCoopers LLP ("**PwC**") was incorporated as a limited liability partnership company in England on 9 December 2002. The address of its registered office is 1 Embankment Place, London WC2N 6RH, United Kingdom and its registered number in the Companies House is OC303525. Its telephone number is +44 (0) 20 7583 500.

PwC was the reporting accountant of HBG Ltd for FY 2024, FY 2023 and FY 2022. HBG Ltd is a Jersey registered company and, therefore, not subject to a required statutory audit. PwC was appointed, and has not resigned or been removed, as HNVR Topco's independent auditor on 24 February 2017 for the year ended 30 September 2017, and has been its independent auditor since that date. Prior to the Proposed Reorganisation (see section "*Proposed Reorganisation*"), HNVR Topco is the direct subsidiary of HBG Ltd and the highest level at which a statutory audit and consolidated financial statements have been required.

PwC was appointed, and has not resigned or been removed, as the Company's independent auditor on 8 November 2024. The Company and HNVR Topco are companies registered in England and Wales.

In addition, PwC has issued an independent practitioner's assurance report on the compilation of pro forma financial information in accordance with ISAE 3420 on the Pro Forma Financial Information included as Section B of Annex III to this Prospectus.

The *Instituto de Contabilidad y Auditoría de Cuentas* ("**ICAC**") has resolved to register PwC in the Spanish Official Register of Account Auditors (*Registro Oficial de Auditores de Cuentas*, "**ROAC**") as a third country audit entity, under registration number ST154. The registration will be formalised following admission to trading of the Shares on a Spanish Stock Exchange.

ADDITIONAL INFORMATION

Information on the Company

The Company was incorporated for an indefinite period as a limited company in England and Wales on 20 December 2023 with the name HBX Group International Limited and subsequently re-registered as a public limited company in accordance with section 755 of the UK Companies Act on 6 January 2025. The address of its registered office is 7th Floor Tower 42, 25 Old Broad Street, London EC2N 1HN, United Kingdom, and its registered number in the Companies House is 15364642. Its LEI is 984500745985CA77CS69 and its telephone number is +44 7826910691.

The Company's commercial name is "HBX Group" and its website is www.hbxgroup.com. For the avoidance of doubt, unless specifically incorporated by reference into this Prospectus, information contained on any website referred to in this Prospectus does not form part of this Prospectus, whether by reference or otherwise. The CNMV as competent authority has not scrutinised or approved the information on any website referred to in this Prospectus.

The principal laws and legislation under which the Company operates and the Shares have been created is the UK Companies Act and regulations made thereunder.

The Company's financial year ends on 30 September.

The Company is resident in the United Kingdom for tax purposes.

Information on the Selling Shareholders

The Selling Shareholders are: Prometheus Aggregator, which is indirectly controlled by funds managed by Cinven, CPPIB and Kiwi Feeder, which is indirectly controlled by EQT VII.

Following the completion of the Proposed Reorganisation (see section "*Proposed Reorganisation*"), Cinven will indirectly hold between 37,62% and 37.99% (assuming an Offering Price at the lower and upper ends of the Offering Price Range) of the Company's share capital through Prometheus Aggregator, which was incorporated as a limited liability company in Luxembourg on 13 December 2024. The address of its registered office is 4, rue Albert Borschette, L-1246 Luxembourg and its registered number is B292592. Its LEI is 21380056IBVSXP1AWD98 and its telephone number is +352 2609 5230.

Following the completion of the Proposed Reorganisation (see section "*Proposed Reorganisation*"), CPPIB will directly hold between 37.62% and 37.99% (assuming an Offering Price at the lower and upper ends of the Offering Price Range) of the Company's share capital and was incorporated as a Canadian federal Crown corporation on 18 December 1997 pursuant to the Canada Pension Plan Investment Board Act. The address of its registered office is One Queen Street, Suite 2500 Toronto, Ontario M5C 2W5, Canada, and its registered number is 86934 7021. Its LEI is 70DNWEAINTGFO4DMV441 and its telephone number is +1 416 868 4075.

Following the completion of the Proposed Reorganisation (see section "*Proposed Reorganisation*"), Kiwi Feeder (which is indirectly controlled by EQT VII) will directly hold between 16.71% and 15.80% (assuming an Offering Price at the lower and upper ends of the Offering Price Range) of the Company's share capital. Kiwi Feeder was incorporated as a limited liability company in Luxembourg on 14 June 2022 and renamed on 16 December 2024. The address of its registered office is 51A Boulevard Royal, L-2449 Luxembourg, Luxembourg and its registered number B268941. Its LEI is 213800F5DJKBQVWKI110 and its telephone number is + 352 26 73 26.

See section "*Principal and Selling Shareholders*" for further information on ownership (and voting rights) of the Shares held by the Selling Shareholders.

Information on the Company's Group

The table below shows the Company's significant subsidiaries, including name, registered address, country of incorporation or residence, the proportion of ownership interest held (whether directly or indirectly) and, if different, the proportion of voting power held following implementation of the Proposed Reorganisation (as defined and described in the section titled "*Proposed Reorganisation*") and the principal activities.

Company	Registered address	Country	Shareholding	Principal activities
Advantos Brasil Operadora de Turismo Limitada	Rua Barao de Tefle 1000, sala 162 Jundiai Sao Paulo 13208-761	Brazil	100%	Trading
Beds On Line, S.L.U.	Complejo Mirall Balear – Torre A, 5ª. Planta, 3A – 4A Camí de Son Fangos, 100 – 07007 Palma de Mallorca	Spain	100%	Trading

Company	Registered address	Country	Shareholding	Principal activities
Branch of Travel Partner Turkey Turizm ve Seyahat Anonim Sirketi Antalya 2 Subesi	Güzeloba Mahallesi Çağlayangil Cad. No: 25 A Muratpaşa, Antalya	Turkey	100%	Branch
Branch of Travel Partner Turkey Turizm Ve Seyahat Anonim Şirketi in Antalya	Güzeloba Mahallesi Çağlayangil Cad. No: 25 A Muratpaşa, Antalya	Turkey	100%	Branch
Club Turavia SA de CV	Av. Bonampak Z.T. MZA 27 LT 1-02, UC 12 Sección E. S-02 A al S-02 C2, Benito Juarez, Quintana Roo C.P. 77500	Mexico	100%	Trading
Donvand Limited	7th Floor, Tower 42, 25 Old Broad Street, EC2N 1HN London, United Kingdom	United Kingdom	100%	Holding
Easy Market, S.p.A.	Strada Statale Consolare 51/c. 47900. Rimini, Italy	Italy	100%	Trading and software development
Global Obi S.L.	Complejo Mirall Balear, Camí De Son Fangos 100, Torre B, 2º Planta, 07007, Palma de Mallorca	Spain	100%	Trading and software development
GTA (Beijing) Travel Consulting Co. Limited	Unit 1111, Floor 11, Building 8, Yard 91, Jianguo Road, Chaoyang District, Beijing	China	100%	Trading
GTA (Beijing) Travel Consulting Co. Limited (Guangzhou Branch)	Unit 82 Room 901, No. 6 Zhujiang Dong Road, Tian He District, Guangzhou, China	China	100%	Under deregistration
GTA (Beijing) Travel Consulting Co. Limited (Shanghai Branch)	Shanghai Oriental Centre, Room 1105, No. 699 West Nanjing Road, Jing'an District, Shanghai	China	100%	Under deregistration
GTA Global (France) SAS	3 rue de Stockholm 75008, Paris, France	France	100%	Trading
GTA Holdco Limited	7th Floor, Tower 42, 25 Old Broad Street, EC2N 1HN London, United Kingdom	United Kingdom	100%	Holding
GTA Reisen Holding AG	Thurgauerstrasse 101, 8152, Zurich, Opfikon, Switzerland	Switzerland	99.9%	Holding
Gullivers Travel Associates Tour Travel Organizers Co Limited	Abdar Centre, Office No. 303; Off Olaya Road; PO Box 8015; Riyadh; 11482	Saudi Arabia	100%	Trading
HNVR Holdco Limited	7th Floor, Tower 42, 25 Old Broad Street, EC2N 1HN London, United Kingdom	United Kingdom	100%	Holding
HNVR Midco Limited	7th Floor, Tower 42, 25 Old Broad Street, EC2N 1HN London, United Kingdom	United Kingdom	100%	Holding
HNVR Topco Limited	7th Floor, Tower 42, 25 Old Broad Street, EC2N 1HN London, United Kingdom	United Kingdom	100%	Holding
Holiday Taxis Group Limited	7th Floor, Tower 42, 25 Old Broad Street, EC2N 1HN London, United Kingdom	United Kingdom	100%	Trading and software development
Hotelbeds Canada Inc.	28 – 19628 55a Avenue, Langley BC V3A 3X2, CANADA	Canada	100%	Trading
Hotelbeds (Shanghai) Commercial Services Co, Limited	Shanghai Oriental Centre, Room 1103, Physical floor 903, No. 699 West Nanjing Road, Jing'an District, Shanghai, People's Republic of China	China	100%	Trading
Hotelbeds (Shanghai) Commercial Services Co, Limited (Guangzhou Branch)	Unit 79, Room 901, No. 6, Zhujiang Dong Road, Tianhe District, Guangzhou, China	China	100%	Branch
Hotelbeds (Thailand) Limited	50 Tonson Building, Suite 201-207; Soi Tonson, Ploenchit Road; Lumpini, Pathumwan; Bangkok; 10330	Thailand	48.8%	Under liquidation

Company	Registered address	Country	Shareholding	Principal activities
Hotelbeds DMCC	Units T301, T302, T303, 3rd Floor, Red Diamond Building, Al Thanyah Fifth, Dubai, United Arab Emirates JLT-PH2-O1A	United Arab Emirates	100%	Trading
Hotelbeds Group Italy SRL	Via Nomentana 41, 00161, Rome	Italy	100%	Trading
Hotelbeds HBGP Lda.	Rua de Gaza, 17-B-Loja, 2775 576, Lisboa, Carcavelos	Portugal	100%	Trading
Hotelbeds Hong Kong Limited	29/F and 30/F, The Gateway Tower 5Harbour City, 15 Canton Road, Tsim Sha Tsui Kowloon Hong Kong	Hong Kong	100%	Dormant
Hotelbeds India Private Limited	817, 8th Floor, Pearls Omaxe, Netaji Subhash Place, New Delhi, 110034 India	India	100%	Trading
Hotelbeds Japan KK	16F Link Square Shinjuku, 5-27-5 Sendagaya, Shibuya-ku, Tokyo	Japan	100%	Trading
Hotelbeds Product, SLU	Complejo Mirall Balear, Torre A, 5ª. Plta, Camí de Son Fangos, 100 - 07007 Palma de Mallorca	Spain	100%	Trading
Hotelbeds Pte Limited	101 Thomson Road; #16-01 United Square; 307591	Singapore	100%	Trading
Hotelbeds Services (Thailand) Limited	50 Tonson Building, Suite 201-207; Soi Tonson, Ploenchit Road; Lumpini, Pathumwan; Bangkok; 10330	Thailand	49%[2]	Trading
Hotelbeds Services Greece Limited Liability Company	9 Feidiou str., Athens, 10678, Greece	Greece	100%	Trading
Hotelbeds Spain, SLU	Complejo Mirall Balear - Torre A, 5ª. Planta, 6A - 7A Camí de Son Fangos, 100 - 07007 Palma de Mallorca	Spain	100%	Trading
Hotelbeds Switzerland AG	Regus Ambassador House,Thurgauerstrasse 101, lattpark (Opfikon), 8152 Zurich, Switzerland	Switzerland	100%	Trading
Hotelbeds Technology S.L.U.	Complejo Mirall Balear - Torre B, 5ª. Planta, 6B-7B, Camí de Son Fangos, 100 - 07007 Palma de Mallorca	Spain	100%	Software development
Hotelbeds UK Limited	7th Floor, Tower 42, 25 Old Broad Street, EC2N 1HN London, United Kingdom	United Kingdom	100%	Trading
Hotelbeds US Holdco, Inc.	Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware, 19801	United States of America	100%	Holding
Hotelbeds USA, Inc.	Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware, 19801	United States of America	100%	Trading
Hotelbeds, S.L.U.	Complejo Mirall Balear - Torre A, 5ª. Planta, 1A - 2A, Camí de Son Fangos, 100 - 07007 Palma de Mallorca	Spain	100%	Trading
Hotelopia S.L.U.	Complejo Mirall Balear - Torre B, 5ª. Planta, 4B - Camí de Son Fangos, 100 - 07007 - Palma de Mallorca	Spain	100%	Trading
Kuoni GTS (Korea) Limited	Eulji Hankook Building 19F 50, Eulji-ro, Jung-gu, Seoul	Korea	100%	Trading
Kuoni Holding Delaware	Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware, 19801	United States of America	100%	Holding
Kuoni Holdings Limited	7th Floor, Tower 42, 25 Old Broad Street, EC2N 1HN London, United Kingdom	United Kingdom	100%	Holding
Micronnexus GmbH	Hohe Bleichen 22, 20354 Hamburg	Germany	100%	Trading and software development
PT Hotelbeds Services Indonesia	WTC 5 Building Level 3A, JI. Jenderal Sudirman Kav. 29-31, Jakarta Selatan, Indonesia	Indonesia	100%	Trading
Tourico Holidays Argentina SRL	Carlos Pellegrini 1141 - 7th floor, Buenos Aires C1009ABW	Argentina	100%	Trading

Company	Registered address	Country	Shareholding	Principal activities
Tourico Holidays Germany, GmbH	Leipziger Platz 15, 10117, Berlin	Germany	100%	Trading
Tourico Holidays Hong Kong Limited	29/F and 30/F, The Gateway Tower 5Harbour City, 15 Canton Road, Tsim Sha Tsui Kowloon Hong Kong	Hong Kong	100%	Trading
Tourico Holidays, Inc.	CT Corporation System, 1200 South Pine Island Road, Plantation, Florida 33324	United States of America	100%	Holding
Travel Holdings Parent LLC	Corporation Trust Center 1209 Orange Street Wilmington, Delaware 19801	United States of America	100%	Holding
Travel Holdings, Inc.	Corporation Trust Center 1209 Orange Street Wilmington, Delaware 19801	United States of America	100%	Holding
Travel Partner Brazil Agencia de Turismo e Viagens Limitada	Rua Barão de Teffé, 1.000 - Sala 162, parte B, CEP: 13.208-761, Jundiaí - SP	Brazil	100%	Trading
Travel Partner Turkey Turizm ve Seyahat Anonim Sirketi	Arapcami Mah. Bankalar Cad. Bozkurt Han No:3 D:3 Karaköy Beyoğlu, İstanbul	Turkey	100%	Trading
Travelcube Pacific Pty Limited	Level 17, 1 Denison Street North Sydney, New South Wales, Australia	Australia	100%	Trading
Travelstack Inc	Corporation Trust Center 1209 Orange Street, Wilmington, Delaware 19801	United States of America	100%	Travelstack Inc
Trina Group Limited	7th Floor, Tower 42, 25 Old Broad Street, EC2N 1HN London, United Kingdom	United Kingdom	100%	Holding

No Significant Change

There has been no significant change in the financial position or financial performance of the Group or the Company since 30 September 2024 (being the end of the last financial period for which consolidated financial information of the Group was published), save for the transactions carried out in the context of the Proposed Reorganisation (see sections "*Proposed Reorganisation*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Current trading and Prospects*" and "*Capitalisation and Indebtedness*"), the approval by the Board of the Company of the admission to trading of all the Shares on the Spanish Stock Exchanges, the approval by the Board of HBG Ltd of the Additional Incentive Bonus (see section "*Management and Board of Directors—Incentive Plans—Extraordinary incentives and awards*") and the refinancing of the Existing Senior Facilities Agreement (see section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Borrowings—Senior debt—Existing Senior Facilities Agreement*"). In addition, following Admission, the Historical LTIPs will be liquidated and paid (see section "*Management and Board of Directors—Incentive Plans—Historical incentive plans to be liquidated upon Admission*").

Consents

PricewaterhouseCoopers LLP has given and has not withdrawn its written consent to the inclusion in this document of its Accountants' Report on the Special Purpose Consolidated Financial Information as set out under Section C of Annex I and its independent practitioner's assurance report on the compilation of pro forma financial information as set out under Section A of Annex III, and has authorised the contents of those parts of the document which comprise its reports for the purposes of item 1.3 of Annex 1 to Prospectus Delegated Regulation.

A written consent under the Prospectus Regulation Rules is different from a consent filed with the SEC under Section 7 of the US Securities Act. As the Shares have not been and will not be registered under the US Securities Act, PricewaterhouseCoopers LLP has not filed and will not be required to file a consent under Section 7 of The US Securities Act.

DOCUMENTS ON DISPLAY

Copies of the following documents will be available free of charge on the Company's website at www.investors.hbxgroup.com:

- the Articles of Association;
- the Board Regulations;
- the terms of reference of the Audit and Risk Committee;
- the terms of reference of the Remuneration Committee;
- the terms of reference of the Nomination Committee;
- the Remuneration Policy;
- the group communications policy;
- the group disclosure policy;
- the terms of reference of the Executive Committee;
- the group Board of Director's selection and diversity policy;
- the risk control and management policy;
- the group ESG policy;
- the Special Purpose Consolidated Financial Information;
- the Company Financial Information;
- the Pro Forma Financial Information; and
- this Prospectus.

Pursuant to the Prospectus Regulation, this Prospectus will be available for at least ten years after its publication on the websites of the CNMV (www.cnmv.es) and the Company.

Pursuant to the Prospectus Regulation, this Prospectus will be available on the CNMV's website (www.cnmv.es), and on the Company's website at www.investors.hbxgroup.com for at least 10 years after its publication. For the avoidance of doubt, unless specifically incorporated by reference into this Prospectus, information contained on any website referred to in this Prospectus does not form part of this Prospectus. The CNMV as competent authority has not scrutinised or approved the information on any website referred to in this Prospectus.

GLOSSARY

The following definitions shall apply throughout this Prospectus unless the context requires otherwise:

"**£**" or "**GBP**" or "**British pound sterling**"	the lawful currency of the United Kingdom;
"**€**" or "**euro**"..................................	the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the Treaty establishing the European Community as amended;
"**Accommodation TTV**^{APM}"	the portion of the Group's TTV^{APM} relating to its Accommodation product line;
"**Adjusted EBITDA**^{APM}"	operating profit or loss adjusted to exclude exceptional items, amortisation and depreciation and other items;
"**Admission**"...................................	the admission of the Shares to trading on the Spanish Stock Exchanges and effective commencement of trading through the AQS;
"**ADR**" or "**Average Daily Rate**"...	hotel room revenues divided by total number of rooms sold in a given period;
"**Agent Bank**"	Banco Santander, S.A.;
"**AI**"..	artificial intelligence;
"**Americas**"	North America and Latin America;
"**APAC**"	Australia, Bhutan, Brunei, Burma (GVCC), Cambodia, China (including Hong Kong, Macau and Taiwan), Cook Islands, Fiji, French Polynesia, Guam, Indonesia, Japan, Laos, Malaysia, Mongolia, Myanmar (Burma), New Caledonia, New Zealand, Niue, Palau, Papua New Guinea, Philippines, Samoa, Singapore, Solomon Islands, South Korea, Tajikistan, Thailand, Tonga, Vanuatu and Vietnam;
"**API**"...	application programming interface;
"**APMs**"..	alternative performance measure as defined in Commission Delegated Regulation (EU) 2019/979 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus, and the notification portal;
"**AQS**" or "**SIBE**" or "**Mercado Continuo**"	the Automated Quotation System (*Sistema de Interconexión Bursátil* or *Mercado Continuo*);
"**Articles of Association**"	the Company's new articles of association, approved, subject to and conditional upon Admission, at the general shareholders' meeting held on 27 January 2025;
"**Audit and Risk Committee**"	the Company's audit and risk committee;
"**B2B**"	business-to-business;
"**B2B travel distributor**"	a wholesaler of travel products that sells travel products to B2C travel distributors or other travel wholesalers;
"**B2B2C**"	business-to-business-to-consumer;
"**B2C**"...	business-to-consumer;
"**B2C travel distributor**"...............	companies that sell travel products directly to consumers, such as online marketplaces, travel advisers, tour operators, airlines or loyalty programmes;
"**Board**"	the Company's board of directors;

"**Board Regulations**"......................	rules governing the Board's principles and best practices, division of tasks and responsibilities between the members of the Board, description of specific responsibilities for the chair of the Board and further details on procedures for holding meetings, decision making and overall functioning of the Board;
"**BofA Securities**"...........................	BofA Securities Europe SA;
"**CAGR**"...	compound annual growth rate;
"**Cash Outflows**"	the cash outflows linked to Admission, which mainly derive from payments under certain incentive plans (see section "*Risk Factors—Risks relating to the Group and its Business—Financial Risks—Certain payments linked to the Offering will result in significant cash outflows*") and fees and costs associated with the Offering;
"**Certificated Share**"......................	an ordinary share of the Company represented through a Share Certificate and deposited with Iberclear;
"**Chair**"..	the chairman of the Board;
"**Cinven**"...	depending on the context, any of or collectively, Cinven Partnership LLP, Cinven Holdings Guernsey Limited and their respective "associates" (as defined in the UK Companies Act 2006) and/or funds managed or advised by any of the foregoing, excluding, for the avoidance of doubt, any portfolio companies in which such funds have invested and their subsidiary undertakings;
"**CIT Law**"......................................	Law 27/2014 of 27 November on Corporate Income Tax (*Ley 27/2014, de 27 de noviembre, del Impuesto sobre Sociedades*);
"**Citigroup**"	Citigroup Global Markets Limited;
"**Clearstream**".................................	Clearsteam Banking, Société Anonyme;
"**CNMV**"	the Spanish National Securities Market Commission (*Comisión Nacional de Mercado de Valores*);
"**Company**".....................................	HBX Group International plc;
"**Company Industry Sources**"	the industry, market and competitive position data contained in this Prospectus which derived from data, information and reports prepared by official or other third-party sources, such as industry publications and surveys, industry reports prepared by governments, regulators, consultants, internal surveys, market research and client and supplier feedback, and which include, among others, industry publications and surveys, industry reports prepared by governments, regulators, consultants, internal surveys, market research and client and supplier feedback, private market studies commissioned from each of the Boston Consulting Group and OC&C Strategy Consultants, other publicly available official publications, as well as other confidential third-party sources, such UN Tourism, WTTC, Amadeus Consumer Travel Spend Priorities 2023, Oxford Economics, Kantar and Mintel;
"**Company Financial Information**"	the Company's audited individual financial information for the period from the Company's incorporation (20 December 2023) to 30 September 2024 as prepared under the historical cost convention, on a going concern basis and in accordance with the UK Companies Act 2006 and Financial Reporting Standard 101 Reduced Disclosure Framework;

"**connected trip**"	complete suite of travel related products and services provided in a seamless and unified way, in order to increase stickiness and value:
"**CPPIB**"..	Canada Pension Plan Investment Board;
"**Defaulted Shares**"	Offer Shares which one or more Managers fail to subscribe for or acquire and that they are obliged to subscribe for or acquire under the Underwriting Agreement;
"**Deferred Sale Consideration**"	the consideration calculated by reference to the Offering Price (approximately €58 million and €107 million, assuming an Offering Price at the lower and upper end of the Offering Price Range, respectively) which will be left outstanding until post-Admission, to be paid by the Company using proceeds from the Offering;
"**destination management companies**"	specialised service providers that offer local expertise in specific destinations;
"**Director**"	a member of the Board;
"**display retargeting**"	additional targeting of a consumer that has already seen an advertisement, during the same advertising campaign or during a previous campaign;
"**DPO**"...	average time the Group takes to pay its bills;
"**DSO**"	average length of time for sales to be paid back to the Group;
"**DST**" or "**Digital Services Tax**"...	tax on selected gross revenue streams of large digital companies;
"**DTT**"	double taxation treaty;
"**E2E**"	end-to-end;
"**EEA**"	the European Economic Area;
"**end consumer**"	the person who ultimately uses the travel service;
"**EQT VII**"......................................	EQT VII (No.1) Limited Partnership and EQT VII (No.2) Limited Partnership, each managed by EQT Fund Management S.à r.l.;
"**ESG**"	Environmental, Social, and Governance;
"**ESMA**"..	the European Securities and Markets Authority;
"**EU**"..	the European Union;
"**EU GDPR**"....................................	Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation);
"**Euroclear**"	Euroclear Bank, S.A./N.V., as operator of the Euroclear System;

"**Europe**"	Albania, Andorra, Armenia, Austria, Azerbaijan, Belarus, Belgium, Bosnia & Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark (including Faroe Islands and Greenland), Estonia, Finland, France (excluding French Guiana, Guadeloupe, Martinique, Réunion and St. Barthélemy), Georgia, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Kosovo, Latvia, Liechtenstein, Lithuania, Luxembourg, North Macedonia, Malta, Moldova, Monaco, Montenegro, Netherlands (excluding Aruba, Caribbean Netherlands, Curaçao and Sint Maarten), Northern Cyprus, Norway, Poland, Portugal, Romania, Russia, San Marino, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, Ukraine, United Kingdom (including Gibraltar, but excluding the British Virgin Islands, Cayman Islands and Turks & Caicos Islands);
"**Executive Committee**"	HBX Group's executive management team consisting of Nicolas Huss, Carlos Muñoz, Paula Felstead, Brendan Brennan, Daniel Nordholm, Mark Antipof, Elena Pérez, Javier Cabrerizo and Xabier Zabala;
"**Existing Facilities**"	the existing facilities under the Existing Senior Facilities Agreement;
"**Existing Offer Shares**"	existing Shares that the Selling Shareholders are selling in the Offering;
"**Existing Senior Facilities Agreement**"	a senior facilities agreement dated 11 July 2016 to which HNVR Holdco Limited and certain members of the Group are party (most recently pursuant to an amendment and restatement agreement dated 10 April 2024);
"**Existing Shares**"	means the Shares constituting the Company's issued share capital immediately following the Proposed Reorganisation but prior to the issuance of the New Offer Shares in the context of the Offering;
"**Exit Bonus**"	€1 million bonus that the Chair of the Board is expected to receive conditional on Admission taking place;
"**FCA**"	the UK Financial Conduct Authority;
"**Fifth Cinven Fund**"	Fifth Cinven Fund (No. 1) Limited Partnership, Fifth Cinven Fund (No. 2) Limited Partnership, Fifth Cinven Fund (No. 3) Limited Partnership, Fifth Cinven Fund (No. 4) Limited Partnership, Fifth Cinven Fund (No. 5) Limited Partnership, Fifth Cinven Fund (No. 6) Limited Partnership, collectively;
"**Financial Adviser**"	Evercore Partners International LLP;
"**Financial Information**"	the Company Financial Information, the Special Purpose Consolidated Financial Information and the Pro Forma Financial Information;
"**Fintech LTIP**"	Long-term incentive plan effective as of 22 June 2023 in favour of one member of the Executive Committee.
"**FSMA**"	the Financial Services and Markets Act 2000, as amended;
"**FRS 101**"	Financial Reporting Standard 101 Reduced Disclosure Framework;
"**FTE**" or "**Full-Time Employee**"	an employee's scheduled hours divided by the employers hours for a full-time workweek;
"**FTT Law**"	the Spanish law which implements the Spanish tax on financial transactions approved on 7 October 2020;
"**FX**"	foreign exchange;

"**FY 2019**"	the financial year ended 30 September 2019;
"**FY 2022**"	the financial year ended 30 September 2022;
"**FY 2023**"	the financial year ended 30 September 2023;
"**FY 2024**"	the financial year ended 30 September 2024;
"**FY 2025**"	the financial year ending 30 September 2025;
"**FY 2026**"	the financial year ending 30 September 2026;
"**FY 2029**"	the financial year ending 30 September 2029;
"**General Shareholders' Meeting**"	the Company's general shareholders' meeting expected to be held on 10 February 2025;
"**Group**" or "**HBX Group**"	(i) HBG Ltd and its consolidated subsidiaries for any period prior to the implementation of the Proposed Reorganisation and (ii) the Company and its consolidated subsidiaries for any period following the implementation of the Proposed Reorganisation;
"**GST**"	goods and services tax;
"**GSTC**"...	Global Sustainable Tourism Council;
"**GTA**"...	GTA Travel Holding Ltd and Kuoni Holdings Plc;
"**HBG Ltd**"	HBG Limited;
"**Historical LTIPs**"	the 2016 LTIP, the 2017 LTIP, the 2021-2024 LTIP, the New MIP, the Complementary 2021 LTIP, the New MIP Director and Top Manager and the Fintech LTIP;
"**HMRC**"	English HM Revenue and Customs;
"**HNVR Midco**".............................	HNVR Midco Limited;
"**HNVR Topco**"	HNVR Topco Limited;
"**Hotelbeds**"	Hotelbeds Group, S.L.U.;
"**high-value distributors**"..............	tour operators, travel advisers, airlines and loyalty programmes, whose end consumers tend to book longer hotel stays, book earlier and spend more per room, thus increasing overall TTV for hotels;
"**Iberclear**".....................................	Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal;
"**Initial Registration Time**"	the time of the initial registration in respect of all of the Shares (including the New Offer Shares) as equity interests in dematerialised book-entry form with Iberclear;
"**IFRS**"	International Financial Reporting Standards;
"**IFRS-EU**".....................................	International Financial Reporting Standards as adopted by the European Union;
"**IGT**"	Inheritance and Gift Tax (*Ley 29/1987, de 18 de diciembre, del Impuesto sobre Sucesiones y Donaciones*);
"**Initial Offer Shares**"	the New Offer Shares and the Existing Offer Shares;
"**IP**"	Intellectual Property;
"**IRS**"...	the U.S. Internal Revenue Service;

"**itinerary builder**"	online tool that allows travel advisers to build travel itineraries for end travellers, including flights, accommodation, transfers, activities & experiences. It usually will include features like personalised recommendations based on location, traveller preferences and needs, allowing end-travellers to follow the itinerary throughout the duration of their trip as well as suggesting items in the planning phase with travel adviser;
"**Joint Bookrunners**"......................	Banco Santander, BNP PARIBAS, Barclays, Deutsche Bank and UBS Investment Bank;
"**Joint Global Coordinators**".........	Morgan Stanley, BofA Securities and Citigroup;
"**KHS Holding**"	KHS Holding S.à .r.l.;
"**Kiwi Feeder**"	Kiwi Feeder S.à r.l.;
"**Large OTAs**"	global scale online travel agencies with a wide range of offering and inventory across travel components;
"**Latin America**".............................	Antigua & Barbuda, Argentina, Aruba, Bahamas, Barbados, Belize, Bolivia, Brazil, British Virgin Islands, Caribbean Netherlands, Cayman Islands, Chile, Colombia, Costa Rica, Cuba, Curaçao, Dominica, Dominican Republic, Ecuador, El Salvador, French Guiana, Grenada, Guadeloupe, Guatemala, Haiti, Honduras, Jamaica, Martinique, Mexico, Nicaragua, Panama, Paraguay, Peru, Puerto Rico, Sint Maarten, St. Barthélemy, St. Kitts & Nevis, St. Lucia, St. Vincent & Grenadines, Suriname, Trinidad & Tobago, Turks & Caicos Islands, U.S. Virgin Islands, Uruguay and Venezuela;
"**Leading Independent B2B Travel Marketplace**"	See section "*Presentation of Financial Information and Other Important Notices—HBX Group market position*";
"**LEI**"...	Legal Entity Identifier;
"**LLM**" or "**Large Language Model**"	AI software that can recognise and generate text, among other tasks;
"**lower-tier PFIC**"	Non-U.S. subsidiaries of a PFIC that are PFICs;
"**loyalty programmes**"	B2C intermediaries/travel suppliers offering packages (such as flight plus hotel) and membership programmes that provide end consumers with access to hotel rooms at discounted rates as rewards (such as closed user group rates);
"**LTIP**"	long-term incentive plan;
"**Management Reinvestment**"	the reinvestment by the Chair of the Board, seven members of the Executive Committee (including the Chief Executive Officer) and two senior managers by subscribing for newly-issued Shares at the Offering Price before the Initial Registration Time as explained in section "*Proposed Reorganisation—Pre-Admission steps*;
"**Management Selldown**"	the sale of shares in HBG Ltd to the Company for Deferred Sale Consideration by certain individuals and non-institutional shareholders before the Initial Registration Time as explained in section "*Proposed Reorganisation—Pre-Admission steps*";
"**Managers**"	the Joint Global Coordinators and the Joint Bookrunners;
"**Market Abuse Regulation**" or "**MAR**"..	Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC;

"**MEAPAC**"	the Middle East, Africa, Asia and the Pacific;
"**Meta Search & Price Checkers**"	platforms enabling end consumers to compare prices across providers;
"**MiFID II**"......................................	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (recast);
"**MiFID II Product Governance Requirements**"	the product governance requirements contained within: (a) MiFID II; (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures;
"**ML**"	machine learning;
"**MNE**"	large multinational enterprise;
"**Mobility & Experiences**"	HBX Group's Mobility & Experiences product line;
"**Morgan Stanley**"	Morgan Stanley Europe SE;
"**New Offer Shares**"	Shares that the Company is offering as is required at the Offering Price to obtain gross sale proceeds of up to €725 million in the Offering;
"**Nomination Committee**"	the Company's nomination committee;
"**North America**"............................	Anguilla, Bermuda, Canada and the United States (excluding the U.S. Virgin Islands);
"**eNPS**" or "**employee Net Promoter Score**"	metric used to measure employee satisfaction and engagement within an organisation and based on the likelihood of recommending a given employer;
"**NRIT**"...	Non-resident Income Tax (*Impuesto sobre la Renta de no Residentes*);
"**NRIT Law**"	the amended consolidated text of the Non-resident Income Tax Law, approved by Royal Legislative Decree 5/2004 of 5 March and its implementing regulations, as approved by Royal Decree 1776/2004 of 30 July (*Real Decreto Legislativo 5/2004, de 5 de marzo, por el que se aprueba el texto refundido de la Ley del Impuesto sobre la Renta de no Residentes*);
"**OECD**"	Organisation for Economic Cooperation and Development;
"**OFAC**"	the Office of Foreign Assets Control of the U.S. Department of the Treasury;
"**Offer Shares**"................................	the Initial Offer Shares and the Over-allotment Shares;
"**Offering**"......................................	this initial offering of shares of the Company;
"**Offering Price**"	the final price of the Shares;
"**Offering Price Range**"	indicative offer price range at which Shares will be offered in the Offering;
"**online marketplaces**"	online travel websites aimed at B2C sales of travel products (direct and hybrid sourcing), which include Large OTAs, Tech-Forward OTAs, Regional & Specialist OTAs and Meta Search & Price Checkers;
"**Operation and Admission Date**"	the business day immediately following the Transaction Date;
"**OTAs**"	online travel agencies;
"**other B2B Distributors**"	other B2B travel distributors and business-oriented travel advisers with corporate contracts;

"**Over-allotment Option**"	option granted by the Selling Shareholders to the Stabilising Manager to acquire up to between 10,657,141 and 9,000,000 additional Shares (representing up to 15% of the Initial Offer Shares at the lower and upper end of the Offering Price Range, respectively) at the Offering Price to cover over-allotments in the Offering, if any, and short positions resulting from stabilisation transactions;
"**Over-allotment Shares**"	the Shares that are the subject of the Over-allotment Option;
"**Package Travel Directive**"	Directive 2011/83/EU of the European Parliament and of the Council and repealing Council Directive 90/314/EEC;
"**Panel**"	the UK Panel on Takeovers and Mergers;
"**PFIC**"	passive foreign investment company;
"**PIT**"	Personal Income Tax (*Impuesto sobre la Renta de las Personas Físicas*);
"**PIT Law**"	Spanish Law 35/2006 of 28 November on the Personal Income Tax and on the partial amendment of the Corporate Income Tax, Non-resident Income Tax and Wealth Tax Law (*Ley 35/2006, de 28 de noviembre, del Impuesto sobre la Renta de las Personas Físicas y de modificación parcial de las leyes de los Impuestos sobre Sociedades, sobre la Renta de no Residentes y sobre el Patrimonio*);
"**Pro Forma Financial Information**"	the Company's unaudited pro forma statement of financial position as at 30 September 2024, that has been prepared in accordance with Annex 20 of the Prospectus Delegated Regulation and approved by the Board;
"**Prometheus Aggregator**"	Prometheus Aggregator S.à r.l.;
"**Proposed Reorganisation**"	the transactions described under "*Proposed Reorganisation—Pre-Admission steps*" and pursuant to which the Company will become the parent company of HBX Group before the Initial Registration Time;
"**Prospectus**"	this prospectus;
"**Prospectus Delegated Regulation**"	Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing the Prospectus Regulation as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) Nº 809/2004;
"**Prospectus Regulation**"	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC;
"**QEF**"	qualified electing fund;
"**QIBs**"	qualified institutional buyers as defined in Rule 144A under the U.S. Securities Act;
"**Refinancing**"	the refinancing by the Group of all its existing indebtedness incurred under the Existing Senior Facilities Agreement and the cancellation of the facilities available under the Existing Senior Facilities Agreement;
"**Regional & Specialist OTAs**"	smaller scale OTAs typical specialised on one aspect of travel (e.g., just flights or hotels);
"**Regulation S**"	Regulation S under the U.S. Securities Act;

"**Reorganisation Deed**"	the reorganisation deed entered into by the Company, certain companies within HBX Group and all shareholders of HBG Ltd (which includes all holders of Preference Shares and Shareholder Loan Notes issued by HBG Ltd and HNVR Topco) on 18 December 2024, under which, each of the parties have agreed to undertake certain transactions as part of a corporate reorganisation to be effected after registration of this Prospectus and execution of the Underwriting Agreement and before the Initial Registration Time, pursuant to which the Company will become the sole shareholder of HBG Ltd and, therefore, the parent company of HBX Group;
"**Remuneration Committee**"	the Company's remuneration committee;
"Remuneration Policy"	the Company's new Directors' remuneration policy;
"**ROAC**"	the Spanish Official Registry of Accounting Auditors (*Registro Oficial de Auditores de Cuentas*);
"**Roiback LTIPs**"	two long-term incentive plans, one of them effective as of 1 October 2020 in favour of two key employees and the other one effective as of 22 June 2023 in favour of one key employee (none of them members of the Executive Committee and one of whom is no longer an employee of the Group) which will be liquidated and payable in cash upon Admission. The amount payable under these plans is expected to be €4 million;
"**Rule 144A**"	Rule 144A under the U.S. Securities Act;
"**SDRT**"	United Kingdom stamp duty reserve tax;
"**Selling Shareholders**"	Prometheus Aggregator, CPPIB and Kiwi Feeder;
"**SEM**" or "**Search Engine Marketing**"	digital marketing strategy aimed at increasing the visibility of a website in search engine results pages;
"**SEO**" or "**Search Engine Optimisation**"	process used to optimise a website's technical configuration, content relevance and link popularity with the purpose of its pages becoming easily findable, more relevant and popular towards user search queries;
"**Settlement Date**"	on or about 13 February 2025 (expected);
"**Share Certificates**"	the share certificates of the Shares delivered to and deposited with Iberclear;
"**Share-for-Share Exchange**"	the transfer to the Company by the shareholders of HBG Ltd (i.e., Prometheus Aggregator, CPPIB, the Foundation (directly as well as through KHS Holding S.à r.l), Kiwi Feeder, and certain individuals and non-institutional shareholders of their respective shares in HBG Ltd in exchange for newly-issued Shares before the Initial Registration Time as explained in section "*Proposed Reorganisation—Pre-Admission steps*";
"**Shareholders**"	holders of an equity interest in the Shares (excluding, for the avoidance of doubt, Iberclear);
"**Shares**"	means, prior to the Proposed Reorganisation and Admission, the ordinary shares with a nominal value of €0.01 each in the share capital of the Company, and following Admission, the equity interest in an ordinary share of the Company traded and settled through Iberclear;
"**Sociedad de Bolsas**"	Sociedad de Bolsas, S.A.;
"**source markets**"	countries and territories where end consumers are located;

"**Spanish FTT**"	the Spanish law which implements the Spanish tax on financial transactions approved on 7 October 2020;
"**Spanish Governance Code**".........	the Spanish Governance Code, published by the CNMV on 18 February 2015 and as last amended in 2020;
"**Spanish Recast Insolvency Law**"	Royal Legislative Decree 1/2020, of 5 May (*Real Decreto Legislativo 1/2020, de 5 de mayo, por el que se aprueba el texto refundido de la Ley Concursal*), as amended from time to time, including without limitation, by virtue of Law 16/2022, of 5 September (*Ley 16/2022, de 5 de septiembre, de reforma del texto refundido de la Ley Concursal*);
"**Spanish Securities Law**".............	Law 6/2023 of 17 March on Securities Markets and Investment Services (*Ley 6/2023, de 17 de marzo, de los Mercados de Valores y de los Servicios de Inversión*);
"**Spanish Stock Exchanges**"	the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges;
"**Spanish Takeover Act**"	Royal Decree 1066/2007 of 27 July on the Takeover Bids Regime;
"**SPAs**"	supplier preferential agreements;
"**Special Purpose Consolidated Financial Information**"..................	the audited consolidated financial information of HBG Ltd and its consolidated subsidiaries as at and for the three years ended 30 September 2022, 2023, and 2024;
"**Stabilisation Period**"....................	The period commencing on 12 February 2025 and ending no later than 30 calendar days from Admission where stabilisation transactions can be carried out in the Spanish Stock Exchanges;
"**Stabilising Manager**"...................	BofA Securities Europe SA;
"**Tech-Forward OTAs**"	up and coming tech-forward OTAs with innovative business model beyond re-selling inventory;
"**the Foundation**"	Kuoni und Hugentobler-Stiftung;
"**travel advisers**".............................	professional travel advisers that plan and book travel and sell to consumers;
"**Third Party Supplier**"	B2B travel distributors from which the Group sources part of its accommodation inventory;
"**tour operators**".............................	high touch client service with either integrated or curated all-inclusive packages;
"**Tourico**"..	Tourico Holidays Inc.;
"**Transaction Date**"........................	on or about 11 February 2025 (expected);
"**TTV**"	total transaction value, being the total invoiced value of accommodation or other travel products over the period. In relation to the Group, TTV^{APM} refers to the amount charged to distribution partners for accommodation or other travel products over the period, excluding sales taxes such as VAT or GST and excludes amounts related to the Group's Hoteltech product line. See section "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures—TTV^{APM}*";
"**U.S. Exchange Act**"......................	the U.S. Exchange Act of 1934, as amended;

"**U.S. Holder**"	a beneficial owner of Initial Offer Shares that is, for U.S. federal income tax purposes (i) a citizen or individual resident of the United States, (ii) a corporation or other business entity treated as a corporation created or organised under the laws of the United States or its political subdivisions, (iii) a trust subject to the control of one or more U.S. persons and the primary supervision of a U.S. court or (iv) an estate the income of which is subject to U.S. federal income tax without regard to its source;
"**U.S. Securities Act**"......................	the U.S. Securities Act, as amended;
"**U.S.$**" or "**U.S. dollar**"	the lawful currency of the United States;
"**UK City Code**"	UK City Code on Takeovers and Mergers, as issued and administered by the Panel;
"**UK Companies Act**".....................	the Companies Act 2006, as amended;
"**UK GDPR**"	the United Kingdom General Data Protection Regulation;
"**UK Prospectus Regulation**"	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018;
"**United Kingdom**" or "**UK**"	the United Kingdom of Great Britain and Northern Ireland;
"**United States**" or "**U.S.**"...............	the United States of America, its territories and possessions, any state of the United States and the District of Columbia;
"**VAT**"...	value added tax;
"**VCC**"	virtual credit card;
"**Wealth Tax Law**".........................	Law 19/1991 of 6 June on Wealth Tax (*Ley 19/1991, de 6 de junio, del Impuesto sobre el Patrimonio*);
"**Web Distribution Partners**"........	distribution partners not directly connected to HBX Group's API but connected via HBX Group's website instead;
"**Web Travel Group**"	Web Travel Group (formerly Webbeds, recently de-merged from WebJet); and
"**WTTC**"	the World Travel & Tourism Council.

SPANISH TRANSLATION OF THE SUMMARY

Resumen relativo a la oferta inicial de Acciones Nuevas de la Oferta (según se definen más adelante) por parte de HBX Group International plc para recibir unos ingresos brutos de aproximadamente 725 millones de euros, y oferta por parte de los Accionistas Vendedores (según se definen más adelante) de 2.000.000 Acciones Existentes de la Oferta (según se definen más adelante), para obtener unos ingresos brutos por la venta de entre 21.000.000 y 25.000.000 euros y admisión a cotización de todas las acciones ordinarias con un valor nominal de 0,01 euros cada una en el capital social de la Sociedad (las "Acciones") en las Bolsas de Valores españolas (según se define más adelante).

1. INTRODUCCIÓN Y ADVERTENCIAS

EL PRESENTE RESUMEN DEBE LEERSE COMO UNA INTRODUCCIÓN AL PRESENTE FOLLETO. TODA DECISIÓN DE INVERTIR EN ACCIONES DE HBX GROUP INTERNATIONAL PLC (LA "SOCIEDAD") DEBE BASARSE EN LA CONSIDERACIÓN POR PARTE DEL INVERSOR DEL PRESENTE FOLLETO EN SU CONJUNTO. EL INVERSOR PODRÍA PERDER LA TOTALIDAD O PARTE DE LA INVERSIÓN EN LAS ACCIONES. LAS REFERENCIAS EN EL PRESENTE FOLLETO AL "GRUPO" O AL "GRUPO HBX" SE REFIEREN (I) A HBG LIMITED ("HBG LTD") Y A SUS FILIALES CONSOLIDADAS DURANTE CUALQUIER PERÍODO ANTERIOR A LA EJECUCIÓN DE LA REORGANIZACIÓN PROPUESTA (SEGÚN SE DEFINE MÁS ADELANTE) Y (II) A LA SOCIEDAD Y A SUS FILIALES CONSOLIDADAS DURANTE CUALQUIER PERÍODO POSTERIOR A LA EJECUCIÓN DE LA REORGANIZACIÓN PROPUESTA.

EN CASO DE PRESENTARSE ANTE UN TRIBUNAL CUALQUIER DEMANDA O RECLAMACIÓN RELACIONADA CON LA INFORMACIÓN CONTENIDA EN EL PRESENTE FOLLETO O INCORPORADA A ÉSTE POR REFERENCIA, ES POSIBLE QUE EL INVERSOR DEMANDANTE, EN VIRTUD DE LA LEGISLACIÓN ESPAÑOLA, TENGA QUE SUFRAGAR LOS COSTES DE TRADUCCIÓN DEL PRESENTE FOLLETO Y DE CUALQUIER OTRO DOCUMENTO INCORPORADO POR REFERENCIA AL MISMO ANTES DE INICIAL CUALQUIER PROCEDIMIENTO JUDICIAL.

LA RESPONSABILIDAD CIVIL CORRESPONDE SÓLO A LAS PERSONAS QUE HAYAN PRESENTADO EL RESUMEN, INCLUYENDO CUALQUIER TRADUCCIÓN DEL MISMO, PERO SÓLO SI EL RESUMEN ES ENGAÑOSO, INEXACTO O INCOHERENTE CUANDO SE LEE JUNTO CON OTRAS SECCIONES DEL PRESENTE FOLLETO, O SI, LEÍDO CONJUNTAMENTE CON OTRAS SECCIONES DEL PRESENTE FOLLETO, OMITE INFORMACIÓN FUNDAMENTAL PARA AYUDAR A LOS INVERSORES A DECIDIR SI DEBEN INVERTIR O NO EN LAS ACCIONES DE LA SOCIEDAD.

La Sociedad se constituyó por tiempo indefinido como sociedad limitada en Inglaterra y Gales el 20 de diciembre de 2023 con el nombre de HBX Group International Limited y posteriormente se volvió a registrar como sociedad anónima con arreglo a la legislación del Reino Unido y, en particular, a la Ley de Sociedades del Reino Unido de 2006 (la "**Ley de Sociedades del Reino Unido**"). La Sociedad y opera bajo el nombre comercial de "HBX Group". La Sociedad está registrada con el número 15364642 en el Registro Mercantil y tiene su domicilio social en 7th Floor Tower 42, 25 Old Broad Street, EC2N 1HN Londres, Reino Unido. Su número de teléfono es +44 7826910691 y su número LEI es 984500745985CA77CS69. El código ISIN asignado a las Acciones es GB00BNXJB679.

El presente folleto (el "**Folleto**") ha sido aprobado y registrado por la Comisión Nacional del Mercado de Valores (la "**CNMV**"), como autoridad competente de conformidad con el Reglamento de Folletos, el 30 de enero de 2025. Dicha aprobación y registro se refieren a la oferta inicial (la "**Oferta**") y a la admisión a negociación de las Acciones (según se definen más adelante) en las Bolsas de Valores de Madrid, Barcelona, Bilbao y Valencia (las "**Bolsas de Valores españolas**") como mercado regulado a los efectos de la Directiva 2014/65/UE relativa a los mercados de instrumentos financieros, en su versión modificada para su negociación a través del SIBE (según se define más adelante). El presente Folleto está disponible en la página web de la CNMV (www.cnmv.es) y en la página web de la Sociedad en www.investors.hbxgroup.com.

La Sociedad está ofreciendo las acciones nuevas de la oferta a inversores cualificados (las "**Acciones Nuevas de la Oferta**") a un precio por acción (el "**Precio de Oferta**") que se espera esté comprendido dentro del rango de precios de oferta no vinculante de entre 10,50 euros y 12,50 euros (la "**Rango de Precios de Oferta**"), y (x) Prometheus Aggregator S.à r.l. ("**Prometheus Aggregator**"), que está indirectamente controlada por fondos gestionados por Cinven, (y) Canada Pension Plan Investment Board ("**CPPIB**") y (z) Kiwi Feeder S.à r.l. ("**Kiwi Feeder**"), que está indirectamente controlada por EQT VII (Kiwi Feeder, junto con Prometheus Aggregator y CPPIB, los "**Accionistas Vendedores**"), ofrecen 2.000.000 Acciones en la Oferta para obtener unos ingresos brutos por la venta de entre 21.000.000 y 25.000.000 euros (asumiendo un Precio de Oferta en los extremos inferior y superior del Rango de Precios de Oferta, respectivamente) (las "**Acciones Existentes de la Oferta**" y, junto con las Acciones Nuevas de la Oferta, las "**Acciones Iniciales de la Oferta**"). Dicho número de Acciones Nuevas de la Oferta podría oscilar entre 69.047.619 y 58.000.000 (sobre la base de un Precio de Oferta (según se define más adelante) en los extremos inferior y superior del Rango de Precios de Oferta (según se define más adelante), respectivamente). De las 2.000.000 Acciones Existentes de la Oferta, Prometheus Aggregator ofrecerá entre 818.273 y 827.823 Acciones Existentes de la Oferta, CPPIB ofrecerá entre 818.273 y 827.823 Acciones Existentes de la Oferta y Kiwi Feeder ofrecerá entre 363.454 y 344.354 Acciones Existentes de la Oferta (suponiendo un Precio de Oferta en los extremos inferior y superior del Rango de Precios de Oferta, respectivamente). Para evitar dudas, las referencias en este folleto a las "Acciones Existentes de la Oferta" se refieren a las Acciones en poder de los Accionistas Vendedores tras la Reorganización Propuesta (según se define más adelante).

Además, los Accionistas Vendedores, actuando por separado y no conjuntamente concederán una opción a BofA Securities Europe SA, como gestor de estabilización (el "**Gestor de Estabilización**"), que podrá ejercitarla en nombre de las Entidades Directoras (según se definen más adelante), adquirir hasta entre 10.657.141 y 9.000.000 Acciones adicionales (que representen hasta el 15% de las Acciones Iniciales de la Oferta en los extremos inferior y superior del Rango de Precios de Oferta, respectivamente) (las "**Acciones de Sobreasignación**", junto con las Acciones Iniciales de la Oferta, las "**Acciones de la Oferta**") al Precio de Oferta de los Accionistas Vendedores para cubrir las sobreasignaciones de las Acciones, si las hubiere, y las posiciones cortas resultantes de las operaciones de estabilización (la "**Opción de Sobreasignación**"). La Opción de Sobreasignación es ejercitable, en su totalidad o en parte, por la Entidad Coordinadora de la Estabilización, actuando en nombre de Morgan Stanley Europe SE ("**Morgan Stanley**"), BofA Securities Europe SA ("**BofA Securities**") y Citigroup Global Markets Limited ("**Citigroup**" y, junto con Morgan Stanley y BofA Securities, las "**Entidades Coordinadoras Globales**"), Banco Santander, S.A. ("**Banco Santander**"); BNP PARIBAS ("**BNP PARIBAS**"), Barclays Bank Ireland PLC ("**Barclays**"), Deutsche Bank ("**Deutsche Bank**") y UBS AG London Branch ("**UBS Investment Bank**", junto con Banco Santander, BNP PARIBAS, Barclays y Deutsche Bank, las "**Entidades Colocadoras**"), y Alantra Capital Markets, S.V., S.A. ("**Alantra**") y Banco Bilbao Vizcaya Argentaria, S.A. ("**BBVA**", junto con Alantra, las "**Entidades Directoras Conjuntas**" y junto con las Entidades Coordinadoras Globales y las Entidades Colocadoras, las "**Entidades Directoras**") no más tarde de 30 días naturales desde la fecha en que las Acciones sean admitidas a cotización y comiencen a negociarse en las Bolsas de Valores españolas a través del Sistema de Interconexión Bursátil Español ("**SIBE**"). Ni la página web de la Sociedad ni ninguno de sus contenidos forman parte o se incorporan al presente Folleto, ya sea por referencia o de otro modo, salvo que se disponga lo contrario en el mismo. La CNMV no ha examinado ni aprobado la página web de la Sociedad ni ninguno de sus contenidos. Los inversores pueden ponerse en contacto con la CNMV en el teléfono (+34) 900 535 015.

2. INFORMACIÓN FUNDAMENTAL SOBRE EL EMISOR

2.1 ¿Quién es el emisor de los valores?

El nombre legal del emisor es HBX Group International plc y su nombre comercial es "HBX Group". La Sociedad se constituyó por tiempo indefinido como sociedad limitada en Inglaterra y Gales el 20 de diciembre de 2023 con el nombre de HBX Group International Limited y posteriormente se volvió a registrar como sociedad anónima, de conformidad con el artículo 755 de la Ley de Sociedades del Reino Unido, el 6 de enero de 2025. La Sociedad tiene su domicilio social en 7th Floor Tower 42, 25 Old Broad Street, EC2N 1HN Londres, Reino Unido. El número de registro de la Sociedad es 15364642. Su LEI es 984500745985CA77CS69 y su número de teléfono es +44 7826910691.

En la fecha del presente Resumen, la Sociedad está íntegramente participada por HNVR Topco Limited ("**HNVR Topco**"). Tan pronto como sea posible después de la fecha del presente Folleto, y antes de la publicación del Precio de Oferta, HNVR Topco transferirá la totalidad del capital social emitido de la Sociedad a Prometheus Aggregator a cambio de 0,01 euros y la asunción del compromiso de HNVR Topco de pagar a la Sociedad el precio de suscripción de las acciones preferentes rescatables sin derecho a voto, en virtud de la Reorganización Propuesta (según se define más adelante).

En la fecha del presente Resumen, la Sociedad no ejerce ninguna actividad económica los Estatutos de la Sociedad no restringen el objeto social de la Sociedad, pero se espera que su actividad sea principalmente la de una sociedad holding después de la Reorganización Propuesta. La actividad principal del Grupo es la intermediación de alojamiento hotelero y productos de viaje complementarios (alquiler de coches, traslados y experiencias) entre proveedores y distribuidores de viajes. Además, a través de su línea de productos Hoteltech, el Grupo ayuda a los hoteles a optimizar su canal directo online, creando motores de reservas y apoyando con marketing digital. A través de sus iniciativas de fintech, El Grupo HBX optimiza beneficios reduciendo costes relacionados con el procesamiento de pagos y aumentando otros ingresos.

El Grupo HBX llevará a cabo ciertas transacciones como parte de una reorganización corporativa (la "**Reorganización Propuesta**") que se efectuará tras el registro de este Folleto y la ejecución del Contrato de Aseguramiento (según se define más adelante), y antes de la cotización de las Acciones (incluyendo las Acciones de la Oferta) en las Bolsas de Valores españolas ("**Admisión**"). De conformidad con la Reorganización Propuesta, la Sociedad, determinadas sociedades del Grupo HBX, los socios de HBG Ltd, los titulares de Notas de Canje de Préstamos Participativos de HNVR Topco y los titulares de Acciones Preferentes de HNVR Topco son partes en una escritura de reorganización con fecha 18 de diciembre de 2024 (la "**Escritura de Reorganización**"), en virtud de la cual cada una de las partes ha acordado llevar a cabo determinadas acciones en el marco de una reorganización corporativa en virtud de la cual la Sociedad se convertirá en la sociedad matriz del Grupo HBX.

En la fecha del presente Resumen, el capital social de la Sociedad es de 57.100,01 euros y está dividido en 1 acción ordinaria, de 0,01 euros de valor nominal, y 57.100 acciones preferentes rescatables sin derecho a voto, de 1.00 euro de valor nominal cada una, las cuales se encuentran totalmente desembolsadas. Una vez concluida la Reorganización Propuesta, el capital social emitido de la Sociedad ascenderá a 1.800.000 euros, dividido en 180.000.000 Acciones, cada una de ellas con un valor nominal de 0,01 euros y perteneciente a una única clase.

A efectos de la reinversión la dirección, la Sociedad emitirá entre 4.370.294 y 4.111.829 Acciones (asumiendo un Precio de Oferta en los extremos inferior y superior del Rango de Precios de Oferta, respectivamente), lo que resulta en un capital social emitido de entre 1.843.702,94 y 1.841.118,29 euros, dividido en 184.370.294 y 184.111.829, respectivamente, antes de la Oferta. Estas Acciones de nueva emisión no formarán parte de la Oferta.

La siguiente tabla recoge determinada información con respecto a la titularidad (y los derechos de voto) de las Acciones (i) inmediatamente antes de la Oferta y suponiendo que se haya completado la Reorganización Propuesta; y (ii) al término de la Oferta, asumiendo que todas las Acciones Existentes de la Oferta se venden en la Oferta, el pleno ejercicio o que no se ejercita la Opción de Sobreasignación y que el número de Acciones Nuevas de la Oferta se sitúa entre 69.047.619 y 58.000.000, que es el número de Acciones Nuevas de la Oferta necesarias para recaudar unos ingresos brutos de aproximadamente 725 millones de euros, en cada caso, asumiendo un Precio de Oferta en los extremos inferior y superior del Rango de Precios de Oferta, respectivamente.

	Inmediatamente antes de la Oferta [1]		**Al término de la Oferta (suponiendo un Precio de Oferta en los extremos inferior y superior del Rango de Precios de Oferta)**			
			Suponiendo que no se ejercita la Opción de Sobreasignación y la venta/suscripción de todas las Acciones de la Oferta		**Suponiendo el pleno ejercicio de la Opción de Sobreasignación y la venta/suscripción de todas las Acciones de la Oferta**	
Accionista	**Extremo inferior**	**Extremo superior**	**Extremo inferior**	**Extremo superior**	**Extremo inferior**	**Extremo superior**
Cinven[2]	37,62%	37,99%	27,05%	28,55%	25,33%	27,01%
CPPIB[3]	37,62%	37,99%	27,05%	28,55%	25,33%	27,01%
Kiwi Feeder [4]	16,71%	15,80%	12,01%	11,87%	11,25%	11,23%
La Fundación[5]	1,52%	1,44%	1,11%	1,10%	1,11%	1,10%
Richard Solomons[6]	0,19%	0,20%	0,14%	0,15%	0,14%	0,15%
Nicolas Huss[6]	0,83%	0,74%	0,60%	0,56%	0,60%	0,56%
Determinados miembros del Comité Ejecutivo[6]	1,12%	1,06%	0,81%	0,80%	0,81%	0,80%
Otros accionistas[7]	4,39%	4,77%	3,20%	3,63%	3,20%	3,63%
Público (otro capital flotante)	—	—	28,04%	24,78%	32,24%	28,50%
Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Capital flotante[8]	—	—	33,15%	30,31%	37,36%	34,03%

Notas:

(1) Suponiendo que el canje de Acciones por Acciones, la ventas de directivos y la reinversión de directivos en el contexto de la Reorganización Propuesta hayan concluidos.

*(2) A través de Prometheus Aggregator S.à r.l., que está íntegramenteparticipada por Fifth Cinven Fund (No. 1) Limited Partnership, Fifth Cinven Fund (No. 2) Limited Partnership, Fifth Cinven Fund (No. 3) Limited Partnership, Fifth Cinven Fund (No. 4) Limited Partnership, Fifth Cinven Fund (No. 5) Limited Partnership, Fifth Cinven Fund (No. 6) Limited Partnership (denominados conjuntamente, el"**Fifth CinvenFund**"), Fifth Cinven Fund Co-Investment Partnership y Fifth Cinven Fund FCP-SIF. Ningún inversor posee directa o indirectamente una participación igual o superior al 25% en el Fifth Cinven Fund. El Fifth Cinven Fund está controlado por su socio general Cinven Capital Management (V) LimitedPartnership Incorporated, que a su vez está controlado por su socio general Cinven Capital Management (V) General Partner Limited.*

(3) CPPIB es una sociedad federal creada en virtud de la ley Canada Pensión Plan Investment Board, que no está controlada por ninguna otra persona o entidad.

(4) Kiwi Feeder está indirectamente controlada por EQT VII, gestionada por EQT Fund Management S.à r.l., que a su vez está controlada por EQT AB. EQT AB no está controlada por ninguna otra persona o entidad.

(5) Directamente y a través de KHS Holding S.à r.l., que es una filial únicamente participada por la Fundación.

(6) Estas personas adquirieron sus Acciones en el marco de la Reinversión de la Dirección. Todas las acciones que poseían anteriormente en HBG Ltd fueron adquiridas en el marco de la Oportunidad de Inversión en Acciones.

(7) *Corresponde a otros accionistas individuales y no institucionales, entre los que se encuentran algunos antiguos directivos y altos empleados del Grupo, que adquirieron sus Acciones por el canje de Acciones por Acciones en el contexto de la Reorganización Propuesta o, en el caso de dos personas que no son miembros del Comité Ejecutivo, a través de la Reinversión de la Dirección. Todas las acciones que poseían anteriormente en HBG Ltd fueron adquiridas en el marco de la Oportunidad de Inversión en Acciones.*

(8) *Comprende las participaciones de la Fundación, de ciertos miembros del Comité Ejecutivo, de otros accionistas y del público (otro capital flotante) que figuran en la tabla.*

La Sociedad espera que el Consejo de Administración esté compuesto por los siguientes siete miembros: (i) D. Richard Solomons (Presidente); (ii) D. Nicolas Huss (Consejero Delegado); (iii) D. Matthew Sabben-Clare (Consejero Dominical); (iv) D. Jonah Enbar (Consejero Dominical); (v) Dña. Sabine Hansen Peck (Consejera Independiente); (vi) Dña. Sabine Bendiek (Consejera Independiente); (vii) Dña. Carla Stent (Consejera Independiente);

PricewaterhouseCoopers LLP, con domicilio social en 1 Embankment Place, WC2N 6RH Londres, Reino Unido, registrada bajo el número OC303525 en el Registro Mercantil de Reino Unido (*Companies House*). El *Instituto de Contabilidad y Auditoría de Cuentas* ha acordado inscribir a PwC en el Registro Oficial de Auditores de Cuentas español, como entidad fiscalizadora de un tercer país, con el número ST154. El registro se formalizará tras la admisión a negociación de las Acciones en una Bolsa de Valores española.

2.2 ¿Cuál es la información financiera fundamental relativa al emisor?

A fecha de este Resumen, la Sociedad no ha presentado información financiera consolidada. HBG Ltd y la Sociedad consideran que el método contable predecesor refleja fielmente los activos y pasivos, los ingresos y los resultados de explotación del Grupo como si la Sociedad hubiera sido la sociedad matriz del grupo consolidado en los tres últimos ejercicios. Por lo tanto, los Consejeros de la Sociedad consideran que este método contable es el más adecuado según los principios de la Norma Internacional de Contabilidad 8 para la preparación de la información financiera consolidada del Grupo tras la Reorganización Propuesta. HBG Ltd ha evaluado la Reorganización Propuesta y ha concluido que no da lugar a ningún cambio económico sustancial en el Grupo.

En consecuencia, en la fecha del presente Resumen, (i) la información a que se refieren los Anexos 1 y 11 del Reglamento Delegado de Folletos no representa con total exactitud el compromiso de la Sociedad, (ii) dicha inexactitud afecta a la capacidad de los inversores de realizar una evaluación informada según lo dispuesto en el artículo 6(1) del Reglamento de Folletos, y (iii) se necesita información adicional relativa a una entidad distinta de la Sociedad para que los inversores realicen dicha evaluación informada.

La Sociedad es un emisor de valores de renta variable con un historial financiero complejo a efectos del artículo 18 del Reglamento Delegado de Folletos. Con el fin de representar con exactitud el compromiso de la Sociedad en el momento de la Admisión y permitir a los inversores realizar una evaluación informada de conformidad con el artículo 6(1) del Reglamento de Folletos, la información financiera histórica incluida en el presente Folleto se deriva, sujeta a ajustes de redondeo (es decir, sin ajustes materiales), de los siguientes conjuntos de información financiera, junto con el correspondiente informe de gestión (en el caso de la Información Financiera Consolidada con Fines Especiales, según se define más adelante) y cada uno de sus informes de auditoría y garantía, que se adjuntan al presente Resumen como Anexos I, II y III, respectivamente:

- la información financiera histórica auditada de HBG Ltd y sus filiales consolidadas, que se presenta en el presente Folleto a 30 de septiembre de 2022, 2023 y 2024, que se ha elaborado de conformidad con las Normas de Información sobre Inversiones emitidas por el Consejo de Información Financiera del Reino Unido, las IFRS-UE y el Reglamento 1606/2002, así como con los requisitos del Reglamento Delegado de Folletos (la "**Información Financiera Consolidada con Fines Específicos**");

- la información financiera individual auditada de la Sociedad para el periodo entre la constitución de la Sociedad (20 de diciembre de 2023) y el 30 de septiembre de 2024, preparada según el criterio del coste histórico, en una empresa en funcionamiento y de conformidad con la Ley de Sociedades del Reino Unido y la Norma de Información Financiera 101 Marco Reducido de Divulgación de Información ("**FRS 101**") (la "**Información Financiera de la Sociedad**). La FRS 101 establece un marco de divulgación reducido para una 'entidad cualificada', tal como se define en la Norma de Información Financiera 100 'Aplicación de los requisitos de información financiera' ("**FRS 100**"), que aborda los requisitos financieros y las exenciones de divulgación en los estados financieros individuales de las entidades cualificadas que, por lo demás, aplican los requisitos de reconocimiento, medición y divulgación de las Normas Internacionales de Información Financiera adoptadas por el Reino Unido (normas internacionales de contabilidad adoptadas por el Reino Unido). Para el período que se presenta y a la fecha de aprobación de los estados financieros, no existen diferencias entre las Normas Internacionales de Información Financiera ("**IFRS**") adoptadas por la UE y las normas internacionales de contabilidad adoptadas por el Reino Unido; y

- el estado pro forma no auditado de la situación financiera de la Sociedad a 30 de septiembre de 2024, que se ha preparado de conformidad con el Anexo 20 del Reglamento Delegado sobre Folletos y aprobado por el Consejo de Administración de la Sociedad (la "**Información Financiera Pro Forma**", y junto con la Información Financiera Consolidada con Fines Específicos y la Información Financiera de la Sociedad, la "**Información Financiera**").

La información financiera fundamental que aparece a continuación se ha extraído de la Información Financiera Consolidada con Fines Especiales.

Resumen de la Cuenta de Pérdidas y Ganancias consolidada de los periodos indicados

	Ejercicio 2022	**Ejercicio 2023**	**Ejercicio 2024**
		(millones de euros)	
Ingresos procedentes de contratos con clientes	434	656	693
Beneficio de explotación	44	235	260
Pérdida del ejercicio atribuible a la sociedad matriz	(192)	(75)	(24)
Pérdidas básicas y diluidas por acción (euros)	(1,59)	(0,61)	(0,20)

Resumen de Información de balance

	Ejercicio 2022	**Ejercicio 2023**	**Ejercicio 2024**
		(millones de euros)	
Total activo	3.332	3.452	3.434
Total patrimonio neto	(1.258)	(1.353)	(1.399)
Deuda Neta^{APM}	1.316	1.045	1.071

Resumen de Información sobre el Estado de Flujos de Caja

	Ejercicio 2022	**Ejercicio 2023**	**Ejercicio 2024**
		(millones de euros)	
Flujos de caja por actividades de explotación	396	461	449

	Ejercicio 2022	Ejercicio 2023	Ejercicio 2024
		(millones de euros)	
Flujos de caja por actividades de inversión..	(24)	(29)	(45)
Flujos de caja por actividades de financiación...	(358)	(258)	(396)

Información Financiera Pro Forma No Auditada

Con el fin de ilustrar los efectos de la Reorganización Propuesta, la Oferta y las salidas de efectivo vinculadas a la Admisión, que se derivan principalmente de los pagos en virtud de determinados planes de incentivos y de las comisiones asociadas a la Oferta, la Sociedad ha preparado información financiera consolidada pro forma a 30 de septiembre de 2024, que se ha elaborado de conformidad con el Anexo 20 del Reglamento Delegado de Folletos.

La Información Financiera Pro Forma presenta un estado pro forma de situación financiera a 30 de septiembre de 2024. No se ha presentado una cuenta de resultados pro forma, aunque los principales impactos se han descrito en las notas de la Información Financiera Pro Forma.

La Información Financiera Pro Forma No Auditada incluida en el presente Folleto se basa en la información disponible y en determinadas hipótesis y estimaciones que el Grupo considera razonables en la fecha de elaboración de la Información Financiera Pro Forma, pero que pueden diferir de los importes reales.

La Información Financiera Pro Forma ha sido elaborada por el Consejo únicamente con fines ilustrativos, tal y como exige el Reglamento del Folleto. La Información Información Financiera Pro Forma se ha elaborado aplicando políticas contables coherentes con las utilizadas en la elaboración de la Información Financiera Consolidada con Fines Específicos.

La Información Financiera Pro forma no se ha elaborado de conformidad con el Reglamento S-X de la Ley de Valores de los EE.UU. ni con ninguna norma de auditoría generalmente aceptada. Ni las hipótesis en las que se basan los ajustes pro forma ni la Información Financiera Pro Forma han sido auditadas de conformidad con ninguna norma contable generalmente aceptada. Los futuros resultados de explotación del Grupo pueden diferir sustancialmente de los importes expuestos en la Información Financiera Pro Forma debido a diversos factores, entre ellos los cambios en los resultados de explotación. El posible inversor no debe basarse en la Información Financiera Pro Forma para tomar una decisión de inversión.

El estado de situación financiera pro forma a 30 de septiembre de 2024 que se incluye a continuación se ha elaborado sobre la base del extremo inferios del Rango de Precios de Oferta.

Estado de Situación Financiera Pro Forma a 30 de septiembre de 2024	**La Sociedad**	**HBG Ltd**	**Reorganización Propuesta**	**Venta de Directivos**	**Reinversión de Directivos**	**Oferta Primaria**	**Refinanciación**	**Total**
					(*millones de euros*)			
Activo no corriente								
Fondo de Comercio	-	1.535	-	-	-	-	-	**1.535**
Otros activos intangibles	-	517	-	-	-	-	-	**517**
Propiedades, planta y equipamientos	-	10	-	-	-	-	-	**10**
Inversiones en empresas asociadas	-	32	-	-	-	-	-	**32**
Otros activos financieros	-	2	-	-	-	-	-	**2**
Activos fiscales diferidos	-	20	-	-	-	-	-	**20**
Créditos comerciales y otros activos	-	9	-	-	-	-	-	**9**
	-	2.125	-	-	-	-	-	**2.125**
Activo corriente								
Créditos comerciales y otros activos	-	608	-	-	-	-	-	**608**
Impuesto sobre el beneficio recuperable	-	7	-	-	-	-	-	**7**
Derivados	-	8	-	-	-	-	-	**8**
Efectivo y depósitos a corto plazo	-	686		(58)	46	467	(601)	**540**
	-	1.309	-	(58)	46	467	(601)	**1.163**
Activo total	-	3.434	-	(58)	46	467	(601)	**3.288**
Pasivo corriente								
Acreedores comerciales y otros pasivos	-	(1.351)	-	-	-	4	-	**(1.347)**
Impuesto sobre el beneficio	-	(21)	-	-	-	-	-	**(21)**
Préstamos a interés y pasivos por arrendamiento financiero	-	(82)	-	-	-	-	64	**(18)**
Derivados	-	(4)	-	-	-	-	-	**(4)**
Provisiones por pasivos	-	(28)	-	-	-	23	-	**(5)**
	-	(1.486)	-	-	-	27	64	**(1.395)**
Pasivo no corriente								
Préstamos a interés y pasivos por arrendamiento financiero	-	(1.681)	-	-	-	-	505	**(1.176)**
Pagarés y acciones preferentes	-	(1.581)	1.581	-	-	-	-	**-**
Acreedores comerciales y otros pasivos	-	(34)	-	-	-	-	-	**(34)**
Pasivos por impuestos diferidos	-	(43)	-	-	-	-	-	**(43)**
Provisiones para pasivos	-	(8)	-	-	-	-	-	**(8)**
	-	(3.347)	1.581	-	-	-	505	**(1.261)**
Pasivo total	-	(4.833)	1.581	-	-	27	569	**(2.656)**

(Pasivo)/Activo neto	-	**(1,399)**	**1,581**	**(58)**	**46**	**494**	**(32)**	**632**
Capital social	-	1	1	-	-	1	-	3
Beneficios no distribuidos	-	(1.525)	-	-	-	-	-	(1.525)
Resultado del ejercicio	-	-	-	-	-	(216)	(32)	(248)
Otras reservas	-	125	1,580	(58)	46	709	-	**2.402**
Total fondos propios	-	**(1.399)**	**1,581**	**(58)**	**46**	**494**	**(32)**	**632**

2.3 ¿Cuáles son los principales riesgos específicos del emisor?

Los factores de riesgo específicos del emisor más importantes son los siguientes:

- La actividad del Grupo HBX está expuesta a factores macroeconómicos y geopolíticos, que pueden afectar negativamente al gasto de los consumidores en viajes y a la principal fuente de ingresos del Grupo, que depende de las reservas hoteleras.
- La capacidad del Grupo HBX para mantener y hacer crecer su negocio puede verse afectada negativamente por la competencia de los distribuidores de viajes B2B existentes, los grandes mercados en línea, los canales directos o los nuevos participantes que pretendan entrar en el mercado, incluidas las estrategias de precios agresivas.
- El Grupo está expuesto a riesgos relativos a sus relaciones con proveedores de alojamiento y otros productos de viaje complementarios.
- El Grupo puede no ser capaz de implementar su estrategia de forma exitosa.
- El fondo de comercio y otros activos intangibles del Grupo, que representaban aproximadamente el 60% de los activos del Grupo a 30 de septiembre de 2024, pueden sufrir pérdidas de valor en el futuro.
- El Grupo registró pérdidas de 24 millones de euros, 75 millones de euros y 192 millones de euros en los ejercicios 2024, 2023 y 2022, respectivamente, y tenía unos fondos propios negativos de 1.400 millones de euros, 1.400 millones de euros y 1.300 millones de euros a 30 de septiembre de 2024, 2023 y 2022, respectivamente.
- Determinados pagos vinculados a la Oferta darán lugar a importantes salidas de efectivo.
- Riesgos relacionados con el endeudamiento y las fluctuaciones de los tipos de interés.
- La situación financiera de la Sociedad sufrirá cambios significativos en relación con la Oferta
- Los cambios en las leyes y reglamentos fiscales aplicables, en particular en relación con la fiscalidad de los servicios digitales, podrían afectar negativamente a la situación financiera y los resultados de las operaciones del Grupo.

3. INFORMACIÓN FUNDAMENTAL SOBRE LOS VALORES

3.1 ¿Cuáles son las principales características de los valores?

Las Acciones de la Oferta, que comprenden las Acciones Iniciales de la Oferta y, si la Opción de Sobreasignación se ejercita total o parcialmente, las Acciones de Sobreasignación (véase "*1. Introducción y Advertencias*" para más información), son acciones ordinarias de la Sociedad de 0,01 euros de valor nominal cada una, y todas ellas de la misma clase y serie que las Acciones de la Sociedad. Las Acciones de la Oferta están denominadas en euros.

A los titulares se les concederán los mismos derechos económicos y de voto que con respecto a las acciones ordinarias existentes de la Sociedad, que se establecen en la Ley de Sociedades del Reino Unido y en los Estatutos Sociales de la Sociedad. No existen restricciones a la libre transmisibilidad de las acciones ordinarias de la Sociedad en los Estatutos Sociales de la Sociedad. El código ISIN asignado a las Acciones es GB00BNXJB679. No habrá oferta, ni solicitud de admisión a cotización, de ninguna otra clase de acciones de la Sociedad.

Las Acciones Iniciales de la Oferta se crearán de conformidad con la Ley de Sociedades del Reino Unido y tendrán el mismo rango en todos los aspectos que las acciones ordinarias previamente existentes de la Sociedad, incluido el derecho de voto y el derecho a percibir todos los dividendos y otras distribuciones declaradas, realizadas o pagadas con el capital social de la Sociedad. Cada acción de la Sociedad da derecho a emitir un voto en las juntas generales de accionistas de la Sociedad. No existen restricciones a los derechos de voto y transferencia de las Acciones de la Sociedad. Además, la condición de accionista de la Sociedad conlleva los siguientes derechos: derecho de suscripción preferente en las emisiones de nuevas acciones y bonos u otros instrumentos convertibles en nuevas acciones o que conlleven el derecho a suscribirlas como contraprestación por aportaciones dinerarias; derecho a ejercitar acciones accionariales; y derecho de información. Los titulares de Acciones también tendrán los derechos y están sujetos a las obligaciones establecidos en los Estatutos Sociales de la Sociedad. En caso de liquidación de la Sociedad, los titulares de Acciones tendrán derecho, con arreglo a la legislación general, a participar en los activos sobrantes en proporción a sus participaciones.

A la fecha del presente Resumen, la Sociedad no ha aprobado ninguna política de dividendos. No obstante, tras la Admisión y sujeto a cualquier requisito legal o estatutario aplicable y la disponibilidad de beneficios distribuibles y reservas, la Sociedad tiene como objetivo un ratio de distribución de dividendos del 20% sobre el beneficio consolidado después de impuestos del Grupo para los ejercicios 2026 a 2029. El Grupo prevé que el impacto de las salidas de efectivo vinculadas a la Admisión, que se derivan principalmente de los pagos en virtud de determinados planes de incentivos y de comisiones asociadas a la Oferta (las "**Salidas de Efectivo**"), lo cual dará lugar a que el Grupo registre pérdidas en el ejercicio 2025 y no puede garantizarse que el Grupo obtenga beneficios en ejercicios posteriores o, si los obtiene, que sea capaz de mantener la rentabilidad de forma continuada. La intención de la Sociedad es que cualquier exceso de efectivo acumulado por el negocio se utilice para continuar su estrategia de fusiones y adquisiciones o continuar reduciendo su endeudamiento total o se devuelva a los accionistas, probablemente en forma de dividendos especiales.

3.2 ¿Dónde se negociarán los valores?

La Sociedad espera que sus Acciones (incluidas las Acciones de la Oferta que aquí se ofrecen) sean admitidas a cotización en las Bolsas de Valores españolas sobre el 12 de febrero de 2025 y comiencen a cotizar en el SIBE sobre el 13 de febrero de 2025, bajo el símbolo "HBX". No se ha solicitado, ni se tiene intención de solicitar, la admisión a negociación de las acciones ordinarias de la Sociedad en ningún otro mercado bursátil.

3.3 ¿Existe una garantía vinculada a los valores?

No. No hay ninguna garantía vinculada a los valores.

3.4 ¿Cuáles son los principales riesgos específicos de los valores?

Los factores de riesgo específicos de las acciones ordinarias de la Sociedad más importantes son los siguientes:

- La Oferta depende de la realización y el calendario de la Reorganización Propuesta.
- Algunos Accionistas Vendedores conservarán intereses significativos en el Grupo HBX y seguirán ejerciendo influencia sobre él tras la Oferta, y sus intereses pueden diferir de los de otros Accionistas o entrar en conflicto con ellos.

- La Sociedad es una sociedad de cartera sin operaciones generadoras de efectivo directas y depende de filiales operativas o de financiación externa para obtener los fondos necesarios para, entre otras cosas, pagar dividendos. La Sociedad no podrá distribuir dividendos en el ejercicio 2025 y no hay ninguna garantía de que la Sociedad pueda distribuir dividendos en el futuro.
- La emisión de títulos de deuda o de capital adicionales por parte de la Sociedad puede diluir todas las demás participaciones.
- No todos los derechos que la legislación del Reino Unido reconoce estarán necesariamente a disposición de los accionistas.

4. INFORMACIÓN FUNDAMENTAL SOBRE LA OFERTA PÚBLICA DE VALORES Y/O LA ADMISIÓN A COTIZACIÓN EN UN MERCADO REGULADO

4.1 ¿En qué condiciones y plazos puedo invertir en este valor?

El presente Resumen y la Oferta se dirigen exclusivamente a (a) inversores institucionales fuera de los Estados Unidos (según se definen en la Regulation S del U.S. Securities Act); (b) Inversores Institucionales Cualificados en los Estados Unidos (según se definen en la Rule 144A del U.S. Securities Act) que suscriban o adquieran valores por cuenta propia o por cuenta de otro Inversor Institucional Cualificado; (c) Personas Relevantes (según se definen en la Financial Services and Markets Act 2000 (Financial Promotion) Order 2005), en el Reino Unido; e (d) inversores cualificados (tal y como se definen en el Reglamento de Folletos) en cualquier Estado miembro del Espacio Económico Europeo.

La Sociedad y los Accionistas Vendedores esperan que el calendario indicativo de la Oferta será el siguiente:

Evento	**Fecha estimada** (1)
Aprobación y registro del presente Folleto en la CNMV	30 de enero de 2025
Comienzo del periodo de *bookbuilding*	Tras la aprobación y registro del Folleto por CNMV
Finalización del periodo de *bookbuilding*	10 de febrero de 2025
Fijación del número de Acciones Iniciales de la Oferta, Acciones de Sobreasignación y Precio de Oferta	10 de febrero de 2025
Ejecución del Contrato de Aseguramiento	10 de febrero de 2025
Comienzo de la ejecución de los pasos restantes de la Reorganización Propuesta (a más tardar)	10 de febrero de 2025
Publicación de una "*comunicación de información privilegiada*" con el número de Acciones Nuevas de la Oferta, Acciones Existentes de la Oferta y el Precio de la Oferta	10 de febrero de 2025
Asignación de las Acciones Iniciales de la Oferta a los inversores (Fecha de la Transacción) y publicación de una "*comunicación de otra información relevante*" (a más tardar)	11 de febrero de 2025
Ejecución de la Reorganización Propuesta (a más tardar)	12 de febrero de 2025
Registro inicial en Iberclear de los *equity interests* relativos a todas las Acciones en forma de anotaciones en cuenta desmaterializadas (incluidas las Acciones Nuevas de la Oferta) (Fecha de Registro Inicial)	12 de febrero de 2025
Verificación por la CNMV de los requisitos para la Admisión (Hora de Verificación), ejecución de la *operación bursátil especial* de la Oferta y aprobación de la Admisión por las Bolsas españolas (Fecha de la Operación y la Admisión)	12 de febrero de 2025
Inicio de la cotización e inicio del Período de Estabilización y del período de ejercicio de la Opción de Sobreasignación (alrededor de esta fecha)	13 de febrero de 2025
Fecha de liquidación	13 de febrero de 2025
Fin del Período de Estabilización y de la Opción de Sobreasignación (a más tardar el)(2)	14 de marzo de 2025

Notas:

(1) Cada una de las fechas incluidas en el anterior calendario orientativo está sujeta a cambios sin previo aviso. Cualquier cambio, incluyendo sin limitación, cualquier ampliación o reducción del calendario orientativo, se hará público mediante la publicación de la correspondiente "comunicación de otra información relevante" en la CNMV.

(2) La Opción de Sobreasignación será ejercitable, total o parcialmente, durante un período de 30 días naturales a partir de la fecha de inicio de la cotización de las acciones ordinarias de la Sociedad en las Bolsas Españolas.

Suponiendo un Precio de Oferta que se han completado el canje de Acciones por Acciones, la venta de la dirección y la reinversión de la dirección en el contexto de la Reorganización Propuesta, la participación de los actuales accionistas de la Sociedad al finalizar la Oferta representaría (i) el 71,96% y 75,22%, respectivamente, del número total de Acciones y derechos de voto en los extremos inferior y superior del Rango de Precios de Oferta, respectivamente, si no se ejerce la Opción de Sobreasignación, y (ii) 67,76% y 71,50% del total del capital social y de los derechos de voto de la Sociedad en los extremos inferior y superior del Rango de Precios de Oferta, respectivamente, si la Opción de Sobreasignación se ejerce en su totalidad, con respecto al porcentaje de propiedad que poseían antes de la Oferta.

La siguiente tabla es meramente orientativa y establece los gastos estimados a pagar por la Sociedad en relación con la oferta de la Acciones Nuevas de la Oferta, por los Accionistas Vendedores en relación con la oferta de Acciones Existentes de la Oferta, en cada caso sin incluir el IVA, y por los Accionistas Vendedores en relación con las Acciones de Sobreasignación, que se añadirá cuando proceda:

Gastos estimados	**Extremo inferior**(5)	**Extremo superior**(5)
	(millones de euros)	
Comisiones de suscripción Acciones Nuevas de la Oferta(1)(2)	19,9	19,9
Comisiones de suscripción Acciones Existentes de la Oferta(3)	0,6	0,7
Comisiones de suscripción Acciones de Sobreasignación(4)	3,1	3,1
Comisión de Iberclear, de las Bolsas españolas y de la CNMV (2)	0,4	0,6
Gastos jurídicos, de asesoramiento financiero, de auditoría y otros (2)	25,7	25,7
Total	**49,7**	**50,0**

Notas:

(1) Suponiendo el pago la comisión discrecional a las Entidades Directoras en su cantidad máxima (excluyendo IVA).

(2) A cargo de la Sociedad.

(3) *A cargo de los Accionistas Vendedores. Suponiendo (i) que 2.000.000 Acciones Existentes de la Oferta son vendidas en la Oferta en los extremos inferior y superior del Rango de Precios de Oferta, respectivamente; y (ii) el pago de la comisión discrecional a las Entidades Directoras en su cantidad máxima (excluyendo IVA).*

(4) *A cargo de los Accionistas Vendedores. Suponiendo (i) que la Opción de Sobreasignación ha sido ejercida en su totalidad y (ii) que las Acciones de Sobreasignación son vendidas en la Oferta en los extremos inferior y superior del Rango de Precios de Oferta, respectivamente.*

(5) *Se refiere a los extremos inferior o superior del Rango de Precios de Oferta, según proceda.*

4.2 Quién es el oferente y/o la persona que solicita la admisión a cotización?

La Sociedad y los Accionistas Vendedores son los oferentes de las Acciones de la Oferta (véase "*1. Introducción y Advertencias*" en este Resumen para más información) y la Sociedad es la persona que solicita la admisión a cotización de todas las Acciones emitidas y en circulación de la Sociedad en la fecha de Admisión. La Opción de Sobreasignación será ejercitable, en su totalidad o en parte, por el Gestor de Estabilización, actuando en nombre de las Entidades Directoras, durante un periodo de 30 días naturales a partir de la fecha de Admisión.

4.3 ¿Por qué se elabora el presente folleto?

El presente Folleto constituye un folleto a los efectos de los artículos 3 y 4 del Reglamento de Folletos. El presente Folleto ha sido aprobado por la CNMV, como autoridad competente de conformidad con el Reglamento de Folletos, la Ley 6/2023, de 17 de marzo, del Mercado de Valores y de los Servicios de Inversión, y las correspondientes medidas de desarrollo en España. Dicha aprobación y registro se refieren únicamente a la Oferta y a la Admisión.

La Sociedad y los Accionistas Vendedores creen que la Oferta y la Admisión son los siguientes pasos naturales en el desarrollo a largo plazo del Grupo. Se espera que la Oferta proporcione a la Sociedad una base diversificada de accionistas internacionales, acceso a un coste de capital más bajo y un mejor acceso a los mercados públicos de capitales (incluidos los instrumentos de deuda) que podrían facilitar a la Sociedad la obtención de financiación para el futuro crecimiento de la Sociedad. Además, la Sociedad espera que la Oferta aumente aún más el reconocimiento y el prestigio de la marca del Grupo como consecuencia de su condición de sociedad cotizada. Las Acciones Existentes de la Oferta también proporcionarán a los Accionistas Vendedores la oportunidad de recuperar parte de su inversión en la Sociedad y proporcionarán liquidez en las Bolsas de Valores españolas a las Acciones en poder de los accionistas de la Sociedad.

La Sociedad tiene la intención de utilizar los ingresos brutos de la emisión de las Acciones Nuevas de la Oferta, entre otras cosas, para liquidar en efectivo los importes adeudados en virtud de determinados planes de incentivos existentes y una prima única, que serán exigibles como resultado de la Oferta. Mientras que el pago de ciertas cantidades en relación con estos planes ha sido provisionado en la Información Financiera Consolidada para Fines Especiales para el ejercicio 2024 (23,3 millones de euros), la liquidación de la totalidad de importes exigibles en virtud de dichos planes y de la prima única (incluidos todos los costes de seguridad social relacionados) requerirá que el Grupo pague aproximadamente 208 millones de euros en efectivo a sus beneficiarios (incluidos todos los costes de seguridad social relacionados, que se espera que asciendan a aproximadamente 10 millones de euros), lo que reducirá la liquidez del Grupo. La Sociedad espera que esto tenga un impacto en su cuenta de pérdidas y ganancias consolidada en el ejercicio fiscal 2025 de aproximadamente 185 millones de euros, que se reconocerá como costes no subyacentes.

Adicionalmente, se espera que la Sociedad utilice parte de los ingresos brutos de las Acciones Nuevas de la Oferta (entre 58 millones de euros (en el extremo inferior del Rango de Precios de Oferta) y 107 millones de euros (en el extremo superior de la Banda de Precios de la Oferta)) para liquidar la Contraprestación de Venta Diferida con respecto a la venta a la Sociedad de acciones de HBG Ltd por determinadas personas y accionistas no institucionales de acuerdo con la Reorganización Propuesta. La Sociedad también espera recibir aproximadamente entre 46 millones de euros (en el extremo inferior del Rango de Precios de Oferta) y 51 millones de euros (en el extremo superior del Rango de Precios de Oferta) en efectivo de las cantidades que reinvertirán determinados Consejeros y empleados senior en activo del Grupo que venderán todas sus acciones en HBG Ltd a la Sociedad a cambio de la Contraprestación de Venta Diferida. Esta reinversión ascenderá a entre el 20% y el 75% de sus ingresos después de impuestos (con una reinversión media de más del 50%) resultantes del pago de todos los LTIPs Históricos aplicables, la Prima de Salida, la Prima de Incentivo Adicional y la Contraprestación de Venta Diferida, y estarán sujetos a un bloqueo con respecto a las nuevas Acciones suscritas.

Además, la Sociedad tendrá que pagar honorarios y gastos de la Oferta por un importe aproximado de 50 millones de euros, suponiendo que la comisión discrecional a las Entidades Directoras se abone en su totalidad (excluyendo cualquier IVA aplicable) así como aproximadamente 47 millones de euros en intereses devengados de los instrumentos de deuda a refinanciar. La Sociedad también tiene la intención de reembolsar los importes vivos bajo la Financiación Existente por un valor de aproximadamente 537 millones de euros (incluidos los costes por un importe de 29 millones de euros) usando la parte restante de los ingresos brutos procedentes de la emisión de las Acciones Nuevas de la Oferta y efectivo disponible.

Los ingresos netos obtenidos por la Sociedad mediante la Oferta, deduciendo 50 millones de euros en honorarios y gastos relativos a la Oferta (suponiendo que la comisión discrecional a las Entidades Directoras es pagada en su totalidad por la Sociedad (excluyendo cualquier IVA aplicable)), ascenderán a 675 millones de euros.

La Sociedad espera que, además de los ingresos brutos de las Acciones Nuevas de la Oferta, necesitará utilizar entre 129 millones de euros (en el extremo inferior del Rango de Precios de Oferta) y 173 millones de euros (en el extremo superior del Rango de Precios de Oferta) de su efectivo disponible para financiar las Salidas de Efectivo, lo que afectaría a su liquidez.

El capital social emitido de la Sociedad tras la finalización de la Oferta oscilará entre 2.534.179,13 y 2.421.118,29 euros, dividido en entre 253.417.913 y 242.111.829 Acciones (suponiendo un Precio de Oferta en los extremos inferior y superior del Rango de Precios de Oferta, respectivamente). Suponiendo un Precio de Oferta en el extremo inferior del Rango de Precios de Oferta y que la Opción de Sobreasignación es ejercida en su totalidad, el número de Acciones de la Oferta en la Oferta representará el 32,24% del capital social de la Sociedad (28,50% si el Precio de Oferta se encuentra en el extremo superior del Rango de Precios de Oferta). Suponiendo que no se ejerce la Opción de Sobreasignación, el número de Acciones Iniciales de la Oferta en la Oferta representará el 28,04% del capital social de la Sociedad si el Precio de Oferta se encuentra en el extremo inferior del Rango de Precios de Oferta y 24,78% si el Precio de Oferta se encuentra en el extremo superior del Rango de Precios de Oferta. Si, por cualquier motivo, no se alcanzara el umbral mínimo de distribución de acciones exigido para la admisión a negociación en las Bolsas de Valores españolas a través del SIBE (que, de acuerdo con el Real Decreto 1310/2005, de 4 de noviembre, y salvo determinadas excepciones, supone alcanzar un capital flotante de, al menos, el 25% de las acciones admitidas a negociación), la Sociedad solicitará a la CNMV la dispensa de dicha obligación de conformidad con el artículo 9.7 del Real Decreto 1310/2005, de 4 de noviembre.

Los Accionistas Vendedores esperan obtener unos ingresos brutos de entre 21.000.000 y 25.000.000 euros (suponiendo que el Precio de Oferta se fije en los extremos inferior y superior del Rango de Precios de Oferta, respectivamente, que las Acciones Existentes de la Oferta se vendan en su totalidad y que no se ejercite la Opción de Sobreasignación; y 132.899.981 o 137.500.000 euros, respectivamente, si las Acciones Existentes de la Oferta se venden íntegramente y se ejerce íntegramente la Opción de Sobreasignación) de la venta de las Acciones Existentes de la Oferta en la Oferta.

Se espera que la Sociedad, HBG Ltd, los Accionistas Vendedores y las Entidades Directoras suscriban un contrato de aseguramiento (el "**Contrato de Aseguramiento**") respecto de las Acciones Nuevas de la Oferta emitidas por la Sociedad, las Acciones Existentes de la Oferta vendidas por los Accionistas Vendedores y las Acciones de Sobreasignación (en su caso) vendidas por los Accionistas Vendedores una vez finalizado el periodo de *bookbuilding* de la demanda (que se espera que tenga lugar el 10 de febrero de 2025 o alrededor de esa fecha). Sujeto al cumplimiento de determinadas condiciones y en los términos establecidos en el Contrato de Aseguramiento, cada Entidad Directora se comprometerá, por separado pero no conjuntamente, ni solidariamente, a conseguir adquirentes o, en su defecto, a suscribir o adquirir (según sea el caso) el porcentaje del número total de Acciones Iniciales de la Oferta que se establezca en el Contrato de Aseguramiento de conformidad con su cuota respectiva. No existen acuerdos materiales o intereses en conflicto con la Oferta y/o Admisión.

ANNEXES

ANNEX I – Special Purpose Consolidated Financial Information

ANNEX I – SECTION A – Directors' Report

DIRECTORS' REPORT

The Directors present their report together with the audited special purpose consolidated financial information for the years ended 30 September 2024, 30 September 2023 and 30 September 2022.

The Directors report has been prepared under Jersey Law, with additional disclosures to align with Directors' report requirements under UK law.

Incorporation

HBG Limited (the "Company") was incorporated on 27 May 2015 in Jersey as a private company limited by shares. The address of its registered office is 11-15 Seaton Place, St Helier, JE4 0QH, Jersey.

Principal activities

As a TravelTech business, the Group's principal activity is the purchase of hotel accommodation and mobility and experiences (car rental, transfers and experiences) on behalf of travel service providers such as wholesalers, tour operators, travel agencies and airlines. Additionally, through its Hoteltech product line, the Group assists hotels with optimising their direct online channel, creating booking engines and supporting with digital marketing. Through fintech initiatives, HBX Group is optimising profit by reducing costs related to payment processing and increasing other income.

Directors

The Directors who served during the years ended 30 September 2024, 2023 and 2022 and/or up to the date of approval of this special purpose consolidated financial information are:

- Joan Vila Bosch
- Ronica Wang
- Richard Leslie Solomons
- Stephen Nicholas Huntley
- Nicolas Raoul Georges Huss
- Jonah Enbar (resigned 8 April 2022, reappointed 4 October 2022)
- Jose Antonio Tazon Garcia (resigned 19 July 2022)
- Peter Anthony Colin Catterall (resigned 21 June 2023)
- Sven Lindner (resigned 21 June 2023)
- William Henry Peter Boardman (appointed 18 July 2023)
- Guillermo Jonas (appointed 18 July 2023)
- Jorge Quemada Saenz-Badillos (resigned 14 May 2024)
- Matthew Sabben-Clare (appointed 14 May 2024)

Independent auditors and Reporting Accountant

PricewaterhouseCoopers LLP were appointed as Reporting Accountants of HBG Limited on 19 December 2023 in respect of this Special Purpose Consolidated Financial Information. PricewaterhouseCoopers LLP were appointed the independent statutory auditor of HNVR Topco Limited (a wholly owned subsidiary of HBG Limited) on 24 February 2017 for the year ended 30 September 2017, and have continued to be its independent auditor since that date.

The Audit Committee has satisfied itself that the independence of the Group's auditors is not impaired by the performance of other assurance and advisory services, noting that the Group is not currently a Public Interest Entity as defined by the UK Financial Reporting Council's Revised Ethical Standard 2024.

Directors' insurance

Throughout the financial year and up to the date of approval of these special purpose consolidated financial information, the Group maintained Directors' and Officers' liability insurance policies on behalf of the Directors of the Group and the Company.

Financial review

The Group has access to sources of capital that are sufficient to develop the business. Its funds are provided by a syndicate of leading banks and include a revolving credit facility. These arrangements and the recurring nature of much of the business give confidence over the Group's financial strength and provide the basis on which future investment decisions can be taken. The Board continually reviews the performance of the business and regularly reviews its divestment or investment strategies.

Results and dividends

The results for the years ending 30 September 2022, 30 September 2023 and 30 September 2024 are set out in the consolidated statement of comprehensive income. On 4 October 2022 the Board approved a dividend in relation to select D Ordinary shares and on 23 December 2022, CAD60,000 (€41,548) was paid out to these shareholders. Other shareholders waived their right to receive a dividend totalling CAD240,000 (€166,193). No dividends were declared, paid or waived during the years ending 30 September 2024 or 30 September 2022.

Alternative Performance Measures

In addition to the financial information presented under IFRS-EU, this special purpose consolidated financial information includes the following Alternative Performance Measures ("APM"):

- Adjusted EBITDA[APM] is detailed as follows:

	Year ended 30 September 2024 €m	Year ended 30 September 2023 €m	Year ended 30 September 2022 €m
Loss for the year	(24)	(75)	(192)
Taxation	(24)	11	(1)
Finance costs, net	308	299	237
Depreciation and amortisation	103	101	108
Non-underlying items	25	10	7
Other non-recurring items[1]	9	8	1
Adjusted EBITDA[APM]	**397**	**354**	**160**

1. Other non-recurring items principally relate to the cost of long-term incentive plans related to an exit event.

- Adjusted Net Debt[APM] is detailed as follows:

	As at 30 September 2024 €m	As at 30 September 2023 €m	As at 30 September 2022 €m
Cash and short-term deposits	(686)	(690)	(539)
Senior debt	1,740	1,728	1,825
Bank loans (other)	4	5	7
Other borrowings	13	2	12
Bank overdrafts	-	-	11
Net debt	**1,071**	**1,045**	**1,316**
Working capital adjustment[1]	214	186	205
Adjusted Net Debt[APM]	**1,285**	**1,231**	**1,521**

1. The working capital adjustment is the difference between the working capital at the reporting date and the average working capital for the previous 12 months.

- Adjusted Net Debt[APM] to Adjusted EBITDA[APM] being:

	As at 30 September 2024 €m	As at 30 September 2023 €m	As at 30 September 2022 €m
Adjusted Net Debt[APM]	1,285	1,231	1,521
Adjusted EBITDA[APM]	397	354	160
Adjusted Net Debt[APM] to Adjusted EBITDA[APM]	**3.2**	**3.5**	**9.5**

Going concern

At 30 September 2024, the Group had net liabilities of €1,399m (30 September 2023: €1,353m and at 30 September 2022: €1,258m) and net current liabilities of €177m (30 September 2023: €25m and at 30 September 2022: €69m), having generated a €449m cash inflow in the financial year from operating activities (30 September 2023: €461m and at 30 September 2022: cash inflow of €396m), following the strong business performance during the year. The Directors have considered the funding and liquidity position of the Group. At 30 September 2024, the main sources of debt funding included €1,528m loan notes due for repayment in 2056, €1,740m bank syndicated facilities, net of modification gain and capitalised finance costs, which mature in 2027 for the term loan D2 (€976m) and 2028 for the term loan B3 (€764m), and €53m of preference shares. The Group closed the year with cash in bank of €686m and total liquidity of €925m (including the available revolving credit facility from lenders of €157m under the Senior Facilities Agreement and €82m of other undrawn committed credit facilities).

The Group was compliant with its covenant requirement for 2024, 2023 and 2022 (cash and cash equivalents balance on the last business day of each month are not less than €75m). The Group has always complied with its covenant and no breach has arisen in previous years.

The Directors have assessed the Group's cashflow forecasts for a period of twelve months from the date of approval of this special purpose consolidated financial information, while being cognisant of the impact of the proposed admission to trading of all of the ordinary shares of HBX Group International Plc (a wholly owned subsidiary of HBG Limited prior to the proposed reorganisation outlined in note 23) on the Spanish Stock Exchange (the "Proposed IPO"), as detailed in note 23.

As the Proposed IPO and fundraising is not committed at the date of approving this special purpose consolidated financial information, the Directors have assessed the Group's cashflow forecasts under two scenarios, where Forecast A assumes the admission of the Group on the Spanish Stock Exchange in February 2025, including the associated reorganisation and refinancing steps set out in note 23, and Forecast B assumes no admission to the Spanish Stock Exchange takes place within a period of twelve months from the date of approval of the special purpose consolidated financial information.

Both cashflow forecasts have been prepared on the basis of low double-digit annual growth in TTV, high single digit revenue growth, cash conversion of approximately 100% and an underlying tax rate in the mid 20%.

In addition to the trading assumptions detailed above, Forecast A incorporates the following steps:

- The Group reorganisation, comprising the transfer of existing loan notes and preference shares totalling €1,581m at 30 September 2024, to HBG Limited for newly issued share capital in HBG Limited. This transaction has no cash impact, and on a consolidated basis will result in the elimination of the loan notes and preference share balance, to be replaced with share capital and reserves for a corresponding amount.

- The sale of HBG Limited shares held by certain officers and senior employees of the Group to HBX Group International Plc at 100% and the sale of shares held by other individual and non-institutional shareholders, including certain former officers and senior employees of the Group to HBX Group International, pro rata to the number of offering shares to be sold by the ultimate owners of the Group. In the base case scenario, at the mid-range, this results in a cash outflow of €83m.

- HBG Limited will become a subsidiary of HBX Group International Plc which will become the parent company of the HBX Group following admission. The Directors have received a letter of support from HBX Group International Plc confirming its intention to support HBG Limited for a period of at least 12 months from the date of signing this special purpose consolidated financial information in the Forecast A scenario.

- The reinvestment in newly issued shares in HBX Group International Plc by certain key management personnel, resulting in a cash inflow to the Group of €49m in the base case scenario, representing the mid-point of the expected price range.

- The issuance of new shares under the offering totalling €725m, with a nominal value of €1m, less associated advisors fees totalling €50m. The net impact will be a cash inflow of €675m. Costs which are not directly attributable to the issuance of new shares will be recognised as non-underlying items within operating expenses in the profit and loss account for the year ended 30 September 2025, whilst costs which are directly attributable will be recognised against the share premium account. The primary issuance of €725m will be recognised against share capital (€1m) and share premium (€724m).

- The payment of management incentive plans, as detailed in note 23, which fall payable in the event of an Initial Public Offering resulting in a net cash outflow of €208m in the base case scenario, which represents the mid-point of the expected price range. €23m will extinguish the existing provision, whilst the remaining €185m will be recognised within operating expenses as a non-recurring cost.

- The refinancing of the existing debt under the Senior Facilities Agreement totalling €1,740m at 30 September 2024, to be repaid and replaced by a new €1.2bn facility, comprising two term loans, A and B, maturing five years and seven years after the date of the IPO respectively, and a €400m (undrawn) Revolving Credit Facility maturing five years after the date of the IPO. This will result in a cash outflow, based on the position at 30 September 2024, of €601m, comprising the net repayment of the debt and accrued interest, plus associated fees totalling €29m. The new financing is expected to be substantially different from the existing arrangement and held in HBX Group International Plc, and consequently the existing debt, including unamortised fees, will be extinguished in full. The minimum cash covenant included in the existing financing arrangement will be replaced by a maximum Adjusted Net Debt[APM] / Adjusted EBITDA[APM] ratio of between 4.0

and 4.5 times. As at the date of approving this special purpose consolidated financial information, the new facilities are committed, contingent upon the Proposed IPO proceeding.

As a consequence of the outlined steps, in Forecast A, the capital structure of the Group will be substantially changed, with existing loan notes and preference shares effectively converted into equity, and a c. €500m reduction in the external debt, both of which will reduce future financing costs. The changed capital structure would result in the Group having €1,200m of debt under the new facilities maturing between five and seven years after the date of the IPO, a new revolving credit facility for €400m maturing five years after the date of the IPO, and all loan notes and preference shares will be fully redeemed. In Forecast B, the capital structure remains unchanged, with the main sources of debt funding being €1,528m loan notes due for repayment in 2056, €1,740m bank syndicated facilities which mature in 2027 for the term loan D2 (€976m) and 2028 for the term loan B3 (€764m) and €53m of preference shares.

Furthermore, under both Forecasts A and B, the Directors have used a base case and a severe but plausible downside scenario ("the Downside Scenario"). In the Downside Scenario for both Forecasts A and B, a 30% reduction in TTV and a 30% reduction in Adjusted EBITDA[APM] compared to the budget for the next two financial years has been assumed. Additionally, in Forecast A, a higher Company valuation has been assumed, resulting in additional cash (outflows)/inflows in relation to:

- an increased management sell down, totalling €(25)m; and
- additional reinvestment by key management personnel totalling €2m.

The Directors have committed that the IPO scenario outlined in Forecast A would not proceed if the quantum of the primary offer proceeds was insufficient such that it would cause risk to the Group's ability to continue as a going concern.

In both Forecast A and Forecast B, including both the base case and the Downside Scenario, the Group is projected to have sufficient liquidity to support its operations and to be compliant with its banking covenants.

Consequently, the Directors are satisfied that the Group has adequate resources to continue operations for the foreseeable future and consider it appropriate to continue to prepare this special purpose consolidated financial information on a going concern basis.

Future outlook

The Directors expect the trading performance of the Group to continue to improve.

Health and safety quality audit

HBX Group is committed to its legal and ethical obligations for the health and safety of its partners, clients, employees and all those affected by HBX's operations. The Group aims to prevent harm to people and to establish best practices in health and safety. This applies both within the office premises and outside the office wherever HBX's operations take place. The company undertakes the measures needed to fulfil its health and safety obligations. The Group also ensures that clients and employees are provided with information on the risks they may face, and the preventative and protective measures implemented to control these risks.

The Group has an established client health and safety policy that focuses on the ability to measure performance and to pursue continuous improvement in managing health and safety of its clients and others who may be affected by the operations and activities of HBX Group. The policy is reviewed regularly by the health and safety quality audit team.

About ESG at HBX Group

As a leader in the TravelTech space, HBX is committed to contribute to creating a sustainable future for the planet and to making tourism a force for good. The Group is committed to position itself as a benchmark in sustainability in the travel-tech industry.

Our ESG strategic plan focuses on three pillars: Environment, Social and Governance.

Environment

HBX Group looks for a positive impact. The Group is committed to protect the planet by doing all it can to preserve it and its biodiversity. HBX will play its part in slowing down climate change and protecting its future.

This is why the Group is dedicated to reduce its impact and working collaboratively with its partners (hotels, clients, industry organisations) to help them to do the same so the difference we make together is more impactful.

Some facts that illustrate the environmental commitment:

- this is the seventh year HBX Group has been carbon neutral in scope 1 and 2;
- the Group has reduced its emissions by 48% in the last 3 years;
- HBX has about 40,000 properties in its portfolio within the sustainable hotels programme, which means they meet ESG criteria certifications; and
- 5,000 of the properties in the Group's portfolio are free of single-use plastics.

Social

The Group is dedicated to its people and the prosperity of the society. HBX works hard to promote an inclusive, respectful and fair workplace grounded in diversity and equal opportunities and promoting wellbeing and continuous development.

The Group strives to make a positive impact in the communities where it operates, empowering them to generate their own prosperity while protecting at the same time their natural and cultural resources.

Highlights of HBX Group's social performance:

- 43,000 hours invested in learning;
- 8,000 of volunteer hours;
- 46% of women in management positions and 55% of women out of the total workforce; and
- 89 nationalities in the Group.

Governance

The Group focuses its governance on trust, transparency and collaboration. HBX strongly believes in driving excellence in corporate governance and compliance standards, creating trusted products and systems focused on ensuring the privacy and security of the data the Group manages.

HBX focuses on sustainable growth and commits to use its strategic position to influence, create alliance and promotes collaboration to make travel a force for good.

Further details of the Group's environmental initiatives can be found in the ESG report, published annually and available online at https://www.hbxgroup.com/environmental-social-governance.

Supplier and customer relationships

HBX Group seeks to understand and deliver the expectations of its suppliers and customers, as this is in our mutual interest.

The Group has a Supplier Code of Conduct that establishes the values and principles required of suppliers to drive the development of ethical and environmentally sustainable business practices. Suppliers and customers are encouraged to be part of this commitment to sustainability and responsible business conduct, sharing good practices and working together.

The Group informs its suppliers and customers of the measures it has implemented to respect and uphold human rights, and expects them to do the same.

Measures have been taken, both internally and with trade partners, suppliers and customers to fight against "Modern Slavery". The Group's Modern Slavery and Human Trafficking Statement is available online at hbxgroup.com/corporate-governance.

A new "Know Your Business" initiative is currently in design phase and is expected to enhance HBX Group´s ability to manage supplier and customer relationship risks, including fraud, sanctions and money laundering.

Compliance

As a global company, HBX must comply with national and international legislation. HBX is committed to carrying out business fairly, openly and honestly with no tolerance for breaches of laws and regulations.

The HBX compliance program, operated throughout the Group's subsidiaries, is designed to ensure that the actions of both employees and third parties comply with regulatory requirements and international standards.

The Code of Conduct is the foundational document of the HBX compliance program and all employees must uphold the standards set out within the code. HBX Group takes its Code of Conduct seriously and any breach of it or any applicable law or regulation can result in disciplinary action for the employees involved.

HBX Group provides compliance training and communication, including e-learning via the HBX learning management platform and a structured onboarding process for new employees. This covers general compliance training on the Code of Conduct and ethical behaviour, and more detailed training and awareness campaigns tailored to specific employee group.

Statement of Directors' responsibilities in respect of special purpose consolidated financial information

The Directors are responsible for preparing this special purpose consolidated financial information which give a true and fair view, in accordance with applicable Jersey Law and International Financial Reporting Standards, of the state of affairs of the Group and of the profit or loss of the Group for that period.

The Directors have prepared this special purpose consolidated financial information in accordance with EU-adopted international accounting standards.

Under company law, Directors must not approve the financial information unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period. In preparing this special purpose consolidated financial information, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable EU-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the special purpose consolidated financial information;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the special purpose consolidated financial information on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the special purpose consolidated financial information complies with the Companies Act 2006.

Directors' confirmations

In the case of each Director in office at the date the Directors' report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Group's and Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Group's and Company's auditors are aware of that information.

Significant events since the year end

Incentive plans

On 1 October 2024, the Group approved the following changes to existing incentive plans, in addition to the implementation of new incentive plans:

- The removal of the minimum threshold exit valuation on the main employee incentive plan (EIP 1). As a result of this change, the Directors anticipate that this scheme will vest during the financial year ending 30 September 2025, resulting in an estimated cash outflow of €17m (excluding social security costs) at both the lower and upper end of the price range. The estimated cash outflow is derived from the number of tokens held by each employee at 30 November 2024. Tokens were initially granted in October 2023 and subsequently topped up in November 2023 and November 2024 dependent on employee performance. Each token represents 1% of employee salary payable in an exit event, conditional on continued tenure and performance remaining at "performing" or higher throughout the plan period. The number of tokens at exit are subject to a multiplier dependent on the Company enterprise value. The Directors anticipate that the multiple will be 1x based on the anticipated enterprise value. The total cost of €17m will be recognised within operating expenses in the profit and loss account, and shown as an adjustment for the purposes of calculating Adjusted EBITDA[APM] as a "non-recurring item" as this payment is linked to a one off exit event.

- The extension of both management incentive plans (MIP 1 and MIP 2) to be conditional on an exit event completing by 31 December 2025 (previously 31 December 2024). Consequently, the Directors anticipate that these schemes will become payable during the year ended 30 September 2025, resulting in an estimated cash outflow of between €34m and €39m (without considering social security costs), representing the cash payment granted as detailed in the plan terms and assuming no leavers between the date of signing the financial statements and the date of vesting. The total cost will be recognised within operating expenses in the profit and loss account, and shown as an adjustment for the purposes of calculating Adjusted EBITDA[APM] as a "non-recurring item" as this payment is linked to a one off exit event.

- The implementation of an additional cash bonus in favour of 48 key Group employees, including two Directors and seven other members of key management personnel, as a reward for their value creation achieved over the years, conditional upon admission to the Spanish Stock Exchange taking place by 31 March 2025. The Directors anticipate that the admission to the Spanish Stock Exchange will be met before 31 March 2025 and consequently that this scheme will become payable during the year ended 30 September 2025. This will result in an estimated cash outflow of €120m (without considering social security costs), representing the fixed cash payment granted as detailed in the plan terms, and assuming no leavers between the date of signing the financial statements and the date of vesting. The total cost of €120m will be recognised within operating expenses in the profit and loss account, and shown as an adjustment for the purposes of calculating Adjusted EBITDA[APM] as a "non-recurring item", as this payment is linked to a one off exit event. The payment is not linked to the value of equity instruments and therefore does not represent a share-based payment in accordance with IFRS 2.

Including the impact of these amendments and associated social security costs, the Directors anticipate a total cash outflow of c.€208m during the year ended 30 September 2025 in relation to incentive plans, comprising, at the lower end of the price range: EIP1: €17m; LTIP 2016 and LTIP 2017: €16m; MIP1 and MIP 2: €39m; the additional incentive bonus: €120m; LTIP 2021-2024: €2m; Roiback LTIPs: €4m; and social security and other related fees totalling €10m. At 30 September 2024, a provision of €23m has been recognised in the consolidated statement of financial position, including €9m relating to share-based payments. Consequently, the total cost to be recognised in operating expenses for the year ending 30 September 2025 is expected to be c. €185m.

On 14 January 2025, the Remuneration Committee of the Group approved, subject to Admission, a long-term incentive plan for key employees, managers and executive Directors (including the members of the Executive Committee) of the Group (the "Performance Share Plan") who are invited to participate. It is expected that the Performance Share Plan will be ratified by the Board in its first meeting following Admission.

The Performance Share Plan is a long-term incentive program offered by HBX Group to align key employees, managers and executive Directors' efforts with the organisation's long-term goals. It involves granting the beneficiaries Company's shares contingent on meeting specific performance targets over a set performance period thus creating a direct link between the employee and senior executive's performance and the Company's market value.

The Performance Share Plan will be implemented through the granting of a certain number of "theoretical shares" or "units", which will entitle the holder to receive shares at the end of the performance period, provided that the objectives of the plan are met, including the fulfilment of certain financial and non-financial objectives and the holder remains employed with or providing services to the HBX Group from the start date of the relevant cycle until the vesting date of the relevant cycle.

The number of units to be awarded to each beneficiary would be determined based on a target reference amount in cash, corresponding to a percentage of the annual fixed remuneration of each of the beneficiaries.

The Performance Share Plan will have a total duration of five years, and it will be divided into three independent and overlapping three-year cycles (the "Cycles" and each of them, a "Cycle"), according to the following calendar:

- First Cycle: from Admission, until 30 September 2027.
- Second Cycle: from 1 October 2025 to 30 September 2028.
- Third Cycle: from 1 October 2025 to 30 September 2029.

The objectives foreseen for the first Cycle and their weighting are as follows:

- Total shareholders return: weighting 30%.
- Revenue growth: weighting 30%.
- Free cashflow conversion: weighting 30%.
- Environmental, Social and Governance (ESG): weighting 10%.

For the rest of the Cycles, the objectives will be approved by the Board, at the proposal of the Remuneration Committee, following the provisions of the Remuneration Policy.

The settlement of the Plan would be made, after determining the degree of achievement of the objectives of the corresponding Cycle, in shares of the Company.

The maximum cost of the Performance Share Plan to the Group is expected to be approximately €54m for the three Cycles of the Performance Share Plan, payable according to the plan vesting terms and conditions over its total duration of five years.

Reorganisation

In contemplation of the proposed admission of the Group to the Spanish Stock Exchange, on 18 December 2024 certain companies within the HBX Group and the shareholders of HBG Limited entered into a reorganisation deed under which each of the parties have agreed to undertake certain transactions as part of a corporate reorganisation to be effected after approval of the prospectus and the special purpose consolidated financial information and prior to admission, pursuant to which HBX Group International Plc ("Listco"), which was a wholly owned indirect subsidiary of HBG Limited at 30 September 2024, will become the sole shareholder of HBG Limited ("the Company") and therefore the parent company of the HBX Group.

As the Proposed Reorganisation does not alter the economic substance of the Group, management believe that the adoption of the predecessor accounting method accurately represents the assets, liabilities, revenues, and operating results of the Group as if Listco had been the parent entity of the consolidated Group for the past three financial years. Therefore, this method is considered the most suitable accounting approach for preparing the consolidated financial information of the Group following the Proposed Reorganisation. The Group intends to adopt this on a retrospective basis, with comparative amounts disclosed on a consistent basis following admission. Under the predecessor accounting method, assets and liabilities involved in the Proposed Reorganisation are recorded at their existing carrying amounts, rather than at fair value, in this case those recorded in the financial statements of the Company and its subsidiaries.

Steps completed prior to the date of signing this special purpose consolidated financial information

On 16 December 2024, HNVR Topco Limited ("Topco"), the wholly owned subsidiary of the Company, subscribed for 57,100 fully paid up redeemable non-voting preference shares of €1 each in the capital of its subsidiary, HBX Group International Limited ("Listco") for consideration by way of an undertaking to pay.

On 6 January 2025, Listco re-registered from a private limited company to a public limited company, HBX Group International Plc.

Steps to be completed prior to admission

Prior to admission, Topco has committed to transfer the entire issued share capital of Listco and the redeemable non-voting preference shares to Prometheus Aggregator S.A.R.L., which is indirectly controlled by funds managed by Cinven, for consideration of €0.01 and the assumption of Topco's undertaking to pay the Company the subscription price of the redeemable non-voting preference shares detailed above.

Topco has committed to redeem its preference shares (€53m at 30 September 2024) including all accrued dividends to the date of redemption, and subsequently cancel them. The redemption proceeds will be used to subscribe for newly issued shares in the Company. This will result in the recognition of additional share capital in the Company and a credit in the share premium account for the difference between the price paid, less the nominal value of the share capital.

The Company has committed to use part of the proceeds received from the subscription of ordinary shares to subscribe for at least one ordinary share in Topco.

The holders of Topco shareholder loan notes have committed to transfer their shareholder loan notes (€1,528m at 30 September 2024), including all accrued interest to the date of transfer to the Company in exchange for newly issued shares in the Company, resulting in additional share capital in the Company of less than €1m and the recognition of a credit in the share premium account for the difference between the value of the shareholder loan notes exchanged and the nominal value of the share capital.

The shareholders of the Company, with the exception of minority shareholders detailed in the "Management selldown", have committed to transfer to Listco their respective shares in the Company in exchange for newly issued shares in Listco. Management have concluded that this will meet the criteria of IAS27.13 and therefore Listco will recognise its investment in the Company at the carrying amount of the Company's net assets.

Listco has committed to redeem all of the redeemable non-voting preference shares acquired by Prometheus Aggregator as detailed above, resulting in Listco having a single class of ordinary shares in issue.

Management selldown

Directors and active senior employees together with select non-institutional investors have committed to sell down their shares in the Company to Listco in full for a consideration calculated by reference to the Offering price, for deferred sale consideration to be paid using proceeds from the Offering. Certain other individuals and non-institutional shareholders have committed to sell a proportion of their shares in the Company to Listco pro rata to the number of offer shares to be sold by the ultimate controlling parties for deferred sale consideration to be paid using the proceeds from the Offering.

In the records of Listco, this will be recognised as a cost of its investment in the Company, with a corresponding credit recorded for the deferred sale consideration.

Management reinvestment

The Chair of the Board, Chief Executive Officer, certain members of the Executive Committee and certain senior managers have committed to reinvest in Listco by subscribing for newly issued shares at the offering price.

This cash reinvestment will be recognised as newly issued share capital and share premium in Listco.

As a result of all of the above pre-admission steps, all shareholders of the Company at the date of signing of this special purpose consolidated financial information have committed to cease being shareholders of the Company, and Listco will become the sole shareholder of the Company. Preference shares and shareholder loan note balances will be nil.

On 16 January 2025, the Group entered into the New Facilities Agreement, conditional on the IPO proceeding. Accordingly, the Group is committed to repay the existing Senior Facility Agreement (€1,740m at 30 September 2024) and to enter into the New Facilities Agreement, comprising €1,200m of Senior Debt and a Revolving Credit Facility of €400m, which will support its growth strategy and other capital requirements following the IPO.

The new capital structure, following the proposed refinancing, will comprise available facilities of €1,200m, which mature in 2030-2032 and a revolving credit facility of €400m maturing in 2030.

Post Admission steps

Following admission, Listco has committed to reduce its share premium by way of a court-sanctioned capital reduction.

Other

On 27 January 2025, the Group entered into a long-term strategic partnership with a leading online travel marketplace and travel technology company in Latin America, to become their preferred supplier in all destinations outside of Latin America. Under the agreement, HBX Group has agreed to pay an upfront signing bonus in exchange for certain future minimum revenue levels obtained by the Group during the eight-year contract term.

Approval

This report was approved and signed on behalf of the Board on 28 January 2025 by:

Nicolas Huss
Director
Company number: 121392 (Jersey registry)

ANNEX I – SECTION B – Special Purpose Consolidated Financial Information

HBX GROUP

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Notes	**Year ended 30 September 2024 €m**	Year ended 30 September 2023 €m	Year ended 30 September 2022 €m
Revenue from contracts with customers	4	693	656	434
Other income	5	50	40	27
Other costs	5	(58)	(63)	(58)
Gross profit		**685**	**633**	**403**
Operating expenses	6	(322)	(297)	(251)
Depreciation and amortisation	11, 12	(103)	(101)	(108)
Operating profit		**260**	**235**	**44**
Finance costs	8	(327)	(312)	(243)
Finance income	8	19	13	6
Loss before taxation		**(48)**	**(64)**	**(193)**
Taxation	9	24	(11)	1
Loss for the financial year		**(24)**	**(75)**	**(192)**
Basic and diluted loss per share (€)	10	(0.20)	(0.61)	(1.59)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME OR EXPENSE

	Year ended 30 September 2024 €m	Year ended 30 September 2023 €m	Year ended 30 September 2022 €m
Loss for the financial year	**(24)**	**(75)**	**(192)**
Other comprehensive (expense) / income:			
Items that may be reclassified to profit or loss:			
Currency translation differences	(26)	(24)	66
Related taxation	-	4	(4)
Net profit / (loss) on hedges	4	(1)	1
Total items that may be reclassified to profit or loss	(22)	(21)	63
Items that will not be reclassified to profit or loss:			
Remeasurement of pension provisions	-	-	1
Total items that will not be reclassified to profit or loss	-	-	1
Total other comprehensive (expense) / income for the financial year	**(22)**	**(21)**	**64**
Total comprehensive expense for the year	**(46)**	**(96)**	**(128)**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	**As at 30 September 2024 €m**	As at 30 September 2023 €m	As at 30 September 2022 €m
Non-current assets				
Goodwill	11	1,535	1,550	1,574
Other intangible assets	11	517	576	649
Property, plant and equipment	12	10	15	17
Investment in associate	13	32	-	-
Derivatives	18	-	-	16
Other financial assets	18	2	2	1
Deferred tax assets	9	20	13	20
Trade receivables and other assets	14	9	10	14
Total non-current assets		**2,125**	**2,166**	**2,291**
Current assets				
Trade receivables and other assets	14	608	567	501
Income tax recoverable		7	6	1
Derivatives	18	8	23	-
Cash and short-term deposits	15	686	690	539
Total current assets		**1,309**	**1,286**	**1,041**
Total assets		**3,434**	**3,452**	**3,332**
Current liabilities				
Trade payables and other liabilities	16	1,351	1,227	1,031
Income tax payable		21	15	16
Interest-bearing loans and lease liabilities	18	82	60	60
Derivatives	18	4	7	2
Provisions for liabilities	17	28	2	1
Total current liabilities		**1,486**	**1,311**	**1,110**
Non-current liabilities				
Interest-bearing loans and lease liabilities	18	1,681	1,684	1,806
Loan notes and preference shares	20	1,581	1,663	1,512
Trade payables and other liabilities	18	34	32	41
Deferred tax liabilities	9	43	89	100
Provisions for liabilities	17	8	26	21
Total non-current liabilities		**3,347**	**3,494**	**3,480**
Total liabilities		**4,833**	**4,805**	**4,590**
Net liabilities		**1,399**	**1,353**	**1,258**
Equity				
Called up share capital	19	1	1	1
Share premium account	19	136	136	135
Accumulated losses		(1,525)	(1,501)	(1,426)
Other components of equity		(11)	11	32
Total equity		**(1,399)**	**(1,353)**	**(1,258)**

The special purpose consolidated financial information was approved by the Board of Directors on 28 January 2025 and signed on its behalf by:

Nicolas Huss
Director
Company number: 121392 (Jersey registry)

HBX GROUP

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Called up share capital €m	Share premium account €m	Accumulated losses €m	Other components of equity: Hedging reserve €m	Other components of equity: Translation reserve €m	**Total equity €m**
At 1 October 2021	**1**	**133**	**(1,235)**	**(1)**	**(30)**	**(1,132)**
Loss for the financial year	-	-	(192)	-	-	**(192)**
Other comprehensive income, net of tax	-	-	1	1	62	**64**
Total comprehensive (expense) / income	-	-	(191)	1	62	**(128)**
Issue of shares (note 19)	-	2	-	-	-	**2**
At 30 September 2022	**1**	**135**	**(1,426)**	**-**	**32**	**(1,258)**
Loss for the financial year	-	-	(75)	-	-	**(75)**
Other comprehensive expense, net of tax	-	-	-	(1)	(20)	**(21)**
Total comprehensive expense	-	-	(75)	(1)	(20)	**(96)**
Issue of shares (note 19)	-	1	-	-	-	**1**
At 30 September 2023	**1**	**136**	**(1,501)**	**(1)**	**12**	**(1,353)**
Loss for the financial year	-	-	(24)	-	-	**(24)**
Other comprehensive income / (expense)	-	-	-	4	(26)	**(22)**
Total comprehensive (expense) / income	-	-	(24)	4	(26)	**(46)**
At 30 September 2024	**1**	**136**	**(1,525)**	**3**	**(14)**	**(1,399)**

CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	**Year ended 30 September 2024 €m**	Year ended 30 September 2023 €m	Year ended 30 September 2022 €m
Loss before taxation		**(48)**	**(64)**	**(193)**
Adjustments to reconcile loss before tax to net cash flows from operating activities:				
Depreciation and amortisation	11, 12	103	101	108
Finance costs	8, 20	327	312	243
Finance income	8	(19)	(13)	(6)
Change in working capital				
Increase in trade receivables and other assets		(50)	(71)	(150)
Increase in trade payables and other liabilities		156	209	399
Increase in provisions		8	6	1
Fair value adjustment to derivatives		(4)	(3)	(1)
Other non-cash items		-	-	1
Other items of operating activities				
Income taxes paid		(24)	(16)	(6)
Net cash inflow from operating activities		**449**	**461**	**396**
Cash flows from investing activities				
Payments for intangible assets		(41)	(35)	(24)
Payments for property, plant and equipment		(1)	(3)	(2)
Investment in an associate	13	(32)	-	-
Interest received		29	9	2
Net cash outflow from investing activities		**(45)**	**(29)**	**(24)**
Cash flows from financing activities				
Proceeds from issue of shares	19	-	1	2
Repayment of preference shares	20	(175)	-	-
Repayment of revolving credit facility from lenders		-	-	(248)
Repayment of senior debt	18	-	(100)	-
Payment of senior debt refinancing costs	18	(2)	(29)	-
Repayment of bank borrowings		(1)	(2)	(1)
(Repayment of) / proceeds from other borrowings		-	(5)	5
Interest paid		(212)	(117)	(110)
Payment of principal portion of lease liabilities		(6)	(6)	(6)
Net cash outflow from financing activities		**(396)**	**(258)**	**(358)**
Net increase in cash and cash equivalents		8	174	14
Net foreign exchange difference		(12)	(12)	18
Cash and cash equivalents at the beginning of the financial year		690	528	496
Cash and cash equivalents at end of year		**686**	**690**	**528**

NOTES TO THE SPECIAL PURPOSE CONSOLIDATED FINANCIAL INFORMATION

1. Corporate information

HBG Limited (the "Company") was incorporated on 27 May 2015 in Jersey as a private company limited by shares and has been the holding company of the Group since 2016, when Cinven, a European private equity firm, and Canada Pension Plan Investment Board ("CPPIB") reached an agreement to acquire Hotelbeds from the TUI Group. The address of its registered office is 11-15 Seaton Place, St Helier, JE4 0QH, Jersey.

The Group is domiciled at 12th Floor, Broadgate Tower, 20 Primrose Street, London, United Kingdom, EC2A 2EW.

As a TravelTech business, the Group's principal activity is the purchase of hotel accommodation and mobility and experiences (car rental, transfers and experiences) on behalf of travel service providers such as wholesalers, tour operators, travel agencies and airlines. Additionally, through its Hoteltech product line, the Group assists hotels with optimising their direct online channel, creating booking engines and supporting with digital marketing. Through fintech initiatives, HBX Group is optimising profit by reducing costs related to payment processing and increasing other income.

The special purpose consolidated information covers three years between 1 October 2021 and 30 September 2024.

2. Summary of material accounting policy information

A. Basis of preparation

The Historical Financial Information ("HFI") of the Group has been prepared on a going concern basis under the historical cost convention, as modified by financial assets and financial liabilities (including derivative instruments) measured at fair value. This special purpose consolidated financial information is presented in Euros, the Group´s presentation currency. The figures shown in the financial information are rounded to the nearest million Euros ("€m") unless otherwise stated.

The HFI of the Group has been prepared in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom, and in accordance with International Financial Reporting Standards ("IFRS") and IFRS Interpretations Committee pronouncements as adopted for use in the European Union ("IFRS-EU"), and in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council dated 19 July 2002 on the application of international accounting standards. The HFI for the three years ended 30 September 2024 has been prepared specifically for the purposes of the HBX Group prospectus and in accordance with the requirements of Prospectus Regulation number 2019/980 of the European Commission. This HFI does not constitute statutory financial statements within the meaning of section 434(3) of the Companies Act 2006.

Prior to this special purpose consolidated financial information, HBG Ltd prepared its financial statements in accordance with Financial Reporting Standard 102 ("FRS102" or "UK GAAP"). This special purpose consolidated financial information for the years ended 30 September 2022, 30 September 2023 and 30 September 2024 is the first the Group has prepared in accordance with IFRS, and the first time consolidated financial information have been prepared at the HBG Limited level. Previous unaudited HBG Limited accounts were standalone unconsolidated company accounts. Refer to note 22 for information on how the Group adopted IFRS.

The material accounting policies have been applied consistently to all accounting periods presented.

This special purpose consolidated financial information has been authorized for issue on 28 January 2025.

Climate-related risk

The Directors have considered the impact of climate-related risk on the financial information.

The travel industry as a whole is likely to be impacted by climate-related change. Rising temperatures may result in acute weather events such as wildfires and flooding, together with reducing the attractiveness of certain destinations due to the higher temperatures. Additionally, the financial burden of adhering to sustainability legislation may increase the cost of travel and consequently reduce demand. It may, however, result in a shift in the travel destinations of choice, rather than an overall reduction in travel.

The Directors have considered the impact of climate-related change on the financial information, specifically in relation to their assessment of going concern and impairment of intangible assets and do not expect the impact on future cash flows to be material. The Group distributes accommodation and other related services across over 170 countries, enabling it to offset downturns in some destinations due to climate-related events, or temperature changes, with stronger performance in others. Additionally, increasing temperatures might reduce peak season demand in hotter climates, but this would be offset by the extension of the typical travel season.

Going Concern

At 30 September 2024, the Group had net liabilities of €1,399m (30 September 2023: €1,353m and at 30 September 2022: €1,258m) and net current liabilities of €177m (30 September 2023: €25m and at 30 September 2022: €69m), having generated a €449m cash inflow in the financial year from operating activities (30 September 2023: €461m and at 30 September 2022: cash inflow of €396m), following the strong business performance during the year. The Directors have considered the funding and liquidity position of the Group. At 30 September 2024, the main sources of debt funding included €1,528m loan notes due for repayment in 2056, €1,740m bank syndicated facilities, net of modification gain and capitalised finance costs, which mature in 2027 for the term loan D2 (€976m) and 2028 for the term loan B3 (€764m), and €53m of preference shares. The Group closed the year with cash in bank of €686m and total liquidity of €925m (including the available revolving credit facility from lenders of €157m under the Senior Facilities Agreement and €82m of other undrawn committed credit facilities).

The Group was compliant with its covenant requirement for 2024, 2023 and 2022 (cash and cash equivalents balance on the last business day of each month are not less than €75m). The Group has always complied with its covenant and no breach has arisen in previous years.

The Directors have assessed the Group's cashflow forecasts for a period of twelve months from the date of approval of this special purpose consolidated financial information, while being cognisant of the impact of the proposed admission to trading of all of the ordinary shares of HBX Group International Plc (a wholly owned subsidiary of HBG Limited prior to the proposed reorganisation outlined in note 23) on the Spanish Stock Exchange (the "Proposed IPO"), as detailed in note 23.

As the Proposed IPO and fundraising is not committed at the date of approving this special purpose consolidated financial information, the Directors have assessed the Group's cashflow forecasts under two scenarios, where Forecast A assumes the admission of the Group on the Spanish Stock Exchange in February 2025, including the associated reorganisation and refinancing steps set out in note 23, and Forecast B assumes no admission to the Spanish Stock Exchange takes place within a period of twelve months from the date of approval of the special purpose consolidated financial information.

Both cashflow forecasts have been prepared on the basis of low double-digit annual growth in TTV, high single digit revenue growth, cash conversion of approximately 100% and an underlying tax rate in the mid 20%.

In addition to the trading assumptions detailed above, Forecast A incorporates the following steps:

- The Group reorganisation, comprising the transfer of existing loan notes and preference shares totalling €1,581m at 30 September 2024, to HBG Limited for newly issued share capital in HBG Limited. This transaction has no cash impact, and on a consolidated basis will result in the elimination of the loan notes and preference share balance, to be replaced with share capital and reserves for a corresponding amount.

- The sale of HBG Limited shares held by certain officers and senior employees of the Group to HBX Group International Plc at 100% and the sale of shares held by other individual and non-institutional shareholders, including certain former officers and senior employees of the Group to HBX Group International, pro rata to the number of offering shares to be sold by the ultimate owners of the Group. In the base case scenario, at the mid-range, this results in a cash outflow of €83m.

- HBG Limited will become a subsidiary of HBX Group International Plc which will become the parent company of the HBX Group following admission. The Directors have received a letter of support from HBX Group International Plc confirming its intention to support HBG Limited for a period of at least 12 months from the date of signing this special purpose consolidated financial information in the Forecast A scenario.

- The reinvestment in newly issued shares in HBX Group International Plc by certain key management personnel, resulting in a cash inflow to the Group of €49m in the base case scenario, representing the mid-point of the expected price range.

- The issuance of new shares under the offering totalling €725m, with a nominal value of €1m, less associated advisors fees totalling €50m. The net impact will be a cash inflow of €675m. Costs which are not directly attributable to the issuance of new shares will be recognised as non-underlying items within operating expenses in the profit and loss account for the year ended 30 September 2025, whilst costs which are directly attributable will be recognised against the share premium account. The primary issuance of €725m will be recognised against share capital (€1m) and share premium (€724m).

- The payment of management incentive plans, as detailed in note 23, which fall payable in the event of an Initial Public Offering resulting in a net cash outflow of €208m in the base case scenario, which represents the mid-point of the expected price range. €23m will extinguish the existing provision, whilst the remaining €185m will be recognised within operating expenses as a non-recurring cost.

- The refinancing of the existing debt under the Senior Facilities Agreement totalling €1,740m at 30 September 2024, to be repaid and replaced by a new €1.2bn facility, comprising two term loans, A and B, maturing five years and seven years after the date of the IPO respectively, and a €400m (undrawn) Revolving Credit Facility maturing five years after the date of the IPO. This will result in a cash outflow, based on the position at 30 September 2024, of €601m, comprising the net repayment of the debt and accrued interest, plus associated fees totalling €29m. The new financing is expected to be substantially different from the existing arrangement and held in HBX Group International Plc, and consequently the existing debt, including unamortised fees, will be extinguished in full. The minimum cash covenant included in the existing financing arrangement will be replaced by a maximum Adjusted Net Debt[APM] / Adjusted EBITDA[APM] ratio of between 4.0

and 4.5 times. As at the date of approving this special purpose consolidated financial information, the new facilities are committed, contingent upon the Proposed IPO proceeding.

As a consequence of the outlined steps, in Forecast A, the capital structure of the Group will be substantially changed, with existing loan notes and preference shares effectively converted into equity, and a c. €500m reduction in the external debt, both of which will reduce future financing costs. The changed capital structure would result in the Group having €1,200m of debt under the new facilities maturing between five and seven years after the date of the IPO, a new revolving credit facility for €400m maturing five years after the date of the IPO, and all loan notes and preference shares will be fully redeemed. In Forecast B, the capital structure remains unchanged, with the main sources of debt funding being €1,528m loan notes due for repayment in 2056, €1,740m bank syndicated facilities which mature in 2027 for the term loan D2 (€976m) and 2028 for the term loan B3 (€764m) and €53m of preference shares.

Furthermore, under both Forecasts A and B, the Directors have used a base case and a severe but plausible downside scenario ("the Downside Scenario"). In the Downside Scenario for both Forecasts A and B, a 30% reduction in TTV and a 30% reduction in Adjusted EBITDA[APM] compared to the budget for the next two financial years has been assumed. Additionally, in Forecast A, a higher Company valuation has been assumed, resulting in additional cash (outflows)/inflows in relation to:

- an increased management sell down, totalling €(25)m; and
- additional reinvestment by key management personnel totalling €2m.

The Directors have committed that the IPO scenario outlined in Forecast A would not proceed if the quantum of the primary offer proceeds was insufficient such that it would cause risk to the Group's ability to continue as a going concern.

In both Forecast A and Forecast B, including both the base case and the Downside Scenario, the Group is projected to have sufficient liquidity to support its operations and to be compliant with its banking covenants.

Consequently, the Directors are satisfied that the Group has adequate resources to continue operations for the foreseeable future and consider it appropriate to continue to prepare this special purpose consolidated financial information on a going concern basis.

B. Basis of consolidation

The special purpose consolidated financial information comprises the financial information of the Group and its subsidiaries as at 30 September 2024, 2023 and 2022.

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated.

Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries are adjusted where appropriate to be consistent with the accounting policies used by the Group.

A list of subsidiaries at 30 September 2024 is shown in Note 20.

C. Foreign currency translation (functional and presentation currency)

The Group's special purpose consolidated financial information is presented in Euros, which is also the Company's functional currency as the financing received by the Group is denominated in Euros and this is the main currency in which the main Company's subsidiaries conduct their business.
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency").

Average exchange rates are used to translate the results of all subsidiaries that have a functional currency other than Euro. The statements of financial position of such entities are translated at period end exchange rates. The resulting differences are recorded through a separate component of equity.

Transactions in currencies other than a Group entity´s functional currency (foreign currencies) are recognised at the rate of exchange prevailing on the date of each transaction. At the end of each period, monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate prevailing at the period end. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the period, except where they relate to a monetary item that forms part of the net investment in a foreign operation. In these cases, exchange gains and losses are recognised in other comprehensive income as a movement on the translation reserve and reclassified from equity to profit or loss on disposal of the net investment.

The average exchange rate used during the financial year and the exchange rate at 30 September 2024 of the Euro to the US dollar are $1.0842 and $1.1168 for €1, respectively (30 September 2023: $1.0675 and $1.0579 for €1, respectively and at 30 September 2022: $1.0850 and $0.9792 for €1, respectively).

The average exchange rate used during the financial year and the exchange rate at 30 September 2024 of the Euro to the British Pound Sterling is £0.8554 and £0.8343 for €1, respectively (30 September 2023: £0.8706 and £0.8667 for €1, respectively and at 30 September 2022: £0.8471 and £0.8857 for €1, respectively).

D. Fair value measurement

Assets and liabilities designated at fair value such as derivatives are carried at fair value. The fair value of cash at bank and in hand approximates to book value due to its short-term maturity.

All assets and liabilities for which fair value is measured or disclosed in the special purpose consolidated financial information are categorised within the fair value hierarchy, described as follows:

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

E. Segmental reporting

IFRS 8 defines an operating segment as a component of an entity engaging in business activities from which it earns revenues and incurs expenses and whose discrete operating results are regularly reviewed by the Chief Operating Decision Maker ("CODM").

The Group has determined that the Executive Committee is the CODM, being the collective responsible for allocating resources and assessing the performance of the Group's operating segments.

As a TravelTech business, the Group provides travel bookings to B2B customers via its platforms. This includes two product lines, accommodation and mobility and experiences (comprising car rental, transfers and activities) which are predominantly sold via the same distribution methods and booking platforms and to the same customer groups (being tour operators and travel agents), and have similar economic characteristics. The revenue to TTV%s for both accommodation and mobility and experiences are within the same range. The most significant product line is accommodation, from which there are on-selling opportunities for mobility and experiences products.

The profitability of the individual product lines is not reviewed by the CODM due to their interdependencies, nor is it used to make decisions on the allocation of resources. Consequently, the Directors have concluded that the operating segment is the provision of travel products through the Group's online platforms, and within this are the separate product lines, being accommodation and mobility and experiences.

The Group's Hoteltech product line assists hotels with optimising their direct online channel. The Group's customers are the hotels, the services provided differ and the revenue is recognised on a principal basis as detailed in note 2F. Consequently, Hoteltech is a separate operating segment.

For the purposes of reportable segments, the Hoteltech operating segment constitutes less than 5% of the Group's revenue and less than 3% of the Group's gross profit and therefore the two operating segments have been aggregated on a materiality basis.

F. Revenue

The principal activity of the Group is the provision of travel services for the travel industry. HBX Group operates online intermediary platforms that offer hotel rooms and other connected services (comprising transfers, activities and car rental) to its customers.

The Group's customers for accommodation, transfers, activities and car rental are principally travel agencies and tour operators. The Group's customers for the Hoteltech sector are hoteliers.

For all revenue streams with the exception of Hoteltech, the Group´s performance obligations are to arrange for the provision of the specified services by a third party where the Group primarily acts as an agent. The Group does not control the services provided by the third party before they are transferred to the customer and therefore the supplier of the travel products is considered to be the principal.

For the Group's Hoteltech revenue stream, the Group acts as a principal. Revenue is recognised over time as a fixed fee or based on a percentage of the customer's total sales generated depending on the contract.

The Group recognises as revenue the amount to which it is entitled in exchange for arranging services to be provided by the other party. This is the net amount of consideration that the Group retains after paying the other party for the services provided. This includes the cost of the underlying service (e.g. payment to the hotelier) together with any variable consideration payable to the customer or receivable from the supplier in the form of rebates as detailed in note 3B. Revenue is recognised when performance obligations under the terms of contracts with customers are satisfied. The Group uses a five-step model for recognising revenue from contracts with customers: (1) identify contract(s) with the customer; (2) identify the separate performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the separate performance obligations in the contract; and (5) recognise revenue when (or as) each performance obligation is satisfied.

An overview of the Group's key revenue streams is detailed below:

Revenue stream	Performance obligation	Basis of revenue recognition	Revenue recognition point
Accommodation, transfers, activities and car rental[2]	Successful non-refundable booking completed	Total Transaction Value (TTV) less amount payable to the supplier, plus or minus other directly attributable costs or income[1].	Check-in date per the booking with the exception of rebates which are recognised over time
Hoteltech[3]	Availability of platform to the customer	Over time as a fixed fee or based on a percentage of the customer's total transaction value generated as per the contract.	Over time

1. Other directly attributable costs or income include agency commissions, rebates payable to customers and rebates receivable from suppliers.
2. Revenue from car rental is recognised at the date of the vehicle return, as in some instances the customer can modify the booking duration after the collection date.
3. For the Group's Hoteltech business, the Group acts as a principal.

Rebates payable to customers and rebates receivable from suppliers are variable based on the contractual terms and calculated as a percentage of transaction volumes. Percentages may vary dependent on thresholds defined in the contract. Rebates receivable from suppliers are accrued over time using the most likely amount methodology, accruing when it is highly probable that the thresholds will be met based on historic and anticipated trading levels. Rebates payable to customers are accrued over time using the most likely amount methodology. Rebates receivable are recognised within other receivables and rebates payable are recognised within other payables.

In the event that invoices received from suppliers are less than cost accrued, due to events such as no shows, and it is determined that, based on historical performance, it is highly probable that we will not be required to pay the supplier, the value of the liability is reduced, with the corresponding credit recognised through revenue.

G. Other income and other costs

Other income

Other income relates to rebates received in relation to payments to suppliers made by virtual credit cards. Rebates from credit card providers are received quarterly in arrears with a receivable balance recognised within accrued other income at the year-end.

Other costs

Other costs relate to variable expenses the Group incurs in order to generate revenue. These include credit card fees, marketing costs, platform fees, commissions and foreign exchange translation costs.

H. Non-underlying items

To improve the understanding of the Group's financial performance, items that are material to the Group either by virtue of their size or nature, and not considered to reflect the underlying performance are presented as non-underlying items and are recognised in the consolidated statement of profit or loss within operating expenses.

Items classified as non-underlying are disclosed separately as they do not reflect the underlying profit or loss of the business due to their nature. This enables a better understanding of performance.

Non-underlying items are considered individually and assessed at each reporting period. These typically comprise cost of severances associated with major restructuring projects, COVID-19 related costs, integration costs and fees associated with potential acquisitions and divestments.

I. Finance expense and income

Finance expense and income arising on interest bearing financial instruments carried at amortised cost is recognised in the consolidated statement of profit or loss using the effective interest rate method. Finance expense includes the amortisation of fees that are an integral part of the effective finance cost of a financial instrument, including issue costs, and the amortisation of any other differences between the amount initially recognised and the redemption price.

J. Investment in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Under the equity method of accounting, investments in associates are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Additionally, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity.

Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

K. Taxes

Corporate income tax

The corporate income tax expense or credit is based on the applicable income tax rate for each jurisdiction in which the Group has a taxable presence adjusted by changes in deferred tax assets and liabilities attributable to taxable temporary differences and the carry forward of unused tax losses.

The corporate income tax charge is calculated based on the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes accruals where appropriate based on amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using the tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period that will apply when the temporary difference is expected to reverse.

Deferred tax assets are recognised only if it is probable that future taxable profits will be available to utilise those temporary differences and unused tax losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities in that jurisdiction.

Current and deferred tax is recognised in the consolidated statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is recognised in other comprehensive income or directly in equity, respectively.

L. Goodwill

Goodwill on acquisition is initially measured at cost, being the excess of the cost of the business combination over the Group’s interest in the net fair value of the separately identifiable assets, liabilities and contingent liabilities of a subsidiary at the date of acquisition. In accordance with IFRS 3 Business Combinations, goodwill is not amortised but reviewed annually for impairment and as such, is stated at cost less any provision for impairment of value. Any impairment is recognised immediately in the consolidated statement of profit or loss and is not subsequently reversed. On acquisition, any goodwill acquired is allocated to cash generating units for the purpose of impairment testing. The allocation is made to those cash-generating units that are expected to benefit from the business combination in which the goodwill arose. Where goodwill forms part of a cash generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation.

M. Customer relationships

Customer relationships acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of customer relationships over their estimated useful life of 15 years.

N. Computer software and other intangible assets

Intangible assets acquired separately are capitalised at cost and those acquired as part of a business combination are capitalised separately from goodwill if the fair value can be measured reliably on initial recognition. The costs relating to internally generated intangible assets, principally computer software, are capitalised if the criteria for recognition as assets are met. Other expenditure is expensed in the period in which the expenditure is incurred.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is calculated using the straight-line method over their estimated useful lives of up to 10 years.

An intangible asset is derecognised on disposal, with any gain or loss arising (calculated as the difference between the net disposal proceeds and the carrying amount of the item) included in the consolidated statement of profit or loss in the year of disposal.

Computer software in development is not amortised.

O. Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements the remaining lease term, if shorter as follows:

Buildings: Right-of-use asset	Over expected lease term (up to 8 years)
Buildings: Leasehold improvements	Up to 15 years
Fixtures, fittings and equipment	3-10 years

The carrying values of plant and equipment is reviewed annually for impairment to assess whether there are events or changes in circumstances indicating that the carrying values may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash generating unit are impaired to their recoverable amount.

The recoverable amount of plant and equipment is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

An item of property, plant or equipment is derecognised upon disposal, with any gain or loss arising (calculated as the difference between the net disposal proceeds and the carrying amount of the item) included in the consolidated statement of profit or loss in the year of disposal.

P. Leases

At inception of a contract, the Group assesses whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset.

Right-of-use asset

The Group recognises a right-of-use asset at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The recognised right-of-use asset is depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

Lease liabilities
The lease liability is initially measured at the present value of the lease payments over the expected lease term that are not paid at the commencement date, discounted using the Group's incremental borrowing rate.

The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease liability is measured at amortised cost using the effective interest method.

The Group presents right-of-use assets that do not meet the definition of investment property in "Property, plant and equipment" and lease liabilities in "Interest-bearing loans and lease liabilities" in the consolidated statement of financial position.

Q. Financial assets and financial liabilities

Financial assets
At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Subsequently, with the exception of the derivatives, financial assets are measured at their amortised cost less impairment.

Financial assets comprise trade receivables and other financial assets, cash and short-term deposits and derivative financial instruments.

Trade receivables are recognised initially at their transaction price and subsequently measured at amortised cost, less allowance for expected credit losses. The Group recognises an allowance for expected lifetime credit losses applying a simplified approach that uses a provision matrix based on historical credit loss experience, adjusted for forward looking factors specific to the receivable and the economic environment. The provision for expected credit losses is recognised in the consolidated statement of profit or loss within other costs.

Financial liabilities
At initial recognition, the Group measures a financial liability at its fair value minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial liability. Subsequently, with the exception of the derivative financial instruments, financial liabilities are measured at their amortised cost.

Financial liabilities comprise loan notes, preference shares, interest-bearing loans and other borrowings, trade payables and other liabilities, customer deposits and derivative financial instruments.

Loan notes, preference shares, interest-bearing loans and other borrowings are initially recognised at fair value net of issue costs associated with the borrowing. After initial recognition, loan notes, preference shares, other interest-bearing loans and other borrowings are subsequently measured at amortised cost using the effective interest rate method.

Derivatives and hedging activities
The Group uses derivatives to hedge foreign currency risk and interest rate risk arising from operational and financing activities. In accordance with internal Group accounting principles, derivative financial instruments are not used for trading purposes. However, derivatives used for hedging purposes that are not designated or do not qualify for hedge accounting are accounted for as trading instruments.

Derivatives are initially recognised at fair value on the date the contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in the hedging reserve in equity. The gain or loss relating to the ineffective portion is recognised immediately in the consolidated statement of profit or loss. Amounts accumulated in equity are reclassified to profit or loss when the hedged item affects profit or loss.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the consolidated statement of profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to the consolidated statement of profit or loss.

Derivatives that are not designated nor qualifying for hedge accounting

Changes in the fair value of any derivative instrument that are not designated nor qualifying for hedge accounting are recognised immediately as finance costs or finance income in the consolidated statement of profit or loss.

Derecognition of financial assets and financial liabilities

Financial assets are derecognised when the right to receive cash flows from the assets has expired or when the Group has transferred its contractual right to receive the cash flows from the financial assets or has assumed an obligation to pay the received cash flows in full without material delay to a third party, and either:

- substantially all the risks and rewards of ownership have been transferred; or
- substantially all the risks and rewards have neither been retained nor transferred but control is not retained.

Financial liabilities are derecognised when the obligation is discharged, cancelled or expires.

R. Prepayments

Prepayments are recognised at amortised cost. The Group recognises a provision for non-recoverable prepayments made to hoteliers based on the financial strength of those hoteliers. This provision on prepayments is recognised in the consolidated statement of profit or loss within other costs, and within trade receivables and other assets in the consolidated statement of financial position.

S. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents consist of cash at bank and in hand, short-term deposits with an original maturity of less than three months and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

T. Provisions for liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the period end.

Retirement benefit liabilities

The Group operates various post-employment schemes, including both defined benefit and defined contribution pension plans.

Defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the consolidated statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

The current service cost of the defined benefit plan, recognised in the consolidated statement of profit or loss in employee benefit expense, reflects the increase in the defined benefit obligation resulting from service in the current year, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the consolidated statement of profit or loss.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

U. Long-term incentive plans and share-based payments

Certain employees are members of long-term incentive plans. Awards under the plans are settled in cash (cash-settled awards). Some of these are based on the value of the underlying shares in HBG Limited.

The Group recognises a liability for share-based payments when the vesting is deemed probable.

A liability for other long-term incentive plans, accounted for under IAS 19, is recognised when the employee has rendered the service based on the amount of benefits expected to be paid in exchange for that service.

Until settlement of the liability, the fair value of the liability is re-measured initially at each reporting date up to and including the settlement date, with changes in fair value recognised through profit and loss. The fair value is expensed over the period until the vesting date with recognition of a corresponding liability.

V. Future accounting developments

The standards and interpretations that are issued and endorsed, but not yet effective, up to the date of issuance of the Group's financial statements include:

- amendments to IAS 1 "Presentation of financial statements" - Classification of liabilities as current or non-current and non-current liabilities with covenants;
- amendments to IAS 7 "Statement of cash flows" and IFRS 7 "Financial instruments disclosures" - Disclosures: Supplier finance arrangements;
- amendments to IFRS 16 "Leases" - Lease liability in a sale and leaseback; and
- amendments to IAS 21 "The effects of changes in foreign exchange rates" - Lack of exchangeability.

The standards and interpretations that are issued but not yet endorsed, up to the date of issuance of the Group's financial statements include:

- amendments to IFRS 9 and IFRS 7 - Classification and measurement of financial instruments;
- IFRS 18 - Presentation and disclosure in financial statements; and
- IFRS 19 - Subsidiaries without public accountability: disclosures.

None of these standards and interpretations are expected to have a significant effect on the consolidated financial statements of the Group in the near term.

The Group has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two "Income Taxes". The Group does not anticipate any near term impact of IAS 12 "Income taxes" - International tax reform – Pillar two model rules, but will continue to assess this on an ongoing basis.

3. Critical accounting judgements and estimates

The preparation of financial information requires the use of judgements, estimates and assumptions about current and future conditions. The use of available information and the application of judgements are inherent in the formation of estimates. Actual results in the future may differ from those reported.

A. Judgements

In the process of applying the Group's accounting policies, management has made the following key judgements, being those which have the most significant effect on the amounts recognised in the special purpose consolidated financial information:

Internally generated intangible assets from software development

The capitalisation of internally generated computer software requires significant judgement in order to determine both whether the criteria for capitalisation are met, and in assessing the proportion of costs which are attributable to the intangible asset. This is a significant judgement as the Group makes material investment in its tech platforms and the determination of what can be capitalised is complex.

Under IFRS, the costs relating to internally generated computer software intangible assets, are capitalised when the criteria for recognition as assets are met. These conditions include technical feasibility; intention to complete; the ability to use the asset under development; and demonstrating how the asset is controlled by the Group and will generate probable future economic benefits.

The initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed. The cost of a recognised internally generated intangible asset comprises all directly attributable costs necessary to make the asset capable of being used as intended. This capitalisation of costs of internally developed software requires an estimate of the cost per employee and the resources used to be capitalised.

Revenue recognition

In recognising revenue, judgement is required in the consideration of whether HBX is acting as a principal or agent and therefore revenues should be recognised on a gross or net basis.

Management has assessed whether the Group acts as a principal or agent by taking into consideration whether the nature of its promise to the customer is to provide the underlying goods or services itself (principal) or to arrange for the third party to provide the underlying goods or services directly to the customer (agent). To conclude this assessment, management has determined the nature of its promise to the customer by first identifying the specified service to be provided, and then assessing whether the Group obtains control of each specified service before transfer to the customer. In establishing whether the Group controls the service, management has considered a number of key factors, including: whether the Group is responsible for fulfilling the delivery of the service; whether the Group is exposed to inventory risk; and if the Group has discretion in establishing the price for the specified service.

Further details on the conclusions reached are provided in note 2F.

Judgement is also required in assessing the value and accounting treatment as revenue or a reduction in costs of the liability due to suppliers in the event that invoices received are less than costs accrued. Cost accruals are recorded based on the best available information at the time the booking is unconditional and the liability is incurred (typically at check-in date); adjustments to the amount of these accruals are made when further information is available to the Group, at the time of receipt of updated information from suppliers, typically by way of billing. Management has assessed these differences and concluded that materially they all relate to post arrival adjustments, for example no-shows, and hence should be recognised within revenue.

Share-based payments

The Group operates a number of cash-settled incentive schemes, which are classified as share-based schemes under IFRS 2 as they relate to the underlying value of shares in the Group. These allow certain employees the right to receive a variable payment, in return for services rendered, through the payment of cash incentives which are based on a number of performance conditions. The valuation of share-based payment expense requires a significant degree of judgement to be applied by management in respect of the assessment of vesting conditions. At 30 September 2024 and based on an assessment at the balance sheet date, management has concluded that it is not probable that the vesting conditions will be met for all of these plans, and accordingly accruals have only been recognised for those schemes where management expects the vesting conditions to be met.

Taxes

The Group operates in many tax jurisdictions and regimes and it is subject to the tax implications of operating in different tax environments. Significant management judgement is required to determine whether deferred tax assets can be recognised, taking into consideration the availability and accuracy of forecast future profits.

Recoverability of receivables

The recoverability of receivables involves both judgement and estimates. Significant management judgement is required to measure the expected credit losses on trade receivables. Judgements have been made in respect of the volumes of future trading with hoteliers and the creditworthiness of those hoteliers, their financial strength and the quality of, and demand for, each hotel over the coming seasons, in order to assess the recoverable amounts of deposits and prepayments made to those hoteliers.

B. Estimates and assumptions

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised. Further information about key assumptions concerning the future and other key sources of estimation uncertainty are set out below.

Impairment of goodwill, other intangible assets and tangible assets

The Group determines whether goodwill and indefinite life intangible assets are impaired at least on an annual basis. This requires an estimation of the ”value in use” of the cash generating units to which the goodwill and intangible assets are allocated. Estimating the value in use amount requires management to estimate the expected future cash flows from each cash generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

The impairment of tangible assets, other intangible assets and non-financial assets are reviewed if there is any indication of impairment.

Further details on impairment of goodwill and other intangible assets testing are provided in note 11.

Recoverability of receivables

The Group applies the IFRS 9 simplified approach to measuring expected credit losses (“ECL”) on trade receivables which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics, as follows:

- accounts in default: 100% provision against amount outstanding (after deducting amounts due to the customer deposits and the insured amount);
- accounts with lower credit ratings and non-graded accounts: provision by risk category based on historic loss experience; and
- disputed accounts more than 90 days overdue: 50% to 100% provision dependent on the ageing.

Receivables which are known to be uncollectible are written off by reducing the carrying amount directly. Other receivables are assessed collectively to determine whether there is objective evidence that impairment indicators exist. For these receivables, the estimated impairment losses are recognised in a separate provision for impairment.

The Group considers that there is evidence of impairment if any of the following indicators are present:

- significant financial difficulties of the debtor;
- probability that the debtor will enter bankruptcy or financial reorganisation; and
- default or delinquency in payments.

Receivables for which an impairment loss was recognised are written off against the provision when there is no expectation of recovering additional cash. Impairment losses and subsequent recoveries of impairment losses are recognised in the consolidated statement of profit or loss within other costs.

A 20% increase or decrease in the ECL provision rate required would result in a €2m increase or decrease in the impairment of trade receivables recognised in the consolidated statement of profit or loss.

Rebates payable to customers / rebates receivable from suppliers

Rebates are variable based on the contractual terms and calculated as a percentage of transaction volumes. Percentages may vary dependent on thresholds which are defined in the contract. Rebates are accrued when it is highly probable that the thresholds will be met based on historic and anticipated trading levels. A 10% overestimate of rebates payable to customers and rebates receivable from suppliers would reduce revenue for the year ended 30 September 2024 by €3m. Correspondingly, a 10% underestimate of rebates payable to customers and rebates receivable from suppliers would increase revenue for the year ended 30 September 2024 by €3m.

Revenue recognition

Management estimates the amount of the liability due to the suppliers which based on historical experience and the underlying contractual arrangements is highly probable not to be settled and the release is then recognised in revenue. The Group's typical contract specifies a 6 month period, with adjustment made for specific arrangements and practices with suppliers where relevant.

4. Revenue from contracts with customers

Disaggregated revenue information

Detailed below is the disaggregation of the Group's revenue:

	Year ended 30 September 2024 €m	Year ended 30 September 2023 €m	Year ended 30 September 2022 €m
Revenue recognised at point in time	685	664	455
Revenue recognised over time	8	(8)	(21)
Total revenue	**693**	**656**	**434**

Revenue recognised at point in time relates to revenue from accommodation and related services, including car rental, experiences and transfers, all of which are recognised at the point of check-in per the booking or when the transfer or activity has taken place. No revenue is recognised until the booking is non-refundable. Revenue recognised over time principally comprises rebates payable to customers and rebates receivable from suppliers in relation to accommodation and related services as well as Hoteltech revenue.

Revenue by travel destination for the Group is detailed below:

	Year ended 30 September 2024 €m	Year ended 30 September 2023 €m	Year ended 30 September 2022 €m
Spain	82	73	53
Other European countries	261	239	156
USA	123	123	93
Other American countries	95	96	67
Rest of the world	132	125	65
Total revenue	**693**	**656**	**434**

The Group's ten largest customers (by total transaction value) represent approximately 30% of total accommodation revenue. No single customer represents more than 10% of the Group's TTV.

Contract balances

	Year ended 30 September 2024 €m	Year ended 30 September 2023 €m	Year ended 30 September 2022 €m	1 October 2021 €m
Trade receivables (note 14)	478	380	339	152
Contract liabilities (note 16)	(92)	(94)	(82)	(43)

Payment terms on trade receivables are different for each customer. Contracts with customers do not contain significant financing components.

Contract liabilities relate to deferred revenue. The amount of revenue recognised during the year ended 30 September 2024 from amounts included in contract liabilities at the beginning of the period totalled €94m (30 September 2023: €82m and at 30 September 2022: €43m). Amounts recognised as deferred revenue of €92m as at 30 September 2024 are expected to be recognised as revenue within one year.

No revenue was recognised relating to performance obligations that were satisfied in prior years.

5. Other income and other costs

Other income

Other income relates to rebates received in relation to payments to suppliers made by virtual credit card.

Other costs

Other costs relate to variable expenses the Group incurs in order to generate revenue. These include credit card fees, marketing costs, platform fees and certain commissions. For the year ended 30 September 2024, foreign exchange translation costs included within other costs were €nil (2023: foreign exchange losses of €2m and 2022: foreign exchange losses of €1m).

6. Operating expenses

Considering the Group operates as an agent, operating expenses has been identified as a function in the Group with the following key costs being identified within the operating expenses function:

	Year ended 30 September 2024 €m	Year ended 30 September 2023 €m	Year ended 30 September 2022 €m
Employee related expenses	207	195	179
Administrative expenses	90	92	65
Non-underlying items	25	10	7
Total operating expenses	**322**	**297**	**251**

Employee related expenses

Employee costs for the Group were:

	Year ended 30 September 2024 €m	Year ended 30 September 2023 €m	Year ended 30 September 2022 €m
Wages and salaries	190	175	158
Social security costs	41	37	33
Other benefits	10	5	7
Total employee costs	**241**	**217**	**198**
Capitalised employee costs	(25)	(18)	(13)
Employee costs considered as non-underlying items	(9)	(4)	(6)
Total employee related expenses	**207**	**195**	**179**

Included within employee costs are €9m of severance costs which are included within non-underlying items for the year ended 30 September 2024 (2023: €4m and 2022: €5m).

The monthly average number of employees for the Group were:

Number	**Year ended 30 September 2024**	Year ended 30 September 2023	Year ended 30 September 2022
Business related functions	2,304	2,257	2,068
Support functions	1,270	1,123	980
Total	**3,574**	**3,380**	**3,048**

Non-underlying items

	Year ended 30 September 2024 €m	Year ended 30 September 2023 €m	Year ended 30 September 2022 €m
Advisory costs	16	6	1
Restructuring costs	9	4	6
Total non-underlying items	**25**	**10**	**7**

Non-underlying items principally comprise one off advisory and assurance costs related to specific projects for €16m (2023: €6m and 2022: €1m) and severance costs related to major restructuring programmes totalling €9m (2023: €4m and 2022: €6m).

Out of the €25m of non-underlying costs incurred in the year ended 30 September 2024 (30 September 2023: €10m and at 30 September 2022: €7m), €15m were paid during the year ended 30 September 2024 (30 September 2023: €4m and at 30 September 2022: €5m), the remaining cost is committed and included within liabilities.

Non underlying items are included in the Group's reconciliation to Adjusted EBITDA[APM] which is an Alternative Performance Measure.

7. Auditors' remuneration

The Group (including its overseas subsidiaries) obtained the following services from the Company's auditors PricewaterhouseCoopers LLP and their associates:

	Year ended 30 September 2024 €m	Year ended 30 September 2023 €m	Year ended 30 September 2022 €m
Fees payable to the auditors and their associates for the audit of the consolidated financial statements	1.0	1.1	0.9
Fees payable to the auditors and their associates for other services:			
- Audit of the financial statements of the Company's subsidiaries	0.4	0.3	0.3
- Other assurance services[1]	1.4	-	-
- Advisory services	0.3	1.4	0.2
Total auditors' remuneration	**3.1**	**2.8**	**1.4**

1. Other assurance services include fees primarily in relation to a potential IPO. Advisory services include fees primarily in relation to due diligence services.

8. Finance costs and income

	Year ended 30 September 2024 €m	Year ended 30 September 2023 €m	Year ended 30 September 2022 €m
Loan notes interest (note 20)	(139)	(126)	(114)
Senior debt interest and associated costs	(157)	(140)	(94)
Interest on revolving credit facility from lenders	(4)	(4)	(8)
Interest on lease liabilities	-	(1)	(1)
Accrued dividend on preference shares (note 20)	(17)	(25)	(23)
Hedging cost	(6)	(3)	-
Foreign exchange losses, net	-	(10)	-
Other interest and similar expenses	(4)	(3)	(3)
Total finance costs	**(327)**	**(312)**	**(243)**
Finance income derived from interest rate caps (note 18)	-	7	4
Bank interest income	10	6	1
Modification gain on senior debt	4	-	-
Foreign exchange gains, net	5	-	1
Total finance income	**19**	**13**	**6**
Net finance costs	**(308)**	**(299)**	**(237)**

Interest is charged on the loan notes at a rate of 10%. This interest is not paid on a regular basis but is rolled up into the loans until they fall due for repayment.

Senior debt interest is calculated using the effective rate method and includes €6m (2023: €11m and 2022: €9m) amortisation of issue costs.

The preference shares carry a cumulative dividend of 10% per annum. The preference shares have been classified as liabilities as the Company will be required in the future to deliver cash or another financial instrument to the holders. No rights are attached to the preference shares other than the dividends payable to the preference shareholders.

9. Taxation

Analysis of credit / (expense) for the year:

	Year ended 30 September 2024 €m	Year ended 30 September 2023 €m	Year ended 30 September 2022 €m
Current income tax:			
- UK	(1)	-	(1)
- Overseas	(33)	(16)	(16)
- Adjustment in respect of previous period	5	1	-
Total current income tax	(29)	(15)	(17)
Deferred tax:			
- Arising from origination and reversal of temporary differences	14	9	18
- Reversed on tax losses utilised	(6)	(5)	-
- Recognised on tax losses carried forward	31	-	-
- Reassessment of deferred tax liabilities	9	-	-
- Adjustment in respect of previous period	5	-	-
Total deferred tax	53	4	18
Total tax credit / (expense)	**24**	**(11)**	**1**

A reconciliation of corporate income tax credit applicable to the loss before taxation at the UK standard rate of UK corporation tax to the corporate income tax credit / (expense) for the year ended 30 September is as follows:

	Year ended 30 September 2024 €m	Year ended 30 September 2023 €m	Year ended 30 September 2022 €m
Loss before taxation	(48)	(64)	(193)
Loss multiplied by the effective standard rate of UK corporation tax of 25% (2023: 22%, 2022: 19%)	12	14	37
Effects of:			
- Adjustment in respect of previous period	10	1	-
- Non-recoverable overseas withholding taxes	(1)	-	-
- Interest costs for which no tax deduction is available	(66)	(52)	(34)
- Tax losses utilised for which no deferred income tax asset is / was previously recognised	17	5	13
- Other taxable net income / (non-deductible expenses) for tax purposes	4	19	(19)
- Different tax rates of subsidiaries operating in other jurisdictions	8	2	4
- Deferred tax assets recognised on tax losses carried forward	31	-	-
- Reassessment of deferred tax liabilities	9	-	-
Total tax credit / (expense)	**24**	**(11)**	**1**

The Group's tax charge is driven by its geographical mix of profits which are subject to statutory rates of tax principally ranging from 9% to 25%. The majority of taxes arise in the Group's major trading jurisdictions, such as Spain, the UK, the US, Switzerland, Singapore, Australia and Mexico.

Deferred tax

The Group's totalled deferred tax balances are detailed as follows:

	As at 30 September 2024 €m	As at 30 September 2023 €m	As at 30 September 2022 €m
Deferred tax liabilities recognised from business combinations	(89)	(116)	(135)
Tax losses for which deferred tax assets have been recognised	51	28	35
Deferred tax assets arising from temporary differences	15	12	20
Net deferred tax liabilities	**(23)**	**(76)**	**(80)**
Reflected in the consolidated statement of financial position as follows:			
- Deferred tax assets	20	13	20
- Deferred tax liabilities	(43)	(89)	(100)
Deferred tax liabilities, net	**(23)**	**(76)**	**(80)**

The movements in deferred tax are detailed as follows:

	Deferred tax assets €m	Deferred tax liabilities €m	**Net deferred tax liabilities €m**
At 1 October 2021	**17**	**(113)**	**(96)**
Reversal of temporary differences from previous business combinations	-	15	**15**
Deferred tax assets arising from temporary differences	3	-	**3**
Exchange differences	-	(2)	**(2)**
At 30 September 2022	**20**	**(100)**	**(80)**
Reversal of temporary differences from previous business combinations	-	15	**15**
Deferred tax assets reversal on temporary differences	(6)	-	**(6)**
Tax losses utilised for which a deferred tax asset was previously recognised	-	(5)	**(5)**
Exchange differences	-	1	**1**
Other	(1)	-	**(1)**
At 30 September 2023	**13**	**(89)**	**(76)**
Reversal of temporary differences from previous business combinations	-	16	**16**
Deferred tax assets reversal on temporary differences	(2)	-	**(2)**
Adjustment in respect of previous period	5	-	**5**
Tax losses utilised for which a deferred tax assets were previously recognised	-	(6)	**(6)**
Deferred tax assets recognised on tax losses carried forward	31	-	**31**
Reassessment of deferred tax liabilities	-	9	**9**
Netting of deferred tax assets and liabilities	(27)	27	**-**
At 30 September 2024	**20**	**(43)**	**(23)**

Deferred tax assets and liabilities are presented net on a jurisdictional basis. The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Management had previously recognised deferred tax assets only where supported by deferred tax liabilities but, given sustained profits in certain territories, deferred tax assets have now been recognised based on expectations of future profits for €31m. Additionally, a detailed reassessment has been performed in the current period in respect of the Group's deferred tax positions, resulting in the recognition of a €9m reduction in deferred tax liabilities.

Deferred tax assets are predominantly recognised in Spain and in the US and unrecognised predominantly in the UK where the Group remains loss making.

The Group has not recognised deferred tax assets of €56m (2023: €106m and 2022: €50m) in respect of accumulated losses amounting to €223m (2023: €429m and 2022: €249m) that can be carried forward against future taxable income. €1m of these losses expire in 2027, €2m of these losses expire in 2028 and €2m expire after 2030. The remainder of these losses do not expire. These assets have not been recognised because the Directors are not assured of the timing of when the Group will be able to utilise those tax losses in the future.

Additionally, in the UK the Group did not recognise deferred tax assets of €66m (2023: €30m and 2022: €10m) in respect of the corporate interest restriction amounting to €264m (2023: €119m and 2022: €40m), as the Directors are not assured of the timing of when the Group will be able to utilise these deductions in the future. The Group did not recognise deferred tax assets of €6m (2023: €6m and 2022: €6m) in respect of capital losses amounting to €26m (2023: €26m and 2022: €26m), as the Directors do not foresee the future opportunity where these capital losses would be used.

Factors affecting the future tax charges & other tax matters

In the 2021 Budget, the UK Government announced that the Corporation Tax rate would be increased, subject to a taper, from 19% to 25% with effect from 1 April 2023. Accordingly, the Group utilised a rate of 22% for the year ended 30 September 2023 to reflect that corporation tax was levied at 19% for the first six months of the financial year and at 25% for the second six months. A Corporation Tax rate of 25% has been applied for the year ended 30 September 2024. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

As an international Group, HBX is subject to tax laws and regulations in all the countries in which it conducts business. Every effort is made to be compliant with all relevant tax laws and regulations. However, the Group's subsidiaries are subject, periodically, to tax audits by the tax authorities in the countries where the Group operates. The tax authorities can take a different interpretation of tax laws and regulations to that adopted or used by the HBX subsidiary company. This can lead to disputes which may increase or decrease the Group's overall tax liabilities.

In August 2023, the Group submitted an application to the UK High Court to request a judicial review of HM Revenue & Customs' ("HMRC") decision to refuse to repay input VAT to a Group subsidiary on the basis that the entity was unable to obtain and provide invoices from certain suppliers that it paid using virtual credit cards ("VCC"). The outstanding VAT has been provided for in full at 30 September 2024. The UK High Court hearing took place in October 2024 and the outcome of this hearing is likely to be released during the year ended 30 September 2025.

In February 2023, the Spanish tax authorities informed the Group that it would be performing a routine review of the Group's Spanish business activities for the purposes of Spain's Digital Services Tax. In July 2024, the Spanish tax authorities raised assessments on three of the Group's Spanish companies, totalling €3.1m on the basis that Spanish digital services tax was applicable to their business operations. The Group disagrees with the position of the Spanish tax authorities and appealed against these assessments in September 2024 on the basis that Spanish digital services tax is not applicable to its business operations. The Spanish tax authorities must now choose which route to take to progress this matter. They can either rescind the assessments or require additional audit fieldwork to obtain additional data or to progress to litigation through the Spanish legal system. At the present time, the Group is not able to determine the outcome of the situation and no provision has been made on the basis that Spanish digital services tax is not applicable to its business operations, and therefore there is no probable outflow.

The New York State tax authorities are conducting a routine tax audit of Hotelbeds USA Inc for the period from June 2019 to November 2022 in connection with New York State sales taxes. The tax authorities have raised two issues relating to sales taxes paid by Hotelbeds USA Inc. to hotels and sales taxes charged by Hotelbeds USA Inc. to its customers. The tax authorities have issued a Notice of Determination to assess sales taxes. Hotelbeds USA Inc. has appealed against this Notice of Determination as it considers that the sales taxes being assessed are not applicable to its business operations and that the calculations made by the tax authorities are not correct. Hotelbeds USA Inc. continues to discuss these matters with the New York tax authorities and to address their questions and to resolve any matters that may arise. At 30 September 2024, a provision has been recorded in relation to this matter for €1m. It is likely that the audit will be resolved during the year ended 30 September 2025.

10. Loss per share

Basic loss per share is calculated by dividing the loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Preference shares do not confer any further right of participation in the profits or assets of the company and they do not confer any entitlement to receive notice of or attend or vote at any general meetings of the company. Therefore, there is no difference between basic and diluted loss per share.

The following table reflects the loss and share data used in the basic losses per share calculations:

	Year ended 30 September 2024	Year ended 30 September 2023	Year ended 30 September 2022
Loss attributable to ordinary equity holders of the parent (€m)	(24)	(75)	(192)
Weighted average number of ordinary shares (millions) (note 19)	122	122	121
Basic and diluted loss per share (€)	(0.20)	(0.61)	(1.59)

HBX GROUP

11. Goodwill and other intangible assets

	Goodwill	Other intangible assets		**Total**
		Customer relationships	Computer Software[1]	
	€m	€m	€m	**€m**
Cost				
At 1 October 2021	**1,522**	**798**	**292**	**2,612**
Additions – internally generated	-	-	27	**27**
Retirements	-	-	(7)	**(7)**
Exchange differences	52	40	-	**92**
At 30 September 2022	**1,574**	**838**	**312**	**2,724**
Additions – internally generated	-	-	32	**32**
Retirements	-	-	(8)	**(8)**
Exchange differences	(24)	(19)	-	**(43)**
At 30 September 2023	**1,550**	**819**	**336**	**2,705**
Additions – internally generated	-	-	41	**41**
Retirements	-	-	(25)	**(25)**
Exchange differences	(15)	(11)	-	**(26)**
At 30 September 2024	**1,535**	**808**	**352**	**2,695**
Accumulated amortisation				
At 1 October 2021	**-**	**(240)**	**(155)**	**(395)**
Amortisation charge for the year	-	(55)	(45)	**(100)**
Retirements	-	-	7	**7**
Exchange differences	-	(13)	-	**(13)**
At 30 September 2022	**-**	**(308)**	**(193)**	**(501)**
Amortisation charge for the year	-	(55)	(38)	**(93)**
Retirements	-	-	8	**8**
Exchange differences	-	6	1	**7**
At 30 September 2023	**-**	**(357)**	**(222)**	**(579)**
Amortisation charge for the year	-	(55)	(40)	**(95)**
Retirements	-	-	25	**25**
Exchange differences	-	6	-	**6**
At 30 September 2024	**-**	**(406)**	**(237)**	**(643)**
Net book value				
At 1 October 2021	1,522	558	137	**2,217**
At 30 September 2022	1,574	530	119	**2,223**
At 30 September 2023	1,550	462	114	**2,126**
At 30 September 2024	**1,535**	**402**	**115**	**2,052**

1. At 30 September 2024, computer software includes internally generated intangible assets with a net book value of €86m (30 September 2023: €71m and at 30 September 2022: €62m). The additions of internally generated intangible assets for the year ended 30 September 2024 comprise employee costs for €25m (2023: €18m and 2022: €13m), as detailed in note 6.

Goodwill impairment testing

Goodwill has been historically generated through various business combinations summarised as follow:

	Hotelbeds Group €m	Tourico Group[1] €m	GTA business €m	Holiday Taxis Group[1] €m
Date of acquisition	12 September 2016	7 June 2017	3 October 2017	18 January 2019
Purchase consideration transferred	1,233	204	567	69
Identifiable net (assets)/liabilities at fair value	(516)	35	(191)	(31)
Deferred tax liabilities, net	95	54	43	5
Goodwill arising on acquisition	**812**	**293**	**419**	**43**
Disposals	(35)	-	-	-
Exchange differences	-	2	-	1
Carrying value of goodwill	**777**	**295**	**419**	**44**

1. The acquisition of Tourico Group was made in USD and the acquisition of Holiday Taxis Group was made in GBP and therefore their related goodwill and intangible assets are subject to foreign exchange rate variances.

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units ("CGUs") that are expected to benefit from that business combination. The Group has only two operating segments and considers there to be only two CGUs, being, firstly, accommodation, mobility and experiences (transfers, activities and car rental) and, secondly, Hoteltech. All goodwill was attributable to accommodation, mobility and experiences. The Group tests goodwill annually for impairment or more frequently if there are indications that the goodwill might be impaired.

The recoverable amount of the CGU is determined from the value in use calculation. Value in use has been determined as the present value of expected future cash flows associated with the accommodation and mobility and experiences CGU. The cash flows used in this calculation are consistent with those monitored by management. Expected future cash flows are based on financial plans reviewed by senior management, covering a period of three years from end of relevant financial year. The cash flow forecast has been prepared on the basis of low double-digit annual growth in TTV, high single digit revenue growth, cash conversion of approximately 100% and an underlying tax rate in the mid 20%s.

Parameters used for the calculation of the value in use:

	As at 30 September 2024	As at 30 September 2023	As at 30 September 2022
Terminal growth rate	2.1%	2%	2%
Tax rate	25%	25%	25%
Pre-tax discount rate (derived from weighted average cost of capital "WACC")	11.2%	11.8%	11.6%

The extrapolated cash flows in perpetuity are based on an estimated growth rate, being an estimated average of long-term economic growth rates for the principal countries in which HBX Group operates. The decrease in the pre-tax discount rate between the year ended 30 September 2024 and the year ended 30 September 2023 is mainly due to the decrease in interest rate combined with the decrease in the risk free rate following the reduction in interest rates globally. The slight increase in the pre-tax discount rate between the year ended 30 September 2023 and the year ended 30 September 2022 is due to the increase in interest rate partially offset by the decrease in the risk free rate and the equity risk premium following the end of the COVID-19 pandemic situation.

Management estimates discount rates using pre-tax rates reflecting current market assessments of the time value of money and the risks specific to the CGU and considers that no reasonably possible change in the key assumptions on which the recoverable amounts are based would cause the carrying amount of goodwill to exceed its recoverable amount.

Since the determination of both a WACC and an estimated growth rate in perpetuity are judgemental, management has performed sensitivity calculations that address how changes in these estimates might impact the results of the impairment test. Management note that, for the existing headroom to be eliminated, the WACC rate would need to increase or the estimated terminal growth rate would need to decrease by the following percentage points ("ppt"), respectively:

	As at 30 September 2024	As at 30 September 2023	As at 30 September 2022
WACC	29.2 ppt	26.0 ppt	9.1 ppt
Terminal growth rate	-77.2 ppt	-63.4 ppt	-11.2 ppt

An increase to the WACC rate or a decrease to the estimated growth rate of more than these percentage points would result in an impairment to goodwill having to be recognised. However, these scenarios are not considered to be a reasonably possible outcome for the year-ended 30 September 2024, 30 September 2023 and 30 September 2022.

Management has considered a downside scenario consistent with the Directors' severe but plausible scenario, which represents a 20% reduction in the TTV which leads to an overall reduction of the expected future cash flows of 27% for the year ended 30 September 2024 (30 September 2023: 23% and 30 September 2022: 21%) and still obtained a comfortable headroom.

As a result of this impairment review, no impairment has been recognised in the year ended 30 September 2024 (30 September 2023: €nil and at 30 September 2022: €nil).

Non-current assets by geographic area are detailed in the table below:

	Spain €m	USA €m	UK €m	Rest of the world €m	**Total €m**
At 30 September 2024					
Other intangible assets	167	67	31	252	**517**
Property, plant and equipment (note 12)	4	-	-	6	**10**
Investment in associate (note 13)	-	-	32	-	**32**
At 30 September 2023					
Other intangible assets	169	78	34	295	**576**
Property, plant and equipment (note 12)	6	1	1	7	**15**
At 30 September 2022					
Other intangible assets	179	91	38	341	**649**
Property, plant and equipment (note 12)	9	1	1	6	**17**

12. Property, plant and equipment

	Buildings €m	Fixtures, fittings and equipment €m	**Total €m**
Cost			
At 1 October 2021	**25**	**19**	**44**
Additions: Right-of-use assets	3	2	**5**
Additions	-	2	**2**
Disposals and retirements	(1)	(2)	**(3)**
Rent incentive	1	-	**1**
At 30 September 2022	**28**	**21**	**49**
Additions: Right-of-use assets	4	-	**4**
Additions	1	2	**3**
Disposals and retirements	(6)	(1)	**(7)**
At 30 September 2023	**27**	**22**	**49**
Additions: Right-of-use assets	2	-	**2**
Additions	-	1	**1**
Disposals and retirements	(3)	(2)	**(5)**
Exchange differences	(1)	-	**(1)**
At 30 September 2024	**25**	**21**	**46**
Accumulated depreciation			
At 1 October 2021	**(12)**	**(14)**	**(26)**
Depreciation charge for the year	(5)	(3)	**(8)**
Disposals and retirements	1	2	**3**
Exchange differences	(1)	-	**(1)**
At 30 September 2022	**(17)**	**(15)**	**(32)**
Depreciation charge for the year	(6)	(2)	**(8)**
Disposals and retirements	5	1	**6**
At 30 September 2023	**(18)**	**(16)**	**(34)**
Depreciation charge for the year	(5)	(3)	**(8)**
Disposals and retirements	3	2	**5**
Revaluation of depreciation: Right-of-use assets	-	1	**1**
At 30 September 2024	**(20)**	**(16)**	**(36)**
Net book value			
At 1 October 2021	13	5	**18**
At 30 September 2022	11	6	**17**
At 30 September 2023	9	6	**15**
At 30 September 2024	**5**	**5**	**10**

Property, plant and equipment comprise owned and leased (right-of-use) assets that do not meet the definition of investment property. The Group leases a number of assets including buildings, vehicles and IT equipment. Information about right-of-use assets related to leases for which the Group is a lessee is presented below:

	Buildings €m	Fixtures, fittings and equipment €m	**Total €m**
Balance at 1 October 2021	**11**	**2**	**13**
Additions	3	2	**5**
Depreciation charge for the year	(5)	(1)	**(6)**
Balance at 30 September 2022	**9**	**3**	**12**
Additions	4	-	**4**
Disposals and retirements (net of depreciation)	(1)	-	**(1)**
Depreciation charge for the year	(5)	(1)	**(6)**
Balance at 30 September 2023	**7**	**2**	**9**
Additions	2	-	**2**
Depreciation charge for the year	(5)	(1)	**(6)**
Revaluation of depreciation	-	1	**1**
Balance at 30 September 2024	**4**	**2**	**6**

13. Investment in associate

On 19 June 2024, the Group' subsidiary Trina Group Limited acquired a 25% interest in PerfectStay.com SAS, a B2B tour operator specialising in packaged travel sales, for a consideration of €31m and related acquisition costs of €1m. PerfectStay.com SAS is a private entity mainly present in France and in the UK that is not listed on any public exchange with its registered office located at 10, rue de Penthièvre, 75008 Paris, France.

The Group's interest in PerfectStay.com SAS is accounted for using the equity method in the consolidated financial statements. The following table illustrates the summarised financial information of the Group's investment in PerfectStay.com SAS:

Summarised statement of financial position of PerfectStay.com SAS:

	As at 30 September 2024 €m
Non-current assets	6
Current assets	49
Current liabilities	(55)
Non-current liabilities	(4)
Net liabilities	**(4)**
Group's share of net liabilities	(1)
Goodwill	33
Group's carrying amount of the investment	**32**

Summarised statement of profit or loss of PerfectStay.com SAS:

	Period from 19 June 2024 to 30 September 2024 €m
Revenue from contracts with customers	4
Operating expenses	(5)
Loss for the period	**(1)**
Group's share of net loss for the period	**-**

The associate had no contingent liabilities or capital commitments as at 30 September 2024.

14. Trade receivables and other assets

Current	**As at 30 September 2024 €m**	As at 30 September 2023 €m	As at 30 September 2022 €m
Trade receivables, net of provisions	478	380	339
Supplier deposits	6	41	29
Other receivables	33	25	23
VAT recoverable and other taxes	20	23	13
Trade prepayments	43	66	64
Other prepayments	8	6	11
Accrued other income	20	26	22
Total trade receivables and other assets	**608**	**567**	**501**

Non-current	**As at 30 September 2024 €m**	As at 30 September 2023 €m	As at 30 September 2022 €m
Supplier deposits	1	-	-
Other receivables	2	3	3
Trade prepayments	6	7	11
Total trade receivables and other assets	**9**	**10**	**14**

Trade receivables are non-interest bearing. Trade receivables are stated net of the expected lifetime credit loss, which is calculated in accordance with the methodology detailed in note 3B.

Other receivables principally relate to rebates receivable from suppliers and supplier deposits.

Trade prepayments principally relate to advance payments to accommodation providers.

At 30 September, the ageing of the gross carrying amount of trade receivables is as follows:

			Days past due		
	Total €m	Current €m	< 30 days €m	30-90 days €m	> 90 days €m
2024	**504**	427	55	13	9
2023	**409**	352	42	7	8
2022	**371**	319	33	7	12

The expected credit loss allowance against trade receivables is €26m at 30 September 2024 (30 September 2023: €29m and at 30 September 2022: €32m).

The movement in the credit loss allowance was as follows:

	As at 30 September 2024 €m	As at 30 September 2023 €m	As at 30 September 2022 €m
Balance at 1 October	**29**	**32**	**26**
Loss allowance measured under lifetime ECL	1	1	8
Amounts written off during the year	(2)	(4)	(3)
Reversal of loss allowance brought forward	(1)	-	(1)
Exchange differences	(1)	-	2
Balance at 30 September	**26**	**29**	**32**

Information on credit exposure is disclosed in note 18.

15. Cash and short-term deposits

	As at 30 September 2024 €m	As at 30 September 2023 €m	As at 30 September 2022 €m
Cash at bank and in hand	686	680	539
Deposits (maturity less than three months)	-	10	-
Total cash at bank and in hand and short-term deposits	**686**	**690**	**539**

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	As at 30 September 2024 €m	As at 30 September 2023 €m	As at 30 September 2022 €m
Cash at bank and in hand	686	680	539
Deposits (maturity less than three months)	-	10	-
	686	690	539
Bank overdrafts (note 18)	-	-	(11)
Total cash and cash equivalents	**686**	**690**	**528**

16. Trade payables and other liabilities

Current	**As at 30 September 2024 €m**	As at 30 September 2023 €m	As at 30 September 2022 €m
Trade payables	1,065	933	769
Other payables	99	99	74
VAT payable and other taxes	8	7	8
Accruals	87	94	98
Deferred income	92	94	82
Total trade payables and other liabilities	**1,351**	**1,227**	**1,031**

Non-current	**As at 30 September 2024 €m**	As at 30 September 2023 €m	As at 30 September 2022 €m
Customers deposits	33	32	37
Other payables	1	-	1
Accruals	-	-	3
Total trade payables and other liabilities	**34**	**32**	**41**

Other payables principally comprise rebates payable to customers.

Accruals comprise employee related accruals and other overheads accruals.

Deferred income constitutes contract liabilities as detailed in note 4.

For explanations on the Group's liquidity risk management processes, refer to note 18.

17. Provisions for liabilities

	Retirement benefits €m	Other provisions for employees[1] €m	Provision for buildings restoration[2] €m	Other provision[3] €m	**Total €m**
At 1 October 2021	**2**	**14**	**3**	**2**	**21**
Additional provisions	-	2	-	1	**3**
Reversals	-	(1)	-	-	**(1)**
Other	(1)	-	-	-	**(1)**
At 30 September 2022	**1**	**15**	**3**	**3**	**22**
Additional provisions	1	6	-	2	**9**
Utilised	-	(1)	-	(1)	**(2)**
Other	(1)	-	-	-	**(1)**
At 30 September 2023	**1**	**20**	**3**	**4**	**28**
Additional provisions	1	9	-	1	**11**
Reversals	-	(1)	-	-	**(1)**
Utilised	-	-	(1)	(1)	**(2)**
At 30 September 2024	**2**	**28**	**2**	**4**	**36**
At 30 September 2022					
Current	-	-	-	1	1
Non-current	1	15	3	2	21
	1	**15**	**3**	**3**	**22**
At 30 September 2023					
Current	-	-	-	2	2
Non-current	1	20	3	2	26
	1	**20**	**3**	**4**	**28**
At 30 September 2024					
Current	-	23	2	3	28
Non-current	2	5	-	1	8
	2	**28**	**2**	**4**	**36**

1. Other provisions for employees principally comprise provision for long term employee incentive plans (30 September 2024: €14m, 30 September 2023: €12m and at 30 September 2022: €11m), provision for share-based payments (30 September 2024: €9m, 30 September 2023: €4m and at 30 September 2022: €1m) and other legal provisions (30 September 2024: €5m, 30 September 2023: €4m and at 30 September 2022: €3m). Refer to note 21 for further details on share-based payments.
2. Provision for estimated restoration costs on leased buildings. It is expected that these costs will be incurred in the next financial year.
3. Includes outstanding litigation claims in the Group companies totalling €3m. A consistent methodology based upon historical claims patterns, average claims amounts, external legal advice and future expectations is used to determine those amounts. It is expected that €2m of these costs will be incurred in the next financial year and €1m in more than a year.

Retirement benefits

The liability for retirement benefits principally relates to the Hotelbeds Switzerland AG pension plan which provides retirement benefits based on a participant's accumulated account balance. The plan also provides benefits on death, disability and termination. This plan is financed through a fund that is legally separate from Hotelbeds Switzerland AG. The trustees of the fund consist of representatives appointed by the affiliated companies and representatives elected by the fund participants and are required by law to act in the interests of the fund and its beneficiaries. The trustees are responsible for the investment policy of the fund. The fund must comply with the compulsory insurance requirements as per the Swiss Federal Law on Occupational Retirement, Survivors and Disability Pension Funds ("BVG"). The fund undertakes to respect at least the minimum requirements imposed by the BVG and its ordinances. If the plan is underfunded according to Swiss Law, the trustees decide measures that will allow the coverage ratio to get back to 100% within an appropriate horizon of time (usually, a time horizon of five to seven years is considered appropriate).

Under the plan, members are entitled to an annual pension on the attainment of retirement age 65 for men and for women, however early retirement is permitted from the age of 58. Both the employer and employees are required to make contributions to the plan based on salary and attained age, and the total employer contributions must be at least equal to the total employee contributions. The scheme had 16 active members at 30 September 2024 (30 September 2023: 17 and at 30 September 2022: 20).

The plan exposes Hotelbeds Switzerland AG to actuarial risks including investment risk, interest rate risk, longevity risk and salary increase risk.

Actuarial valuations carried out by Aon Schweiz AG used the projected unit credit service prorate method to determine liabilities and service cost at 30 September 2024, 30 September 2023 and 30 September 2022. The principal assumptions used to determine the retirement benefit liability in this special purpose consolidated financial information were:

	2024	**2023**	**2022**
Discount rate[1]	0.95%	1.80%	2.00%
Expected rate of salary increase (including inflation)	1.50%	1.50%	1.25%
Inflation	1.50%	1.25%	1.00%
Average life expectancy at age 65 for current employees			
- Male	22.1	22.0	22.0
- Female	23.9	23.8	23.7

Movements in the fair value of plan assets and the present value of the defined benefit obligation during the year were as follows:

	Plan assets €m	Benefit obligation €m	**Benefit liability €m**
Value at 1 October 2021	**2.0**	**(3.1)**	**(1.1)**
Current service costs	-	(0.5)	**(0.5)**
Employer contributions	0.4	-	**0.4**
Remeasurement	-	0.9	**0.9**
Exchange differences	0.2	(0.4)	**(0.2)**
Value at 30 September 2022	**2.6**	**(3.1)**	**(0.5)**
Current service costs	-	(0.3)	**(0.3)**
Employer contributions	0.3	-	**0.3**
Remeasurement	-	(0.1)	**(0.1)**
Other	(0.1)	-	**(0.1)**
Value at 30 September 2023	**2.8**	**(3.5)**	**(0.7)**
Current service costs	-	(0.3)	**(0.3)**
Employer contributions	0.3	-	**0.3**
Remeasurement	-	(0.5)	**(0.5)**
Value at 30 September 2024	**3.1**	**(4.3)**	**(1.2)**

Plan assets are only composed of insurance policies at each year ended 30 September.

[1] Discount rate is based on Swiss AA-rated non-government bonds and foreign AA-rated corporate bonds. The variances reflect the change in market conditions.

18. Financial assets and financial liabilities

Financial assets

The table below analyses the Group's financial assets into their relevant categories:

	Financial assets at amortised cost €m	Derivatives at fair value through profit and loss €m	Derivatives designated as hedging instruments €m	**Total €m**
At 30 September 2024				
Derivatives	-	4	4	**8**
Trade receivables and other assets[1] (note 14)	540	-	-	**540**
Other financial assets	2	-	-	**2**
Cash and short-term deposits (note 15)	686	-	-	**686**
Total financial assets	**1,228**	**4**	**4**	**1,236**
Total current	1,223	4	4	**1,231**
Total non-current	5	-	-	**5**
At 30 September 2023				
Derivatives	-	22	1	**23**
Trade receivables and other assets[1] (note 14)	475	-	-	**475**
Other financial assets	2	-	-	**2**
Cash and short-term deposits (note 15)	690	-	-	**690**
Total financial assets	**1,167**	**22**	**1**	**1,190**
Total current	1,162	22	1	**1,185**
Total non-current	5	-	-	**5**
At 30 September 2022				
Derivatives	-	16	-	**16**
Trade receivables and other assets[1] (note 14)	416	-	-	**416**
Other financial assets	1	-	-	**1**
Cash and short-term deposits (note 15)	539	-	-	**539**
Total financial assets	**956**	**16**	**-**	**972**
Total current	952	-	-	**952**
Total non-current	4	16	-	**20**

1. Excluding non-financial assets.

The fair value of all other financial assets is approximate to their carrying value at amortised cost.

Derivatives at fair value through profit and loss reflect the positive change in fair value of foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign exchange rate risk on highly probable forecast sales and purchases.

For the year ended 30 September 2023 and 30 September 2022, derivatives at fair value through profit and loss also included the positive change in fair value of the interest rate cap contracts that were not designated as a hedge, but was, nevertheless, intended to reduce the level of interest rate risk for the interest on the senior debt, as detailed below:

- On 15 June 2022, the Group entered into an interest rate cap agreement to hedge the risk of a rise in interest rates on the senior debt variable rate. The original notional amount of the contract was €1,050m at 15 June 2022 and expired on 15 June 2024. The cap rate was fixed at 2% based on the index EURIBOR 6 months. The premium of €12m was recorded as non-current derivative on the face of the consolidated statement of financial position for the year ended 30 September 2022 and then moved to current for the year ended 30 September 2023. At 30 September 2022, the fair value of the interest rate cap was €16m and the Group recognised a finance income of €4m. At 30 September 2023, the fair value of the interest rate cap was €20m and the Group recognised a finance income of €7m. During the year ended 30 September 2023, the Group received €3m interest as cash from this instrument. Then, the Group received €20m interest as cash from this instrument for the year ended 30 September 2024.

- On 7 July 2023, the Group entered into an additional interest rate cap agreement to hedge the risk of a rise in interest rates on the senior debt variable rate. The original notional amount of the contract was €650m at 7 July 2023 and expired on 7 July 2024. The cap rate was fixed at 4% based on the index EURIBOR 6 months. The premium of €1m was recorded as current derivative on the face of the consolidated statement of financial position. At 30 September 2023, the fair value of the interest rate cap was €0.4m.

Financial liabilities

Financial liabilities (at amortised cost): Interest-bearing loans and other borrowings

	Interest rate %	Maturity[2]	**Carrying value €m**
At 30 September 2024			
Lease liabilities	4.25/6.58	2024-2029	6
€760m senior debt (term loan B3)	EURIBOR+4.50	2028	764
€948m senior debt (term loan D2)	EURIBOR+4.25	2027	976
Bank loans (other)	1.78	2026-2030	4
Other borrowings[1]	-	On demand	13
Total interest-bearing loans and lease liabilities			**1,763**
€719m loan notes (note 20)	10	2056	1,528
€27m preference shares (note 20)	10	-	53
Total loan notes and preference shares			**1,581**
Total interest-bearing loans and other borrowings			**3,344**
Total current			**82**
Total non-current			**3,262**
At 30 September 2023			
Lease liabilities	4.25/6.58	2023-2028	9
€148m senior debt (term loan B1)	EURIBOR+4.25	2025	151
€760m senior debt (term loan B2)	EURIBOR+5.00	2028	753
€400m senior debt (term loan C)	EURIBOR+4.50	2027	408
€400m senior debt (term loan D)	EURIBOR+5.50	2027	416
Bank loans (other)	1.78	2026-2030	5
Other borrowings[1]	-	On demand	2
Total interest-bearing loans and lease liabilities			**1,744**
€719m loan notes (note 20)	10	2056	1,388
€202m preference shares (note 20)	10	-	275
Total loan notes and preference shares			**1,663**
Total interest-bearing loans and other borrowings			**3,407**
Total current			**60**
Total non-current			**3,347**

	Interest rate %	Maturity[2]	Carrying value €m
At 30 September 2022			
Lease liabilities	4.25	2022-2028	11
€1,008m senior debt (term loan B)	EURIBOR+4.25	2025	1,012
€400m senior debt (term loan C)	EURIBOR+4.50	2027	403
€400m senior debt (term loan D)	EURIBOR+5.50	2027	410
Bank loans (other)	1.68	2026-2030	7
Other borrowings[1]	-	On demand	12
Bank overdrafts	2.30	On demand	11
Total interest-bearing loans and lease liabilities			**1,866**
€719m loan notes (note 20)	10	2056	1,262
€202m preference shares (note 20)	10	-	250
Total loan notes and preference shares			**1,512**
Total interest-bearing loans and other borrowings			**3,378**
Total current			**60**
Total non-current			**3,318**

1. Other borrowings include confirming balances for €13m at the year ended 30 September 2024 (30 September 2023: confirming balances of €2m and at 30 September 2022: confirming balances of €7m and factoring balances of €5m). Proceeds and repayments of factoring balances are included as cash flows from financing activities in the consolidated statement of cash flows. Proceeds and repayments of confirming balances are included as cash flows from operating activities in the consolidated statement of cash flows.
2. For the purposes of the maturity profile the Group assumed the repayment date (being an exit as defined by the HBG Limited articles of association) of the loan notes and of the preference shares being 2028 for the year ended 30 September 2024 (30 September 2023 and 2022: 2028).

Lease liabilities

The Group leases many assets including buildings, vehicles and IT equipment for which lease liabilities have been recognised.

On 1 October 2022, the Group reviewed its incremental borrowing rate and concluded to use a rate of 6.58% for all new lease agreements.

For the year ended 30 September 2024, the Group paid €6m (30 September 2023: €7m and at 30 September 2022: €7m) of lease liabilities including interest expense for less than €1m (2023: €1m and 2022: €1m).

Senior debt

On 11 July 2016, the Group signed a syndicated Senior Facilities Agreement ("SFA"). The rate of interest is the aggregate of the applicable EURIBOR plus a variable margin dependent on the Group's leverage. When EURIBOR is lower than zero, the interest rate applicable is the margin due following the latest signed loan amendment agreement.

On 3 July 2023, HBX Group signed an amendment to the SFA with the following modifications:

- partial repayment (€100m) of the existing term loan B;
- conversion of the existing term loan B tranche into two tranches: Term loan B1, with a principal amount of €148m, has an interest rate of EURIBOR + 4.25% and matures in September 2025. Term loan B2, with a principal amount of €760m, has an interest rate of EURIBOR + 5.00% and matures in September 2028; and
- the extension of 63% of the existing revolving credit facility from lenders (undrawn amount of €248m as at 30 September 2023), or €157m, by two years until September 2026. For the remaining €91m, the maturity date remains September 2024.

On 17 April 2024, HBX Group signed an amendment to the SFA with the following modifications:

- conversion of the existing term loan B1 (€148m) into the newly created term loan D2 tranche;
- conversion of the existing term loan B2 tranche into the newly created term loan B3 tranche, with a principal amount of €760m, bearing interest rate of EURIBOR + 4.50% and maturing in September 2028;

- transfer of the principal amount of term loan C (€400m) into the newly created term loan D2 tranche; and
- conversion of the existing term loan D tranche into the newly created term loan D2 tranche, with a principal amount of €948m, bearing interest rate of EURIBOR + 4.25% and maturing in September 2027.

These modifications to the original terms of the senior debt and the revolving credit facility do not represent substantial modifications, as per IFRS 9, as the discounted present value of the cash flows under the new terms (including any fees paid and discounted using the original effective interest rate), differs by less than 10 per cent from the discounted present value of the remaining cash flows of the original financial liability. Additionally, the qualitative changes to the terms of the liability were not substantially different. Therefore, these modifications do not imply that the financial liability, and more specifically the existing senior debt, is extinguished and consequently the liability has not been derecognised.

Following these modifications of the original terms of the senior debt and the credit facility, a modification gain of €4m has been recognised within finance income in the consolidated statement of profit or loss for the year-ended 30 September 2024 (2023: €nil).

The transaction costs relating to these amendments totalled €29m for the year-ended 30 September 2023, comprising lenders fees of €25m and other professional fees of €4m and €3m for the year ended 30 September 2024, of which €1m was outstanding at 30 September 2024. These have been capitalised over the remaining life of the senior debt.

Following this amendment, the senior debt includes the following tranches at the year ended 30 September 2024:

- ***€760m senior debt (term loan B3)***: At 30 September 2024, the interest payable balance amounts to €29m; and
- ***€948m senior debt (term loan D2)***: At 30 September 2024, the interest payable balance amounts to €35m.

All term loans are stated net of issue costs. These costs are amortised over the life of the loans. The outstanding balance of issue costs is as follow:

	As at 30 September 2024 €m	As at 30 September 2023 €m	As at 30 September 2022 €m
Term loan B1	-	1	9
Term loan B2	-	27	-
Term loan B3	24	-	-
Term loan C	-	2	3
Term loan D	-	1	1
Term loan D2	4	-	-
Total issue costs	**28**	**31**	**13**

All term loans are subject to a covenant requirement to ensure that cash and cash equivalents balance on the last business day of each month are not less than €75m. If liquidity goes below this level, the Group is obliged to correspond with the banking syndicate to determine the next steps. The Group was compliant with this covenant requirement for 2024 and does not foresee any issue complying with it for the forthcoming financial year. The Group has always complied with its covenant and no breach has arisen in previous years.

Other financial liabilities

The table below analyses the Group's other financial liabilities into their relevant categories:

	Financial liabilities at amortised cost €m	Derivatives at fair value through profit and loss €m	Derivatives designated as hedging instruments €m	**Total €m**
At 30 September 2024				
Derivatives	-	2	2	**4**
Trade payables and other liabilities[1] (note 16)	1,285	-	-	**1,285**
Total other financial liabilities	**1,285**	**2**	**2**	**1,289**
Total current	1,251	2	2	**1,255**
Total non-current	34	-	-	**34**
At 30 September 2023				
Derivatives	-	4	3	**7**
Trade payables and other liabilities[1] (note 16)	1,158	-	-	**1,158**
Total other financial liabilities	**1,158**	**4**	**3**	**1,165**
Total current	1,126	4	3	**1,133**
Total non-current	32	-	-	**32**
At 30 September 2022				
Derivatives	-	2	-	**2**
Trade payables and other liabilities[1] (note 16)	982	-	-	**982**
Total other financial liabilities	**982**	**2**	**-**	**984**
Total current	941	2	-	**943**
Total non-current	41	-	-	**41**

1. Excluding non-financial liabilities.

The fair value of all other financial liabilities is approximate to their carrying value at amortised cost, except for the loan notes and preference shares. Refer to the fair value measurement section below.

Derivatives at fair value through profit and loss reflect the negative change in fair value of foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign exchange rate risk on highly probable forecast sales and purchases.

Derivatives designated as hedging instruments

The Group is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk. Some foreign exchange forward contracts are designated as hedging instruments in cash flow hedges of forecast highly probable sales and purchases.

The Group is holding the following foreign exchange forward contracts:

	Maturity			
	Less than 6 months	6 to 12 months	More than 12 months	**Total**
At 30 September 2024				
Forwards EUR/USD				
Notional amount (€m)	17	8	-	**25**
Average forward rate	1.1085	1.1038	-	
Forwards EUR/GBP				
Notional amount (€m)	20	10	-	**30**
Average forward rate	0.8573	0.8515	-	
Forwards EUR/SGD				
Notional amount (€m)	38	9	5	**52**
Average forward rate	1.4524	1.4534	1.4470	
Forwards SGD/THB				
Notional amount (€m)	26	2	-	**28**
Average forward rate	26.3668	25.8107	-	
Other currencies				
Notional amount (€m)	106	18	-	**124**
At 30 September 2023				
Forwards EUR/USD				
Notional amount (€m)	10	-	-	**10**
Average forward rate	1.0694	-	-	
Forwards EUR/GBP				
Notional amount (€m)	18	4	-	**22**
Average forward rate	0.8695	0.8724	-	
Forwards USD/MXN				
Notional amount (€m)	21	4	-	**25**
Average forward rate	17.8764	18.1142	-	
Forwards SGD/THB				
Notional amount (€m)	28	3	-	**31**
Average forward rate	25.5766	25.6394	-	
Other currencies				
Notional amount (€m)	61	11	-	**72**

There are no foreign exchange forward contracts designated as hedging instruments for the year-ended 30 September 2022.

The impact of the hedging instruments on the consolidated statement of financial position is as follows:

	Notional amount €m	Carrying amount €m	Change in fair value used for measuring ineffectiveness for the period €m
At 30 September 2024			
Foreign exchange forward contracts	259	2	3
At 30 September 2023			
Foreign exchange forward contracts	160	(2)	(1)

The effect of the cash flow hedge in the consolidated statement of profit or loss and other comprehensive income is, as follows:

	Total hedging gain/(loss) recognised in OCI €m	Amount reclassified from OCI to profit or loss €m	Line item in the consolidated statement of profit or loss
At 30 September 2024			
Foreign exchange forward contracts	4	(1)	Other costs
At 30 September 2023			
Foreign exchange forward contracts	(1)	-	-

Fair value measurement

The financial instruments for which fair value is disclosed in the three tables above, and derivative financial instruments, are classified as level 2 of the IFRS 13 "Fair Value Measurement" fair value hierarchy (note 2D). HBX Group does not have any financial instruments classified as level 3.

The following table presents the Group's financial liabilities difference between their fair value and their carrying amount:

	Valuation Technique	Fair value €m	Carrying amount €m	Difference €m
At 30 September 2024				
Loan notes	Discounted cash flow	2,035	1,528	507
Preference shares	Discounted cash flow	58	53	5
At 30 September 2023				
Loan notes	Discounted cash flow	1,541	1,388	153
Preference shares	Discounted cash flow	286	275	11
At 30 September 2022				
Loan notes	Discounted cash flow	2,127	1,262	865
Preference shares	Discounted cash flow	306	250	56

The variation over the years is explained by the market interest rate used. The higher difference reflected at the year ended 30 September 2024 compared to the year ended 30 September 2023 is the consequence of the decrease in the market interest rate during the period which is significantly lower than the interest rate charged on the loan notes of 10%. On the contrary, the lower difference reflected at the year ended 30 September 2023 compared to the year ended 30 September 2022 is the consequence of the significant increase in the interest market rate during the period which was more aligned with the interest rate charged on the loan notes.

The loan notes are not easily transferable or tradeable and there are no quoted market prices for them. Hence, they have been classified as level 2 liabilities.

The fair value of the financial assets, lease liabilities, senior debt and other borrowings approximate their carrying values at amortised cost.

Financial risk management

The Group faces a range of financial risks comprising liquidity risk, market risks (consisting of currency risks and interest rates risks) and credit risk.

The Group's principal financial instruments comprise trade receivables, trade payables, senior debt, bank loans, revolving credit facilities, bank overdrafts, lease liabilities, loan notes, and cash and short-term deposits, together with certain derivative financial instruments.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach is to ensure that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed circumstances. The liquidity position of the Group is significantly influenced by the booking and payment pattern of customers. As a result, liquidity is at its lowest in the winter months and at its highest in the summer months.

The Group manages liquidity risk through regular cash flow forecasting and monitoring of cash flows, management review and regular review of working capital and costs. The Group continues to hold significant cash and liquid funds to mitigate the impact of potential business disruption events. At 30 September 2024 HBX Group had cash of €686m (30 September 2023: €690m and at 30 September 2022: €539m) in addition to a €157m revolving credit facility and other undrawn committed credit facilities of €82m, and complied with the covenant requirements of the Senior Facilities Agreement. Cash and cash equivalents include €39m (30 September 2023: €1m and at 30 September 2022: €29m) that is held in specific bank accounts of HBX as guarantees to third parties to support bilateral lines of credit. These deposits are highly liquid and can be recovered on demand but the consequence would be that the line of credit will be withdrawn.

The Board does not anticipate a need for the Group to have to obtain additional funding.

In respect of the Group's financial liabilities including estimated interest where applicable, the table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments (at the year-end):

	Note	Book Value €m	On demand or within 1 year €m	1 to 2 years €m	2 to 3 years €m	3 to 4 years €m	4 to 5 years €m	> 5 years €m	Total €m
At 30 September 2024									
Senior debt (term loan B3)		**764**	55	50	51	811	-	-	**967**
Senior debt (term loan D2)		**976**	66	60	1,009	-	-	-	**1,135**
Bank loans (other)		**4**	2	2	-	-	-	-	**4**
Other borrowings		**13**	13	-	-	-	-	-	**13**
Lease liabilities		**6**	3	2	1	-	-	-	**6**
Loan notes[2]	20	**1,528**	-	-	-	-	2,237	-	**2,237**
Preference shares[2]	20	**53**	-	-	-	-	78	-	**78**
Trade payables and other liabilities[1]	16	**1,285**	1,251	34	-	-	-	-	**1,285**
Derivatives		**4**	4	-	-	-	-	-	**4**
Total		**4,633**	**1,394**	**148**	**1,061**	**811**	**2,315**	**-**	**5,729**
At 30 September 2023									
Senior debt (term loan B1)		**151**	12	159	-	-	-	-	**171**
Senior debt (term loan B2)		**753**	67	58	53	54	843	-	**1,075**
Senior debt (term loan C)		**408**	33	29	26	427	-	-	**515**
Senior debt (term loan D)		**416**	37	33	30	431	-	-	**531**
Bank loans (other)		**5**	2	2	1	-	-	-	**5**
Other borrowings		**2**	2	-	-	-	-	-	**2**
Lease liabilities		**9**	5	3	1	-	-	-	**9**
Loan notes[2]	20	**1,388**	-	-	-	-	-	2,237	**2,237**
Preference shares[2]	20	**275**	-	-	-	-	-	440	**440**
Trade payables and other liabilities[1]	16	**1,158**	1,126	32	-	-	-	-	**1,158**
Derivatives		**7**	7	-	-	-	-	-	**7**
Total		**4,572**	**1,291**	**316**	**111**	**912**	**843**	**2,677**	**6,150**
At 30 September 2022									
Senior debt (term loan B)		**1,012**	62	82	1,078	-	-	-	**1,222**
Senior debt (term loan C)		**403**	26	33	29	26	427	-	**541**
Senior debt (term loan D)		**410**	30	37	33	30	431	-	**561**
Bank loans (other)		**7**	2	2	2	1	-	-	**7**
Other borrowings		**12**	12	-	-	-	-	-	**12**
Bank overdrafts		**11**	11	-	-	-	-	-	**11**
Lease liabilities		**11**	5	4	2	-	-	-	**11**
Loan notes[2]	20	**1,262**	-	-	-	-	-	2,237	**2,237**
Preference shares[2]	20	**250**	-	-	-	-	-	440	**440**
Trade payables and other liabilities[1]	16	**982**	941	37	-	4	-	-	**982**
Derivatives		**2**	2	-	-	-	-	-	**2**
Total		**4,362**	**1,091**	**195**	**1,144**	**61**	**858**	**2,677**	**6,026**

1. Excluding non-financial liabilities.
2. For the purposes of the maturity profile the Group assumed the repayment date (being an exit as defined by the HBG Limited articles of association) of the loan notes and of the preference shares being 2028 for the year ended 30 September 2024 (30 September 2023 and 2022: 2028).

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's senior debt with floating interest rates.

Interest rate risk management has the following key objectives:

- Profit protection – to protect the profit margin from material adverse movements in interest rates.
- Cash flow protection – to ensure that the Group's liquidity is not materially impacted by adverse movements in interest rates.

The Group's exposure to interest rates is managed to minimise the impact on profit over the short to medium-term whilst providing flexibility over the longer-term.

The Group Corporate Finance team has been given delegated responsibility by the Board to manage the Group's exposures to interest rate risk.

Permitted instruments when managing interest rate risk are limited to the following:

- interest rate caps;
- interest rate swaps;
- forward rate agreements; and
- cross currency swaps.

Interest rate sensitivity

The table below demonstrates the sensitivity to reasonably possible changes in interest rates on the senior debt tranches. With all other variables held constant, the Group's loss before tax is affected through the impact on floating rate borrowings, as follows:

Effect on loss before tax (additional finance costs):	**Year ended 30 September 2024 €m**	Year ended 30 September 2023 €m	Year ended 30 September 2022 €m
100 basis points increase (2023: 100 & 2022: 100 basis points increase)	(17)	(18)	(18)
200 basis points increase (2023: 200 & 2022: 200 basis points increase)	(34)	(36)	(36)

The sensitivity has been estimated by applying the basis points movement to the carrying value of the senior debt, subject to interest at floating rates, held by the Group at the financial year end.

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility for the year ended 30 September 2023. The EURIBOR applied to the Group was negative for the year ended 30 September 2022 and was amounting to 3.66% at the end of the year ended 30 September 2023, which is much higher than previous year.

The EURIBOR slightly increased during the year ended 30 September 2024, therefore, the Group assumed an increase in interest rate of 18 basis points and 50 basis points for the purpose of this sensitivity analysis.

The change in interest rates does not impact the Group's equity beyond the impact on the consolidated statement of profit or loss as detailed above.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group operates internationally and is exposed to foreign currency risk on transactions denominated in currencies other than the functional currency of the subsidiaries and on the translation of the statements of financial position and statements of profit or loss of foreign operations into Euros. The currency giving rise to this risk is primarily the US Dollar.

In managing currency risks, the Group aims to reduce the impact of short-term fluctuations on its cash inflows and outflows in a foreign currency. Forward exchange contracts are used to hedge against foreign currency risk, mainly the US Dollar.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in US Dollar exchange rate (as experienced in the year ended 30 September 2024), with all other variables held constant. The impact on the Group's loss before tax is due to changes in the fair value of monetary assets and liabilities (mainly trade receivables, trade payables, derivatives and cash at bank).

Effect on loss before tax (additional (expenses) / income):	**Year ended 30 September 2024 €m**	Year ended 30 September 2023 €m	Year ended 30 September 2022 €m
+5% change in USD rate (2023: +8% and 2022: +5%)	(1)	(9)	1
-5% change in USD rate (2023: -8% and 2022: -5%)	1	9	(1)

The impact on the Group's equity due to changes in the fair value of forward exchange contracts designated as cash flow hedges is not material. The Group's exposure to other foreign exchange movements is not material.

The assumed movement in percentage for the USD rate sensitivity analysis is based on the currently observable market environment.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises from cash balances (including bank deposits and cash and cash equivalents) and derivative financial instruments, as well as credit exposure to accounts receivable and prepayments made. Credit risk is managed separately for treasury and operating related credit exposures.

The Group is not subject to a significant concentration of credit risk, with exposure spread across a large number of counterparties and customers.

It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis. Any changes to credit terms are assessed and authorised by senior management on an individual basis. In addition, the Group has credit insurance to cover possible risks. The insurance premium is accounted for separately and not netted off against the expected credit loss. Insurance is only drawn down upon when there is a default by an insured debtor.

With respect to credit risk arising from the other financial assets, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. Credit risk in respect of cash and cash equivalents is managed by restricting those transactions to banks that have a defined minimum credit rating and by setting an exposure ceiling per bank.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset.

Trade receivables

Customer credit risk is subject to the Group's established policy, procedures and control relating to customer credit risk management. As detailed in note 3B, the Group has applied the simplified approach under IFRS 9 and adopted a provisioning matrix to determine the Expected Credit Loss ("ECL"), grouping receivables dependent on their risk level taking into account historic default rates, credit ratings, ageing and future expectations, and applying a relevant provision percentage after adjusting for deposits and insurance coverage.

The table below details the total trade receivables and associated loss allowance based on the risk categorisation:

Current	**As at 30 September 2024 €m**	As at 30 September 2023 €m	As at 30 September 2022 €m
Trade receivable			
Low	282	205	131
Medium	191	178	206
High	17	13	21
Very high	14	13	13
Total	**504**	**409**	**371**
Loss allowance			
Low	-	(1)	(1)
Medium	(5)	(9)	(11)
High	(7)	(6)	(7)
Very high	(14)	(13)	(13)
Total	**(26)**	**(29)**	**(32)**
Net receivable			
Low	282	204	130
Medium	186	169	195
High	10	7	14
Very high	-	-	-
Total	**478**	**380**	**339**

A 20% increase or decrease in the ECL provision rate required would result in a €2m increase or decrease in the impairment of trade receivables recognised in the consolidated statement of profit or loss.

Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, support the growth of the business and maximise the return to the stakeholders through the optimisation of the debt and equity balance. The Group reviews the capital position prior to assessing whether any distribution should be made. The Group considers capital to comprise the following items:

	As at 30 September 2024 €m	As at 30 September 2023 €m	As at 30 September 2022 €m
Interest-bearing loans (excluding lease liabilities)	1,757	1,735	1,855
Cash and short-term deposits	(686)	(690)	(539)
Net debt	**1,071**	**1,045**	**1,316**
Loan notes and preference shares	1,581	1,663	1,512
Equity attributable to owners of parent company	(1,399)	(1,353)	(1,258)
Capital and net debt	**1,253**	**1,355**	**1,570**

The Group finances its operations through a combination of debt, cash and short-term deposits and equity.

Changes in liabilities arising from financing activities

	Current other interest-bearing loans and lease liabilities €m	Non-current interest-bearing loans and lease liabilities €m	Loan notes and preference shares €m	**Total €m**
At 1 October 2021	**53**	**2,050**	**1,375**	**3,478**
Cash flows	(97)	(248)	-	**(345)**
Senior debt issuance costs amortisation	-	9	-	**9**
Interest on senior debt	84	-	-	**84**
Interest on revolving credit facility from lenders	8	-	-	**8**
Lease liabilities	7	(2)	-	**5**
Bank loans (other)	3	(3)	-	**-**
Other interest	2	-	-	**2**
Interest on loan notes	-	-	114	**114**
Accrued dividend on preference shares	-	-	23	**23**
At 30 September 2022	**60**	**1,806**	**1,512**	**3,378**
Cash flows	(147)	(129)	-	**(276)**
Senior debt issuance costs amortisation	-	11	-	**11**
Interest on senior debt	129	-	-	**129**
Interest on revolving credit facility from lenders	4	-	-	**4**
Lease liabilities	6	(2)	-	**4**
Bank loans (other)	2	(2)	-	**-**
Other interest	6	-	-	**6**
Interest on loan notes	-	-	126	**126**
Accrued dividend on preference shares	-	-	25	**25**
At 30 September 2023	**60**	**1,684**	**1,663**	**3,407**
Cash flows	(143)	(3)	(238)	**(384)**
Senior debt issuance costs amortisation	-	6	-	**6**
Modification gain on senior debt	-	(4)	-	**(4)**
Interest on senior debt	146	-	-	**146**
Interest on revolving credit facility from lenders	4	-	-	**4**
Lease liabilities	4	(1)	-	**3**
Bank loans (other)	1	(1)	-	**-**
Other interest	10	-	-	**10**
Interest on loan notes	-	-	139	**139**
Accrued dividend on preference shares	-	-	17	**17**
At 30 September 2024	**82**	**1,681**	**1,581**	**3,344**

19. Called up share capital and share premium account

Authorised shares

Group and Company	**As at 30 September 2024** shares	**2024** €	As at 30 September 2023 shares	2023 €	As at 30 September 2022 shares	2022 €
Ordinary shares authorised:						
Class A ordinary shares of €0.01 each	100,000,000	1,000,000	100,000,000	1,000,000	100,000,000	1,000,000
Class B ordinary shares of €0.01 each	7,000,000	70,000	7,000,000	70,000	7,000,000	70,000
Class C ordinary shares of €0.01 each	8,000,000	80,000	8,000,000	80,000	8,000,000	80,000
Class D ordinary shares of €0.01 each	5,000	50	5,000	50	5,000	50
Class E ordinary shares of €0.01 each	100,000,000	1,000,000	100,000,000	1,000,000	100,000,000	1,000,000
Class F ordinary shares of €0.01 each	100,000,000	1,000,000	100,000,000	1,000,000	100,000,000	1,000,000
Class G ordinary shares of €0.01 each	100,000,000	1,000,000	100,000,000	1,000,000	100,000,000	1,000,000
Class H ordinary shares of €0.01 each	100,000,000	1,000,000	100,000,000	1,000,000	100,000,000	1,000,000
Class I ordinary shares of €0.01 each	100,000,000	1,000,000	100,000,000	1,000,000	100,000,000	1,000,000
Class J ordinary shares of €0.01 each	100,000,000	1,000,000	100,000,000	1,000,000	100,000,000	1,000,000
Class K ordinary shares of €0.01 each	100,000,000	1,000,000	100,000,000	1,000,000	100,000,000	1,000,000
Class L ordinary shares of €0.01 each	2,120,000	21,200	2,120,000	21,200	2,120,000	21,200
Total	**817,125,000**	**8,171,250**	**817,125,000**	**8,171,250**	**817,125,000**	**8,171,250**

Ordinary shares issued and fully paid

Group and Company	**As at 30 September 2024** shares	**2024** €	As at 30 September 2023 shares	2023 €	As at 30 September 2022 shares	2022 €
Ordinary shares issued and fully paid:						
Class A ordinary shares of €0.01 each	87,027,652	870,277	87,027,652	870,277	87,027,652	870,277
Class B ordinary shares of €0.01 each	7,000,000	70,000	7,000,000	70,000	6,200,918	62,009
Class C ordinary shares of €0.01 each	8,000,000	80,000	8,000,000	80,000	8,000,000	80,000
Class D ordinary shares of €0.01 each	5,000	50	5,000	50	5,000	50
Class E ordinary shares of €0.01 each	1,573,743	15,737	1,573,743	15,737	1,419,560	14,195
Class F ordinary shares of €0.01 each	486,525	4,865	486,525	4,865	486,525	4,865
Class G ordinary shares of €0.01 each	2,292,552	22,925	2,292,552	22,925	2,292,552	22,925
Class H ordinary shares of €0.01 each	333,059	3,331	333,059	3,331	333,059	3,331
Class I ordinary shares of €0.01 each	1,093,159	10,932	1,093,159	10,932	1,093,159	10,932
Class J ordinary shares of €0.01 each	11,753,877	117,539	11,753,877	117,539	11,753,877	117,539
Class K ordinary shares of €0.01 each	180,834	1,808	180,834	1,808	180,834	1,808
Class L ordinary shares of €0.01 each	2,120,000	21,200	2,120,000	21,200	2,120,000	21,200
Total	**121,866,401**	**1,218,664**	**121,866,401**	**1,218,664**	**120,913,136**	**1,209,131**

The nominal value of the ordinary shares of €1m (30 September 2023: €1m and at 30 September 2022: €1m), together with the share premium of €136m (30 September 2023: €136m and at 30 September 2022: €135m), have been recognised in called up share capital and the share premium account, respectively.

Voting rights

Each A ordinary share, B ordinary share, C ordinary share, D ordinary share, E ordinary share, F ordinary share, H ordinary share, I ordinary share or L ordinary share gives its holder the right to receive notice of and attend general meetings of the Company, and to exercise one vote at such meetings in respect of each such share he holds, except that:

- the A ordinary shares do not give their holders such right in respect of any shareholders' resolution to appoint or remove a Director of the Company;
- the D ordinary shares give their holders such right only in respect of any shareholders' resolution to appoint or remove a Director of the Company and not in respect of any other resolution; and
- the total votes exercisable in respect of all the issued E ordinary shares and F ordinary shares, in aggregate, may not exceed 4.5 per cent. of the total votes attaching to all of the ordinary shares of the Company, in aggregate.

The G ordinary shares, K ordinary shares and preference shares do not give their holders the right to receive notice of or attend general meetings of the Company. The J ordinary shares give their holders the right to receive notice of and attend general meetings of the Company, but not to vote or speak at such meetings.

The special rights attaching to any class of shares may only be varied or abrogated in certain circumstances, including with the sanction of an ordinary resolution passed at a separate general meeting of the holders of the relevant class of shares, in which case the holders of the relevant class of shares shall have the right to receive notice of, attend and vote at such general meeting.

20. Related party disclosures

Ultimate owner

The Group is ultimately owned by funds advised by Cinven Capital Management (V) General Partner Limited (Cinven) and Canada Pension Plan Investment Board (CPPIB).

All transactions with other entities controlled by Cinven or CPPIB are carried out on an arm's length basis. During the year ended 30 September 2023, fees of €0.3m were charged to the Group by Cinven and CPPIB (2023: €0.3m and 2022: €0.3m).

Key management personnel

The remuneration of key management personnel (who are collectively considered to have the authority to directly or indirectly plan and control the Group's operations) for the year was as follows:

	Year ended 30 September 2024 €m	Year ended 30 September 2023 €m	Year ended 30 September 2022 €m
Employee benefits	11.7	9.7	4.7
Share-based payments	0.4	0.4	0.1
Total	**12.1**	**10.1**	**4.8**

The remuneration of key management personnel includes incentives as detailed in the section share-based payments below in addition to the 2021-2024 LTIP.

At 30 September 2024 certain key management personnel collectively held €0.4m loan notes (2023: €0.3m and 2022: €0.3m). Interest charged for the year ended 30 September 2024 amounted to less than €0.1m (2023: less than €0.1m and 2022: less than €0.1m).

During the year ended 30 September 2022, the Group advanced loans totalling €1.2m to certain key management personnel. During the year ended 30 September 2023, the Group advanced additional loans totalling €0.1m to key management personnel. The average interest rate on these loans is 3% and accrued interest is capitalised and added to the outstanding principal amount every 30 September. These are due for repayment on or before the date that the individual ceases to be an employee of the Group.

Share-based payments

The Group operates a number of cash-settled schemes which allow certain senior employees the right to participate in the performance of the Group, in return for services rendered, through the payment of cash incentives which are dependent upon on a number of performance conditions. Share-based payments relate to schemes offered to senior management, including some key management personnel, which will be cash settled upon a triggering event being concluded.

When the vesting of share-based payments is probable, the fair value is recognised as a share-based payment expense together with a corresponding increase in the associated liability. This is subsequently revalued periodically to reflect changes in the fair value and vesting assumptions. The fair value of the share-based payment is calculated based on the anticipated value of the underlying metrics, derived from the latest forecast and factoring in wider market expectations where relevant.

During the year ended 30 September 2024, the total charge to the consolidated statement of profit or loss for the year relating to all share-based payments was €5m (30 September 2023: €3m and at 30 September 2022: €1m) and at 30 September 2024 the liability totalled €9m (30 September 2023: €4m, 30 September 2022: €1m).

The table below details the share-based incentive schemes in existence at 30 September 2024. These are all treated as share-based as some of the conditions are linked to the underlying value of equity in the Company:

Scheme	**LTIP[2]**	**LTIP[2]**	**MIP[2] 1**	**MIP[2] 2**	**Complementary scheme**	**EIPs[2]**
Year of grant	2016	2017	2021	2021	2021	2023
Vesting basis						
- Tenure	Yes	Yes	Yes	Yes	Yes	Yes
- Performance	No	No	No	No	No	Yes[1]
- Other vesting conditions	Yes	Yes	Yes	Yes	Yes	Yes
Vesting deemed probable	Yes	Yes	No	No	No	No
Fair value at 30 September 2024 (€m)	4	5	-	-	-	-
Fair value at 30 September 2023 (€m)	2	2	-	-	-	-
Fair value at 30 September 2022 (€m)	-	1	-	-	-	-
Total units at 30 September 2024 ('000)	609	929	-	-	-	-
Total units at 30 September 2023 ('000)	609	929	-	-	-	-
Total units at 30 September 2022 ('000)	609	929	-	-	-	-
Fair value per unit at 30 September 2024 (€)	6.5	5.2	-	-	-	-
Fair value per unit at 30 September 2023 (€)	3.1	2.8	-	-	-	-
Fair value per unit at 30 September 2022 (€)	-	0.6	-	-	-	-

1. Vesting subject to achieving specified Adjusted EBITDA^{APM} for relevant business line at the date of other vesting conditions being met.
2. LTIP: Long Term Incentive Plan, MIP: Management Incentive Plan, EIP: Employee Incentive Plan.

LTIP 2016

The LTIP scheme granted in 2016 entitles 33 employees, including two members of key management personnel, to units, each representing the right to receive a cash payment. Vesting is dependent upon continued tenure, or "good leaver" status and the completion of an exit event, being the sale, IPO or winding up of the Company. The amount to be paid is partially linked to the carrying value of the loan notes, and therefore increases at 10% p.a. compounded, consistent with the interest on the loan notes. This component, which totalled €11m (without considering social security costs) at 30 September 2024 (30 September 2023: €10m and 30 September 2022: €9m), is recognised within provisions as it is not linked to the market value of underlying shares. The remaining allocation is based upon the fair market value of the underlying 'A' shares in the Group, valued at €4m at 30 September 2024 (30 September 2023: €2m, 30 September 2022: nil). The valuation of the shares is based upon an equity valuation of the Group. This is calculated by applying a relevant and comparable market multiple to the latest Adjusted EBITDA^{APM} of the Group to obtain an enterprise value. The Enterprise value is then adjusted for the current Adjusted Net Debt^{APM} position less forecast payments to be made in the event of an exit, to reach the equity value. The resulting equity value is allocated across the differing classes of shares to reach the 'A' share valuation.

LTIP 2017

The LTIP scheme granted in 2017 entitles eleven employees, including two members of key management personnel to units, each representing the right to receive a cash payment. Vesting is dependent upon continued tenure, or "good leaver" status and the completion of an exit event, being the sale, IPO or winding up of the Company. The amount to be paid is based on the fair market value of the underlying 'B' shares in the Group, valued at €5m (without considering social security costs) at 30 September 2024 (30

September 2023: €2m, 30 September 2022: €1m). The valuation of the shares is based upon an equity valuation of the Group. This is calculated by applying a relevant and comparable market multiple to the latest Adjusted EBITDA^{APM} of the Group to obtain an enterprise value. The Enterprise value is then adjusted for the current Adjusted Net Debt^{APM} position less forecast payments to be made in the event of an exit, to reach the equity value derived from a valuation of the Company based upon a comparable market EBITDA multiple. The resulting equity value is allocated across the differing classes of shares to reach the 'B' share valuation.

MIP 1 and MIP 2

The two Management Incentive Plans have been granted to 64 members of senior management, including five members of key management personnel. These entitle management to a fixed cash payment in the event of an exit, conditional upon continued tenure, a minimum return being achieved by the current ultimate owners, and an exit event happening by 31 December 2024. At 30 September 2024, 30 September 2023 and 30 September 2022 an exit event completing within the required timeframe was not deemed probable and therefore no provision has been recognised.

Complementary LTIP

The complementary scheme awards 78 beneficiaries, including one Director and two other members of key management personnel, the contingent right to receive a cash payment subject to an exit event and dependent on conditions related to the underlying valuation of the shares. The complementary scheme would only be payable in the event of the Company enterprise value being below €3,300m at which management do not believe it feasible an exit would be exercised. Consequently, since inception, it has not been expected that payment rights in favour of this plan's beneficiaries would be triggered.

Other EIPs

The principal EIP (EIP 1) provides approximately 2,800 employees with tokens, conditional upon both tenure and performance, which can be converted to a cash payment in the event of an exit event prior to 31 December 2025, conditional upon a minimum enterprise value. At 30 September 2024, management do not believe it probable that the minimum value as defined by the scheme at that date will be met and therefore no provision has been recognised.

EIP 2, effective from June 2023, grants one individual entitlement to a cash incentive subject to continued service, an exit completing before 31 December 2025, the equity value per share of the Company being higher than €1 at the date of exit and conditional upon achieving a minimum annual Adjusted EBITDA^{APM} from Fintech product line at the date of an exit event. At 30 September 2024, based on the latest forecast, management do not expect the target to be achieved and therefore no provision has been recognised.

EIP 3, effective from June 2023, grants one individual entitlement to a cash incentive subject to continued service, an exit completing before 31 December 2025, the equity value per share of the Company being higher than €1 at the date of exit and conditional upon achieving a minimum annual Adjusted EBITDA^{APM} from the Hoteltech product line. At 30 September 2024, based on the latest forecast management do not expect the target to be achieved and therefore no provision has been recognised.

On 1 October 2024, changes were made to the vesting conditions of MIP 1, MIP 2 and employee EIP schemes as detailed in note 23.

Directors' emoluments

The Company had ten Directors during the year ended 30 September 2024 (30 September 2023: eleven Directors and at 30 September 2022: eleven Directors). The total Directors´ remuneration paid by the Group was €3.6m (2023: €3.4m and 2022: €1.7m). Some of the non-executive Directors act as representatives of the related party shareholders and were not remunerated by the Group for their services to the Group.

At 30 September 2024 certain Company Directors collectively held €1.4m loan notes (2023: €1.4m and 2022: €1.5m). Interest charged for the year ended 30 September 2024 amounted to €0.3m (2023: €0.2m and 2022: €0.2m).

As at 30 September 2024 certain Company Directors collectively had borrowed approximately €2.4m from the Group pursuant to loans granted for the purchase of HBG Ltd shares (30 September 2023: €2.4m, 30 September 2022: €2.3m). Interest charged for the year ended 30 September 2024 amounted to €0.07m (2023: €0.06m, 2022: €0.05m). The average interest rate on these loans is 3% and accrued interest is capitalised and added to the outstanding principal amount every 30 September.

Included within Directors' emoluments for the year ended 30 September 2024 is €3m of remuneration, related to one Director, (30 September 2024: €2.8m, 30 September 2022: €1.0m) which is also included in the key management personnel disclosure above.

Included within Directors' loans at 30 September 2024 is €1.2m which is also included in the key management personnel disclosure above (2023: €1.2m, 30 September 2022: €1.2m).

Transactions with related parties

The following table provides the total amount of transactions that have been entered into with related parties for the relevant period (from 19 June 2024 to 30 September 2024):

	Sales to related parties (TTV) €m	Amounts owed by related parties[1] €m
Associate:		
PerfectStay.com SAS	4.7	0.3

1. The amount is classified as trade receivables.

Loan notes

On 12 September 2016, The Group issued €695m unsecured loan notes due for repayment in 2056 at their nominal value of €1.00 with an interest rate of 10 per cent per annum.

On 7 June 2017, the Group issued €232m unsecured loan notes due for repayment in 2056 at their nominal value of €1.00 with an interest rate of 10 per cent per annum.

On 3 October 2017, the Group issued €197m unsecured loan notes due for repayment in 2056 at their nominal value of €1.00 with an interest rate of 10 per cent per annum.

On 29 June 2018, an interest amount of €80m due on the class A loan notes and related to the year-ended 30 September 2017 was converted into "payment-in-kind" (PIK) loan notes.

On 18 January 2019, the Group issued €7m unsecured loan notes due for repayment in 2056 at their nominal value of €1.00 with an interest rate of 10 per cent per annum.

On 8 April 2019, the Group reimbursed to the shareholders €492m unsecured loan notes at their nominal value of €1.00.

The loan notes are principally held by the ultimate owners of the Group. The loan notes are divided into several classes but all have the same principal terms and conditions. Loan notes in classes A, F, H and J with a total carrying value of €1,476m are listed on The International Stock Exchange which is based in Guernsey, Channel Islands.

The loan notes shall be redeemed in the event of an exit, except where the notes are transferred to a Group Company in connection with an exit, or on the redemption date in 2056.

Interest is charged on the loan notes at a rate of 10%. This interest is not paid on a regular basis but is rolled up into the loans until they fall due for repayment. Under the terms of the loan notes, the Group, as issuer, may elect to pay the interest, issue PIK notes or to defer the interest.

Interest charged on the loan notes in the year ended 30 September 2024 totalled €139m (2023: €126m and 2022: €114m).

None of the Group's assets were pledged as security for the loan notes.

Details of loan note balances by holder and the interest accrued each year are provided in the table below:

	Year ended 30 September 2024	**Interest accrued in year**	Year ended 30 September 2023	Interest accrued in year	Year ended 30 September 2022	Interest accrued in year
	€m	**€m**	€m	€m	€m	€m
Cinven	600	55	545	50	495	45
CPPIB	600	55	545	50	495	45
Funds managed by EQT	239	22	217	19	198	18
Other[1]	89	8	81	7	74	6
Total loan notes	**1,528**	**140**	**1,388**	**126**	**1,262**	**114**

1. Includes current and former management.

Preference shares

On 3 October 2017, a subsidiary within the Group issued 27,300,000 preference shares of €1 each which are classified as liabilities based on the terms of the contract, which does not permit the shareholders any rights to participate in the profits or assets of the Group beyond the receipt of fixed dividends. The dividends on these preference shares are recognised in the consolidated statement of profit or loss as interest expense and totalled €5m for the year ended 30 September 2024 (2023: €4m and 2022: €4m). No rights are attached to the preference shares other than the dividends payable to the preference shareholders.

On 13 May 2021, the Group and the Company issued 174,999,996 preference shares of €1 each which are classified as liabilities based on the terms of the contract, which does not permit the shareholders any rights to participate in the profits or assets of the Company beyond the receipt of fixed dividends.

The dividends are charged on the preference shares at a fixed rate of 10%. Under the terms of the preference share agreement, dividends do not have to be cash settled prior to redemption. Therefore dividends have been rolled up into the outstanding balance until they fall due for repayment.

The dividends on these preference shares are recognised in the consolidated statement of profit or loss as finance costs and totalled €12m for the year ended 30 September 2024 (2023: €21m and 2022: €19m).

No rights are attached to the preference shares other than the dividends payable to the preference shareholders.

On 11 April 2024 the Directors approved the redemption of the Preference Shares, issued on 22 January 2021, totalling €175m principal plus €63m of accumulated dividends up to the date of redemption.

The preference shares do not have a maturity date, but will be redeemed in the event of an exit, defined as the sale, IPO or winding up of the Company. None of the Group's assets were pledged as security for the preference shares.

Details of preference shares by holder, dividends accrued and the redemption are provided in the table below:

	Year ended 30 September 2024	**Dividends accrued in year**	Year ended 30 September 2023	Dividends accrued in year	Year ended 30 September 2022	Dividends accrued in year
	€m	**€m**	€m	€m	€m	€m
Cinven	-	5	96	9	87	8
CPPIB	-	5	96	9	87	8
Funds managed by EQT	49	6	79	7	72	6
Other[1]	4	-	4	-	4	-
Total preference shares	**53**	**16**	**275**	**25**	**250**	**22**

1. Includes current and former management.

Consolidated subsidiaries

The special purpose consolidated financial information includes the financial information of HBG Limited and its subsidiaries. The subsidiary undertakings at 30 September 2024 were:

Company	Registered address	Country	Capital share in %	Principal activities
A2H Services Limited	Moore House, 13 Black Lion Street, Brighton, East Sussex, BN1 1ND	United Kingdom	100%	Dormant
Advantos Brasil Operadora de Turismo Limitada	Rua Barao de Tefle 1000, sala 162 Jundiai Sao Paulo 13208-761	Brazil	100%	Trading
Beds On Line, S.L.U.	Complejo Mirall Balear – Torre A, 5ª. Planta, 3A – 4A Camí de Son Fangos, 100 – 07007 Palma de Mallorca	Spain	100%	Trading
Business Taxis Group Limited	Moore House, 13 Black Lion Street, Brighton, East Sussex, BN1 1ND	United Kingdom	100%	Dormant
Business Taxis Limited	Moore House, 13 Black Lion Street, Brighton, East Sussex, BN1 1ND	United Kingdom	100%	Dormant
Club Turavia SA de CV	Av. Bonampak Z.T. MZA 27 LT 1-02, UC 12 Sección E. S-02 A al S-02 C2, Benito Juarez, Quintana Roo C.P. 77500	Mexico	100%	Trading
Club Turavia SA de CV - Colombia Branch	Carrera 16, #97-48, Torre 97, piso 6 Bogotá Bogotá, 110221	Colombia	100%	Under deregistration
Conxxe Management and Consulting (Shanghai) Co. Limited	Room 1006-07, No. 333 Jiujiang Road, Huangpu District, Shanghai	China	100%	Under liquidation
Donvand Limited	7th Floor, Tower 42, 25 Old Broad Street, EC2N 1HN London, United Kingdom	United Kingdom	100%	Holding
Branch of Donvand Limited (Dubai)	Suite 116, IF oud Mehta Building, Bur Dubai, PO Box 28352, Dubai	United Arab Emirates	100%	Under deregistration
Easy Market, S.p.A.	Strada Statale Consolare 51/c. 47900. Rimini, Italy	Italy	100%	Trading and software development
Global Obi S.L.	Complejo Mirall Balear, Camí De Son Fangos 100, Torre B, 2º Planta, 07007, Palma de Mallorca	Spain	100%	Trading and software development
Branch of Global Obi, SL (Colombia)	Carrera 43 A - 1, 50 Torre 1 Piso 6, Oficina 621, San Fernando Plaza, Medellín, Antioquia, Colombia	Colombia	100%	Branch
GTA (Beijing) Travel Consulting Co. Limited (Guangzhou Branch)	Unit 82 Room 901, No. 6 Zhujiang Dong Road, Tian He District, Guangzhou, China	China	100%	Under deregistration
GTA (Beijing) Travel Consulting Co. Limited (Shanghai Branch)	Shanghai Oriental Centre, Room 1105, No. 699 West Nanjing Road, Jing'an District, Shanghai	China	100%	Under deregistration
GTA (Beijing) Travel Consulting Co. Limited	Unit 1111, Floor 11, Building 8, Yard 91, Jianguo Road, Chaoyang District, Beijing	China	100%	Trading
GTA (Middle East) FZ-LLC	DMC-BLD05-VD-G00-769, Commercial building 5, Dubai Media City, Dubai, United Arab Emirates	United Arab Emirates	100%	Dormant
GTA (Retail) Limited	7th Floor, Tower 42, 25 Old Broad Street, EC2N 1HN London, United Kingdom	United Kingdom	100%	Dormant
GTA Global (France) SAS	3 rue de Stockholm 75008, Paris, France	France	100%	Trading
GTA Holdco Limited	7th Floor, Tower 42, 25 Old Broad Street, EC2N 1HN London, United Kingdom	United Kingdom	100%	Holding
GTA Reisen Holding AG	Thurgauerstrasse 101, 8152, Zurich, Opfikon, Switzerland	Switzerland	99.9%[1]	Holding
GTA (Sourcing) Limited	7th Floor, Tower 42, 25 Old Broad Street, EC2N 1HN London, United Kingdom	United Kingdom	100%	Under liquidation
Gullivers OCTGRP Limited	7th Floor, Tower 42, 25 Old Broad Street, EC2N 1HN London, United Kingdom	United Kingdom	100%	Dormant
Gullivers Travel Associates (Hong Kong) Limited	29/F and 30/F, The Gateway Tower 5, Harbour City, 15 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong	Hong Kong	100%	Dormant
Gullivers Travel Associates (Investments) Limited	7th Floor, Tower 42, 25 Old Broad Street, EC2N 1HN London, United Kingdom	United Kingdom	100%	Dormant
Hotelbeds Services (Thailand) Limited	50 Tonson Building, Suite 201-207; Soi Tonson, Ploenchit Road; Lumpini, Pathumwan; Bangkok; 10330	Thailand	49%[2]	Trading
Gullivers Travel Associates Tour Travel Organizers Co Limited	Abdar Centre, Office No. 303; Off Olaya Road; PO Box 8015; Riyadh; 11482	Saudi Arabia	100%	Trading
HBG Company Cancun., SA de CV	Av. Bonampak Z.T. MZA 27 LT 1-02, UC 12, S-02 A al S-02 C2, Sección E, Benito Juárez, Cancún, Quintana Roo, C.P. 77500 Mexico	Mexico	100%	Under liquidation
HBX Group International Ltd	7th Floor, Tower 42, 25 Old Broad Street, EC2N 1HN, London, Greater London, United Kingdom	United Kingdom	100%	Holding
HNVR Holdco Limited	7th Floor, Tower 42, 25 Old Broad Street, EC2N 1HN London, United Kingdom	United Kingdom	100%	Holding
HNVR Midco Limited	7th Floor, Tower 42, 25 Old Broad Street, EC2N 1HN London, United Kingdom	United Kingdom	100%	Holding
HNVR Topco Limited	7th Floor, Tower 42, 25 Old Broad Street, EC2N 1HN London, United Kingdom	United Kingdom	100%	Holding
Holiday Taxis Group Limited	7th Floor, Tower 42, 25 Old Broad Street, EC2N 1HN London, United Kingdom	United Kingdom	100%	Trading and software development

Company	Registered address	Country	Capital share in %	Principal activities
Holiday Taxis Limited	Moore House, 13 Black Lion Street, Brighton, East Sussex, BN1 1ND	United Kingdom	100%	Dormant
Hotelbeds Canada Inc.	28 – 19628 55a Avenue, Langley BC V3A 3X2, CANADA	Canada	100%	Trading
Hotelbeds (Shanghai) Commercial Services Co, Limited	Shanghai Oriental Centre, Room 1103, Physical floor 903, No. 699 West Nanjing Road, Jing'an District, Shanghai, People's Republic of China	China	100%	Trading
Hotelbeds (Shanghai) Commercial Services Co, Limited (Guangzhou Branch)	Unit 79, Room 901, No. 6, Zhujiang Dong Road, Tianhe District, Guangzhou, China	China	100%	Branch
Hotelbeds (Thailand) Limited	50 Tonson Building, Suite 201-207; Soi Tonson, Ploenchit Road; Lumpini, Pathumwan; Bangkok; 10330	Thailand	48.8%[2]	Under liquidation
Hotelbeds DMCC	Units T301, T302, T303, 3rd Floor, Red Diamond Building, Al Thanyah Fifth, Dubai, United Arab Emirates JLT-PH2-O1A	United Arab Emirates	100%	Trading
Hotelbeds Dominicana SA	Avenida Independencia, Plaza Pinos del Cacique, suite 201, Distrito Nacional, Santo Domingo Republic	Dominican Republic	100%	Dormant
Hotelbeds Group Italy SRL	Via Nomentana 41, 00161, Rome	Italy	100%	Trading
Hotelbeds HBGP. Lda.	Rua de Gaza, 17-B-Loja, 2775 576, Lisboa, Carcavelos	Portugal	100%	Trading
Hotelbeds Hong Kong Limited	29/F and 30/F, The Gateway Tower 5Harbour City, 15 Canton Road, Tsim Sha Tsui Kowloon Hong Kong	Hong Kong	100%	Dormant
Hotelbeds India Private Limited	817, 8th Floor, Pearls Omaxe, Netaji Subhash Place, New Delhi, 110034 India	India	100%	Trading
Hotelbeds Japan KK	16F Link Square Shinjuku, 5-27-5 Sendagaya, Shibuya-ku, Tokyo	Japan	100%	Trading
Hotelbeds Product, SLU	Complejo Mirall Balear, Torre A, 5ª. Plta, Camí de Son Fangos, 100 - 07007 Palma de Mallorca	Spain	100%	Trading
Hotelbeds Pte Limited	101 Thomson Road; #16-01 United Square; 307591	Singapore	100%	Trading
Hotelbeds Services Greece Limited Liability Company	9 Feidiou str., Athens, 10678, Greece	Greece	100%	Trading
Hotelbeds Spain, SLU	Complejo Mirall Balear - Torre A, 5ª. Planta, 6A - 7A Camí de Son Fangos, 100 - 07007 Palma de Mallorca	Spain	100%	Trading
Hotelbeds Switzerland AG	Regus Ambassador House,Thurgauerstrasse 101, lattpark (Opfikon), 8152 Zurich, Switzerland	Switzerland	100%	Trading
Hotelbeds Technology S.L.U.	Complejo Mirall Balear - Torre B, 5ª. Planta, 6B-7B, Camí de Son Fangos, 100 - 07007 Palma de Mallorca	Spain	100%	Software development
Hotelbeds UK Limited	7th Floor, Tower 42, 25 Old Broad Street, EC2N 1HN London, United Kingdom	United Kingdom	100%	Trading
Hotelbeds US Holdco, Inc.	Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware, 19801	United States of America	99.929%[1]	Holding
Hotelbeds USA, Inc.	Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware, 19801	United States of America	100%	Trading
Hotelbeds, S.L.U.	Complejo Mirall Balear - Torre A, 5ª. Planta, 1A - 2A, Camí de Son Fangos, 100 - 07007 Palma de Mallorca	Spain	100%	Trading
Hotelopia S.L.U.	Complejo Mirall Balear - Torre B, 5ª. Planta, 4B - Camí de Son Fangos, 100 - 07007 - Palma de Mallorca	Spain	100%	Trading
Isango! India Pvt Limited	817, 8th Floor, Pearls Omaxe, Netaji Subhash Place, New Delhi, 110034 India	India	100%	Dormant
Isango! Limited	7th Floor, Tower 42, 25 Old Broad Street, EC2N 1HN London, United Kingdom	United Kingdom	100%	Under liquidation
Kuoni GTS (Korea) Limited	Eulji Hankook Building 19F 50, Eulji-ro, Jung-gu, Seoul	Korea	100%	Trading
Kuoni Holding Delaware	Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware, 19801	United States of America	100%	Holding
Kuoni Holdings Limited	7th Floor, Tower 42, 25 Old Broad Street, EC2N 1HN London, United Kingdom	United Kingdom	100%	Holding
Kuoni Travel Property DL Limited	7th Floor, Tower 42, 25 Old Broad Street, EC2N 1HN London, United Kingdom	United Kingdom	100%	Under liquidation
Micronnexus GmbH	Hohe Bleichen 22, 20354 Hamburg	Germany	100%	Trading and software development
Ponto Brasil Agencia de Turismo e Viagens Limitada	Avda Brigadeiro Faria Lima, 1.811, 10º andar, conjunto 1014, Jardim Paulistano, Sao Paulo, Brasil, 01.452-001	Brazil	100%	Under liquidation
PT Hotelbeds Services Indonesia	WTC 5 Building Level 3A, JI. Jenderal Sudirman Kav. 29-31, Jakarta Selatan, Indonesia	Indonesia	100%	Trading
TGS. Israel Development Limited	c/o Meny Broid, Advocate Pearl Cohen Law Firm121 Menachem Begin Rd, 53 Floor Tel Aviv6701203Israel	Israel	100%	Dormant
Tourico Holidays Argentina SRL	Carlos Pellegrini 1141 - 7th floor, Buenos Aires C1009ABW	Argentina	100%	Trading
Tourico Holidays Germany, GmbH	Leipziger Platz 15, 10117, Berlin	Germany	100%	Trading
Tourico Holidays Hong Kong Limited	29/F and 30/F, The Gateway Tower 5Harbour City, 15 Canton Road, Tsim Sha Tsui Kowloon Hong Kong	Hong Kong	100%	Trading

Company	Registered address	Country	Capital share in %	Principal activities
Tourico Holidays Malaysia Sdn. Bhd.	12th Floor, Menara Symphony, No. 5, Jalan Prof, Khookay Kim, Seksyen 13, 46200 Petaling Java, Selangor	Malaysia	100%	Under liquidation
Tourico Holidays Spain, S.L.	Complejo Mirall Balear, Camí de Son Fangos, nº 100, Torre A, 5ª planta, 07007 Palma de Mallorca	Spain	100%	Under liquidation
Tourico Holidays, Inc.	CT Corporation System, 1200 South Pine Island Road, Plantation, Florida 33324	United States of America	100%	Holding
Travel Holdings Parent LLC	Corporation Trust Center 1209 Orange Street Wilmington, Delaware 19801	United States of America	100%	Holding
Travel Holdings, Inc.	Corporation Trust Center 1209 Orange Street Wilmington, Delaware 19801	United States of America	100%	Holding
Travel Partner Brazil Agencia de Turismo e Viagens Limitada	Rua Barão de Teffé, 1.000 - Sala 162, parte B, CEP: 13.208-761, Jundiaí - SP	Brazil	100%	Trading
Travel Partner Turkey Turizm ve Seyahat Anonim Sirketi	Arapcami Mah. Bankalar Cad. Bozkurt Han No:3 D:3 Karaköy Beyoğlu, İstanbul	Turkey	100%	Trading
Branch of Travel Partner Turkey Turizm Ve Seyahat Anonim Sirketi in Antalya	Güzeloba Mahallesi Çağlayangil Cad. No: 25 A, Muratpaşa, Antalya	Turkey	100%	Branch
Branch of Travel Partner Turkey Turizm ve Seyahat Anonim Sirketi Antalya 2 Subesi	Güzeloba Mahallesi Çağlayangil Cad. No: 25 A Muratpaşa, Antalya	Turkey	100%	Branch
Travel Scot World Limited	7th Floor, Tower 42, 25 Old Broad Street, EC2N 1HN London, United Kingdom	United Kingdom	100%	Under liquidation
Travelcube Pacific Pty Limited	Level 17, 1 Denison Street North Sydney, New South Wales, Australia	Australia	100%	Trading
Travelstack Inc	Corporation Trust Center 1209 Orange Street, Wilmington, Delaware 19801	United States of America	100%	Trading
Trina Group Limited	7th Floor, Tower 42, 25 Old Broad Street, EC2N 1HN London, United Kingdom	United Kingdom	100%	Holding
Turismo Asia Company Limited	511 Soi 6, Sri-Ayuthaya Road, Rajthevee, Bangkok, Thailand 10400	Thailand	48.3%[2]	Under liquidation

1. Non-controlling interest has not been presented in the primary statements because the total value is immaterial to the special purpose consolidated financial information.
2. All the entities in the tables above for which the Company holds directly or indirectly less than 50% are considered as subsidiaries, and are included in the special purpose consolidated financial information of the Group, as the Group has control over the entities. These entities are majority owned by residents of the country of incorporation as required by local laws but they do not have control over these entities neither right of receiving dividends.

Change in the perimeter of consolidation

The following subsidiaries have been liquidated during the year ended 30 September 2022:

Company	Registered address	Country	Capital share in %
Americas Corporate Business Services Inc.	Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware, 19801	United States of America	100%
GTA Australasia Pty Ltd	Level 17, The Ark Coca Cola Place, 40 Mount Street, North Sydney NSW 2060 Australia	Australia	100%
GTA Global España S.L.	C/Maria de Molina, 54, Planta Baja; 28006; Madrid	Spain	100%
Branch of GTA Sourcing Ltd	Suipacha 1111 - Floor 11, Buenos Aires	Argentina	100%
HBG Holidays Singapore Pte	101 Thomson Road, #16-01 United Square, Singapore, Singapore, 307591	Singapore	100%
Kuoni GTA (España) SA	C/Maria de Molina, 54, Planta Baja; 28006; Madrid	Spain	100%
Liberate S.L.U.	Complejo Mirall Balear, Camí de Son Fangos, nº 100, Torre A, 5ª planta, 07007 Palma de Mallorca	Spain	100%
Tourico Holidays Australia Pty Limited	RSM Bird Cameron, Level 12, 60 Castlereagh Street, Sydney, NSW 2000	Australia	100%
Tourico Holidays Denmark ApS	Holbergsgade 14, 2tv, 1057, Copenhagen	Denmark	100%
Tourico Holidays Holdings Thailand, LLC	CORPORATION TRUST CENTER, 1209 ORANGE STREET WILMINGTON 19801	United States of America	40%
Tourico Holidays India Private Limited	The Executive Centre, DLF Cyber City, Gurgaon Level 18, Building no. 5, Tower A, DLF Cyber City Phase III, Gurgaon, Haryana 122002	India	100%
Travel Holdings DE, Inc.	Corporation Trust Center 1209 Orange Street Wilmington, Delaware 19801	United States of America	100%
Travel Holdings France S.A.S.	Centre Affaires Paris Victoire, 52 Rue De La Victoire, Paris 75009	France	100%
Travel Holdings Israel Ltd	c/o Meny Broid, Advocate Pearl Cohen Law Firm121 Menachem Begin Rd, 53 Floor Tel Aviv6701203Israel	Israel	100%
Travel Holdings Spanish Company, SLU	Complejo Mirall Balear, Camí de Son Fangos, nº 100, Torre A, 5ª planta, 07007 Palma de Mallorca	Spain	100%

The following subsidiaries have been liquidated during the year ended 30 September 2023:

Company	Registered address	Country	Capital share in %
Tourico Holidays Beijing Co., Limited	Suite 915, Tower B, Full Link Plaza, No. 18 Chaowai Street, Chaoyang District Bejing 100020	China	100%
Tourico Holidays Holdings, LLC	CT Corporation System, 1200 South Pine Island Road, Plantation, Florida 33324	United States of America	100%
Tourico Holidays U.K. Limited	Tallis House, 2 Tallis Street, London EC4Y 0AB, United Kingdom	United Kingdom	100%
Travel Holdings do Brasil Operadora de Turismo, Limitada	Av. Brigadeiro Faria Lima 1461 12º andar Torre Sul, Cj 124, Pinheiros, Sao Paulo, 01452002	Brazil	100%

The following subsidiaries have been liquidated during the year ended 30 September 2024:

Company	Registered address	Country	Capital share in %
Branch of Donvand Limited (Israel)	17 Kfar Saba Street, Neve Tzedek, 65147 Tel Aviv	Israel	100%
Tourico Holidays Mexico S R.L. CV	Av. Tulum Manzana 2 Lote 1 N° 286, Sm 8 Cancún, Benito Juárez, Quintana Roo. C.P. 77500, Mexico	Mexico	100%
Tourico Holidays Brazil Intermediacao de Servicios Turísticos Limitada	Alameda Santos, 1165 – Jardim Paulista, Cidade de Sao Paulo, CEP 01419-002	Brazil	100%

The following subsidiary has been created during the year ended 30 September 2024:

Company	Registered address	Country	Capital share in %	Principal activities
HBX Group International Ltd	7th Floor, Tower 42, 25 Old Broad Street, EC2N 1HN, London, Greater London, United Kingdom	United Kingdom	100%	Holding

21. Contingent liabilities

Bank guarantees have been issued in the ordinary course of business during the year amounting to €23m (2023: €3m and 2022: €4m). €3m of bank guarantees have expired during the year (2023: €4m and 2022: €14m). At 30 September 2024, the bank guarantees issued totalled to €34m (30 September 2023: €14m and at 30 September 2022: €15m).

The senior debt is secured by way of fixed and floating charges (as applicable pursuant to applicable law) over the share capital and certain other material assets of certain subsidiaries of the Company.

The Group has widespread global operations and is consequently a defendant in legal, tax and customs proceedings incidental to those operations. In addition, there are contingent liabilities arising in the normal course of business in respect to indemnities, warranties and guarantees. These contingent liabilities are not considered to be unusual or material in the context of the normal operating activities of the Group. Provisions have been recognised in accordance with the Group’s accounting policies where required. None of these claims are expected to result in a material gain or loss to the Group.

22. First-time adoption of IFRS

The special purpose consolidated financial information for the three years ended 30 September 2024 is the first consolidated financial information prepared by HBG Limited in accordance with IFRS. The date of transition is 1 October 2021. For periods up to and including the year ended 30 September 2021, the Company prepared its standalone financial statements in accordance with Financial Reporting Standard 102 ("FRS102"), the financial reporting standard applicable in the UK and the Republic of Ireland and the Companies (Jersey) Law 1991. Consolidated financial statements were not previously prepared for HBG Limited, but were historically prepared under IFRS (UK) by its immediate 100% owned subsidiary, HNVR Topco Limited.

Exemptions applied

IFRS 1 allows first-time adopters certain exemptions from the retrospective application of certain requirements under IFRS.

The Group has applied the following optional exemptions:

IFRS 3 Business combinations
The Group elected to apply the business combination exemption on its opening IFRS consolidated statement of financial position, as those business combinations carried out under previous GAAP meet the IFRS 3 definition of business combinations.

Consequently, the classification of former business combinations has been maintained, original fair values determined at the time of the business combination have not been re-measured and the carrying amount of goodwill previously recognised has not been adjusted.

IFRS 15 Revenue
The Group did not restate contracts that were completed before the date of transition to IFRS.

Estimates

The estimates at 1 October 2021 are consistent with those made for the same date in accordance with FRS102.

Group reconciliation

Group reconciliation of equity as at 1 October 2021 (date of transition to IFRS):

	HBG Limited parent company accounts prepared under FRS102 €m	HNVR Topco Limited consolidated accounts prepared in accordance with the UK-adopted IFRS €m	Impact of consolidation €m	Effect of transition to IFRS €m	**Opening consolidated statement of financial position as at 1 October 2021 prepared under IFRS €m**
Non-current assets					
Goodwill	-	1,522	-	-	1,522
Other intangible assets	-	695	-	-	695
Property, plant and equipment	-	18	-	-	18
Investment	132	-	(132)	-	-
Other financial assets	187	1	(187)	-	1
Deferred tax assets	-	17	-	-	17
Trade receivables and other assets	-	25	-	-	25
Total non-current assets	**319**	**2,278**	**(319)**	**-**	**2,278**
Current assets					
Trade receivables and other assets	1	306	(1)	-	306
Income tax recoverable	-	9	-	-	9
Cash and short-term deposits	-	507	-	-	507
Total current assets	**1**	**822**	**(1)**	**-**	**822**
Total assets	**320**	**3,100**	**(320)**	**-**	**3,100**
Current liabilities					
Trade payables and other liabilities	-	586	(1)	-	585
Income tax payable	-	8	-	-	8
Interest-bearing loans and lease liabilities	-	53	-	-	53
Provisions for liabilities	-	4	-	-	4
Total current liabilities	**-**	**651**	**(1)**	**-**	**650**
Non-current liabilities					
Interest-bearing loans and lease liabilities	-	2,050	-	-	2,050
Loan notes and preference shares	187	1,375	(187)	-	1,375
Trade payables and other liabilities	-	27	-	-	27
Deferred tax liabilities	-	113	-	-	113
Provisions for liabilities	-	17	-	-	17
Total non-current liabilities	**187**	**3,582**	**(187)**	**-**	**3,582**
Total liabilities	**187**	**4,233**	**(188)**	**-**	**4,232**
Net assets / (liabilities)	**133**	**(1,133)**	**(132)**	**-**	**(1,132)**
Equity					
Called up share capital	1	1	(1)	-	1
Share premium account	133	132	(132)	-	133
Accumulated losses	(1)	(1,235)	1	-	(1,235)
Other components of equity	-	(31)	-	-	(31)
Total equity	**133**	**(1,133)**	**(132)**	**-**	**(1,132)**

The impacts of consolidation represent the elimination of the investment that HBG Limited holds in HNVR Topco Limited and the elimination of the intercompany balances that exist between HBG Limited and certain Group' subsidiaries.

Group reconciliation of equity as at 30 September 2022:

	HBG Limited parent company accounts prepared under FRS102 €m	HNVR Topco Limited consolidated accounts prepared in accordance with the UK-adopted IFRS €m	Impact of consolidation €m	Effect of transition to IFRS €m	**Closing consolidated statement of financial position as at 30 September 2022 prepared under IFRS €m**
Non-current assets					
Goodwill	-	1,574	-	-	1,574
Other intangible assets	-	649	-	-	649
Property, plant and equipment	-	17	-	-	17
Investment	132	-	(132)	-	-
Derivatives	-	16	-	-	16
Other financial assets	210	1	(210)	-	1
Deferred tax assets	-	20	-	-	20
Trade receivables and other assets	-	14	-	-	14
Total non-current assets	**342**	**2,291**	**(342)**	**-**	**2,291**
Current assets					
Trade receivables and other assets	-	501	-	-	501
Income tax recoverable	-	1	-	-	1
Cash and short-term deposits	-	539	-	-	539
Total current assets	**-**	**1,041**	**-**	**-**	**1,041**
Total assets	**342**	**3,332**	**(342)**	**-**	**3,332**
Current liabilities					
Trade payables and other liabilities	-	1,031	-	-	1,031
Income tax payable	-	16	-	-	16
Interest-bearing loans and lease liabilities	-	60	-	-	60
Derivatives	-	2	-	-	2
Provisions for liabilities	-	1	-	-	1
Total current liabilities	**-**	**1,110**	**-**	**-**	**1,110**
Non-current liabilities					
Interest-bearing loans and lease liabilities	-	1,810	(4)	-	1,806
Loan notes and preference shares	206	1,512	(206)	-	1,512
Trade payables and other liabilities	-	41	-	-	41
Deferred tax liabilities	-	100	-	-	100
Provisions for liabilities	-	21	-	-	21
Total non-current liabilities	**206**	**3,484**	**(210)**	**-**	**3,480**
Total liabilities	**206**	**4,594**	**(210)**	**-**	**4,590**
Net assets / (liabilities)	**136**	**(1,262)**	**(132)**	**-**	**(1,258)**
Equity					
Called up share capital	1	1	(1)	-	1
Share premium account	135	132	(132)	-	135
Accumulated losses	-	(1,427)	1	-	(1,426)
Other components of equity	-	32	-	-	32
Total equity	**136**	**(1,262)**	**(132)**	**-**	**(1,258)**

The impacts of consolidation represent the elimination of the investment that HBG Limited holds in HNVR Topco Limited and the elimination of the intercompany balances that exist between HBG Limited and certain Group' subsidiaries.

Group reconciliation of total comprehensive expense for the year ended 30 September 2022:

	HBG Limited parent company accounts prepared under FRS102 €m	HNVR Topco Limited consolidated accounts prepared in accordance with the UK-adopted IFRS €m	Impact of consolidation €m	Effect of transition to IFRS €m	**Total comprehensive expense for the year ended 30 September 2022 prepared under IFRS €m**
Revenue from contracts with customers	-	434	-	-	434
Other income	-	27	-	-	27
Other costs	-	(58)	-	-	(58)
Gross profit	**-**	**403**	**-**	**-**	**403**
Operating expenses	-	(251)	-	-	(251)
Depreciation and amortisation	-	(108)	-	-	(108)
Operating profit	**-**	**44**	**-**	**-**	**44**
Finance costs	(19)	(244)	20	-	(243)
Finance income	19	6	(19)	-	6
Loss before taxation	**-**	**(194)**	**1**	**-**	**(193)**
Taxation	-	1	-	-	1
Loss for the financial year	**-**	**(193)**	**1**	**-**	**(192)**
Other comprehensive income					
Items that may be reclassified to profit or loss:					
Currency translation differences	-	66	-	-	66
Related taxation	-	(4)	-	-	(4)
Net profit / (loss) on hedges	-	1	-	-	1
Total items that may be reclassified to profit or loss	-	63	-	-	63
Items that will not be reclassified to profit or loss:					
Remeasurement of pension provisions	-	1	-	-	1
Total items that will not be reclassified to profit or loss	-	1	-	-	1
Total other comprehensive income for the financial year	**-**	**64**	**-**	**-**	**64**
Total comprehensive expense for the year	**-**	**(128)**	**-**	**-**	**(128)**

The impacts of consolidation represent the elimination of the intercompany transactions that occurred during the financial year between HBG Limited and certain Group' subsidiaries.

23. Subsequent events

Incentive plans

On 1 October 2024, the Group approved the following changes to existing incentive plans, in addition to the implementation of new incentive plans:

- The removal of the minimum threshold exit valuation on the main employee incentive plan (EIP 1). As a result of this change, the Directors anticipate that this scheme will vest during the financial year ending 30 September 2025, resulting in an estimated cash outflow of €17m (excluding social security costs) at both the lower and upper end of the price range. The estimated cash outflow is derived from the number of tokens held by each employee at 30 November 2024. Tokens were initially granted in October 2023 and subsequently topped up in November 2023 and November 2024 dependent on employee performance. Each token represents 1% of employee salary payable in an exit event, conditional on continued tenure and performance remaining at "performing" or higher throughout the plan period. The number of tokens at exit are subject to a multiplier dependent on the Company enterprise value. The Directors anticipate that the multiple will be 1x based on the anticipated enterprise value. The total cost of €17m will be recognised within operating expenses in the profit and loss account, and shown as an adjustment for the purposes of calculating Adjusted EBITDA^{APM} as a "non-recurring item" as this payment is linked to a one off exit event.

- The extension of both management incentive plans (MIP 1 and MIP 2) to be conditional on an exit event completing by 31 December 2025 (previously 31 December 2024). Consequently, the Directors anticipate that these schemes will become payable during the year ended 30 September 2025, resulting in an estimated cash outflow of between €34m and €39m (without considering social security costs), representing the cash payment granted as detailed in the plan terms and assuming no leavers between the date of signing the financial statements and the date of vesting. The total cost will be recognised within operating expenses in the profit and loss account, and shown as an adjustment for the purposes of calculating Adjusted EBITDA^{APM} as a "non-recurring item" as this payment is linked to a one off exit event.

- The implementation of an additional cash bonus in favour of 48 key Group employees, including two Directors and seven other members of key management personnel, as a reward for their value creation achieved over the years, conditional upon admission to the Spanish Stock Exchange taking place by 31 March 2025. The Directors anticipate that the admission to the Spanish Stock Exchange will be met before 31 March 2025 and consequently that this scheme will become payable during the year ended 30 September 2025. This will result in an estimated cash outflow of €120m (without considering social security costs), representing the fixed cash payment granted as detailed in the plan terms, and assuming no leavers between the date of signing the financial statements and the date of vesting. The total cost of €120m will be recognised within operating expenses in the profit and loss account, and shown as an adjustment for the purposes of calculating Adjusted EBITDA^{APM} as a "non-recurring item", as this payment is linked to a one off exit event. The payment is not linked to the value of equity instruments and therefore does not represent a share-based payment in accordance with IFRS 2.

Including the impact of these amendments and associated social security costs, the Directors anticipate a total cash outflow of c.€208m during the year ended 30 September 2025 in relation to incentive plans, comprising, at the lower end of the price range: EIP1: €17m; LTIP 2016 and LTIP 2017: €16m; MIP1 and MIP 2: €39m; the additional incentive bonus: €120m; LTIP 2021-2024: €2m; Roiback LTIPs: €4m; and social security and other related fees totalling €10m. At 30 September 2024, a provision of €23m has been recognised in the consolidated statement of financial position, including €9m relating to share-based payments. Consequently, the total cost to be recognised in operating expenses for the year ending 30 September 2025 is expected to be c. €185m.

On 14 January 2025, the Remuneration Committee of the Group approved, subject to Admission, a long-term incentive plan for key employees, managers and executive Directors (including the members of the Executive Committee) of the Group (the “Performance Share Plan”) who are invited to participate. It is expected that the Performance Share Plan will be ratified by the Board in its first meeting following Admission.

The Performance Share Plan is a long-term incentive program offered by HBX Group to align key employees, managers and executive Directors’ efforts with the organisation’s long-term goals. It involves granting the beneficiaries Company’s shares contingent on meeting specific performance targets over a set performance period thus creating a direct link between the employee and senior executive's performance and the Company's market value.

The Performance Share Plan will be implemented through the granting of a certain number of “theoretical shares” or “units”, which will entitle the holder to receive shares at the end of the performance period, provided that the objectives of the plan are met, including the fulfilment of certain financial and non-financial objectives and the holder remains employed with or providing services to the HBX Group from the start date of the relevant cycle until the vesting date of the relevant cycle.

The number of units to be awarded to each beneficiary would be determined based on a target reference amount in cash, corresponding to a percentage of the annual fixed remuneration of each of the beneficiaries.

The Performance Share Plan will have a total duration of five years, and it will be divided into three independent and overlapping three-year cycles (the “Cycles” and each of them, a “Cycle”), according to the following calendar:

- First Cycle: from Admission, until 30 September 2027.
- Second Cycle: from 1 October 2025 to 30 September 2028.
- Third Cycle: from 1 October 2025 to 30 September 2029.

The objectives foreseen for the first Cycle and their weighting are as follows:

- Total shareholders return: weighting 30%.
- Revenue growth: weighting 30%.
- Free cashflow conversion: weighting 30%.
- Environmental, Social and Governance (ESG): weighting 10%.

For the rest of the Cycles, the objectives will be approved by the Board, at the proposal of the Remuneration Committee, following the provisions of the Remuneration Policy.

The settlement of the Plan would be made, after determining the degree of achievement of the objectives of the corresponding Cycle, in shares of the Company.

The maximum cost of the Performance Share Plan to the Group is expected to be approximately €54m for the three Cycles of the Performance Share Plan, payable according to the plan vesting terms and conditions over its total duration of five years.

Reorganisation

In contemplation of the proposed admission of the Group to the Spanish Stock Exchange, on 18 December 2024 certain companies within the HBX Group and the shareholders of HBG Limited entered into a reorganisation deed under which each of the parties have agreed to undertake certain transactions as part of a corporate reorganisation to be effected after approval of the prospectus and the special purpose consolidated financial information and prior to admission, pursuant to which HBX Group International Plc ("Listco"), which was a wholly owned indirect subsidiary of HBG Limited at 30 September 2024, will become the sole shareholder of HBG Limited ("the Company") and therefore the parent company of the HBX Group.

As the Proposed Reorganisation does not alter the economic substance of the Group, management believe that the adoption of the predecessor accounting method accurately represents the assets, liabilities, revenues, and operating results of the Group as if Listco had been the parent entity of the consolidated Group for the past three financial years. Therefore, this method is considered the most suitable accounting approach for preparing the consolidated financial information of the Group following the Proposed Reorganisation. The Group intends to adopt this on a retrospective basis, with comparative amounts disclosed on a consistent basis following admission. Under the predecessor accounting method, assets and liabilities involved in the Proposed Reorganisation are recorded at their existing carrying amounts, rather than at fair value, in this case those recorded in the financial statements of the Company and its subsidiaries.

Steps completed prior to the date of signing this special purpose consolidated financial information
On 16 December 2024, HNVR Topco Limited ("Topco"), the wholly owned subsidiary of the Company, subscribed for 57,100 fully paid up redeemable non-voting preference shares of €1 each in the capital of its subsidiary, HBX Group International Limited ("Listco") for consideration by way of an undertaking to pay.

On 6 January 2025, Listco re-registered from a private limited company to a public limited company, HBX Group International Plc.

Steps to be completed prior to admission
Prior to admission, Topco has committed to transfer the entire issued share capital of Listco and the redeemable non-voting preference shares to Prometheus Aggregator S.A.R.L., which is indirectly controlled by funds managed by Cinven, for consideration of €0.01 and the assumption of Topco's undertaking to pay the Company the subscription price of the redeemable non-voting preference shares detailed above.

Topco has committed to redeem its preference shares (€53m at 30 September 2024) including all accrued dividends to the date of redemption, and subsequently cancel them. The redemption proceeds will be used to subscribe for newly issued shares in the Company. This will result in the recognition of additional share capital in the Company and a credit in the share premium account for the difference between the price paid, less the nominal value of the share capital.

The Company has committed to use part of the proceeds received from the subscription of ordinary shares to subscribe for at least one ordinary share in Topco.

The holders of Topco shareholder loan notes have committed to transfer their shareholder loan notes (€1,528m at 30 September 2024), including all accrued interest to the date of transfer to the Company in exchange for newly issued shares in the Company, resulting in additional share capital in the Company of less than €1m and the recognition of a credit in the share premium account for the difference between the value of the shareholder loan notes exchanged and the nominal value of the share capital.

The shareholders of the Company, with the exception of minority shareholders detailed in the "Management selldown", have committed to transfer to Listco their respective shares in the Company in exchange for newly issued shares in Listco. Management have concluded that this will meet the criteria of IAS27.13 and therefore Listco will recognise its investment in the Company at the carrying amount of the Company's net assets.

Listco has committed to redeem all of the redeemable non-voting preference shares acquired by Prometheus Aggregator as detailed above, resulting in Listco having a single class of ordinary shares in issue.

Management selldown

Directors and active senior employees together with select non-institutional investors have committed to sell down their shares in the Company to Listco in full for a consideration calculated by reference to the Offering price, for deferred sale consideration to be paid using proceeds from the Offering. Certain other individuals and non-institutional shareholders have committed to sell a proportion of their shares in the Company to Listco pro rata to the number of offer shares to be sold by the ultimate controlling parties for deferred sale consideration to be paid using the proceeds from the Offering.

In the records of Listco, this will be recognised as a cost of its investment in the Company, with a corresponding credit recorded for the deferred sale consideration.

Management reinvestment

The Chair of the Board, Chief Executive Officer, certain members of the Executive Committee and certain senior managers have committed to reinvest in Listco by subscribing for newly issued shares at the offering price.

This cash reinvestment will be recognised as newly issued share capital and share premium in Listco.

As a result of all of the above pre-admission steps, all shareholders of the Company at the date of signing of this special purpose consolidated financial information have committed to cease being shareholders of the Company, and Listco will become the sole shareholder of the Company. Preference shares and shareholder loan note balances will be nil.

On 16 January 2025, the Group entered into the New Facilities Agreement, conditional on the IPO proceeding. Accordingly, the Group is committed to repay the existing Senior Facility Agreement (€1,740m at 30 September 2024) and to enter into the New Facilities Agreement, comprising €1,200m of Senior Debt and a Revolving Credit Facility of €400m, which will support its growth strategy and other capital requirements following the IPO.

The new capital structure, following the proposed refinancing, will comprise available facilities of €1,200m, which mature in 2030-2032 and a revolving credit facility of €400m maturing in 2030.

Post Admission steps

Following admission, Listco has committed to reduce its share premium by way of a court-sanctioned capital reduction.

Other

On 27 January 2025, the Group entered into a long-term strategic partnership with a leading online travel marketplace and travel technology company in Latin America, to become their preferred supplier in all destinations outside of Latin America. Under the agreement, HBX Group has agreed to pay an upfront signing bonus in exchange for certain future minimum revenue levels obtained by the Group during the eight-year contract term.

ANNEX I – SECTION C – Accountants' Report on the Special Purpose Consolidated Financial Information.

The Directors (the "**Directors**")
HBX Group International plc (the "**Company**")
7th Floor Tower 42
25 Old Broad Street
London
United Kingdom
EC2N 1HN

28 January 2025

Dear Ladies and Gentlemen

HBG Limited (the "Operating Company" and, together with its subsidiaries, the "Operating Group")

We report on the financial information of the Operating Group for the years ended 30 September 2022, 2023 and 2024 set out in Section B "Special Purpose Consolidated Financial Information" of Annex I of the prospectus (the "**Prospectus**") of the Company (the "**Operating Group Financial Information Table**").

This report is required by item 18.3.1 of Annex 1 to Commission Delegated Regulation (EU) 2019/980 (the "**Prospectus Delegated Regulation**") and is given for the purpose of complying with that item and for no other purpose.

Opinion on financial information

In our opinion, the Operating Group Financial Information Table gives, for the purposes of the Prospectus, a true and fair view of the state of affairs of the Operating Group as at the dates stated and of its losses, cash flows and statement of changes in equity for the years ended 30 September 2022, 2023 and 2024 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB) as adopted by the European Union.

Conclusions Relating to Going Concern

We are required to report if we have anything material to add or draw attention to in respect of the Directors' statement in the Operating Group Financial Information Table about whether the Directors considered it appropriate to adopt the going concern basis of accounting in preparing the Operating Group Financial Information Table and the Directors' identification of any material uncertainties to the Operating Group's ability to continue as a going concern over a period of at least twelve months from the date of this Prospectus.

We have nothing material to add or to draw attention to.

PricewaterhouseCoopers LLP, 1 Embankment place, London, WC2N 6RH
T: +44 (0) 2075 835 000, F: +44 (0) 2072 124 652, www.pwc.co.uk

PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP is authorised and regulated by the Financial Conduct Authority for designated investment business.

Reporting on other information

The other information comprises all of the information set in the Section A "Directors' report" of Annex I of the Prospectus. The Directors are responsible for the other information. Our opinion on the financial information does not cover the other information and, accordingly, we do not express an opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

Responsibilities

The Directors of the Company are responsible for preparing the Operating Group Financial Information Table in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB) as adopted by the European Union.

It is our responsibility to form an opinion on the Operating Group Financial Information Table and to report our opinion to you.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and for any responsibility arising under item 1.2 of Annex 1 to the Prospectus Delegated Regulation to any person as and to the extent there provided, to the fullest extent permitted by law, we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with item 1.3 of Annex 1 to the Prospectus Delegated Regulation, consenting to its inclusion in the Prospectus.

Basis of Preparation

The Operating Group Financial Information Table has been prepared for inclusion in the Prospectus of the Company on the basis of the accounting policies set out in note 2 to the Operating Group Financial Information Table.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council ("**FRC**") in the United Kingdom. We are independent in accordance with the Revised Ethical Standard 2019 issued by the FRC as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our work included an assessment of evidence relevant to the amounts and disclosures in the Operating Group Financial Information Table. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the e.g. United States of America and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Declaration

For the purposes of item 1.2 of Annex 1 to the Prospectus Delegated Regulation we are responsible for this report as part of the Prospectus and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and that the report makes no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 1.2 of Annex 1 to the Prospectus Delegated Regulation.

Yours faithfully

PricewaterhouseCoopers LLP
Chartered Accountants

ANNEX II – Company Financial Information

HBX Group International plc
(formerly known as HBX Group International Ltd)
Annual report and financial statements
For the period from 20 December 2023
to 30 September 2024
Company number 15364642

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DIRECTORS' REPORT

The Directors present their report and the audited financial statements for the period from 20 December 2023 to 30 September 2024.

Principal activity

The principal activity of HBX Group International plc (formerly known as HBX Group International Ltd) (the "Company") during the period under review was as a corporate vehicle to be utilised in the event of a public listing of the HBX Group of companies' (the "HBX Group") shares on a public market as part of an initial public offering ("IPO") process. Since its incorporation, the Company has only incurred administrative costs.

On 6 January 2025, the Company re-registered from a private limited company to a public limited company, and changed its name from HBX Group International Ltd to HBX Group International plc.

Going concern

Despite the financial statements showing net current liabilities of €58,063 as at 30 September 2024, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and have considered the Company's forecasts under two scenarios, where Forecast A assumes the admission of the HBX Group on the Spanish Stock Exchange in February 2025, including associated reorganisation and refinancing steps, and Forecast B assumes no admission to the Spanish Stock Exchange takes place within a period of twelve months from the date of approval of these financial statements.

Both Group cashflow forecasts have been prepared on the basis of low double-digit annual growth in TTV, high single digit revenue growth, cash conversion of approximately 100% and an underlying tax rate in the mid 20%.

Under Forecast A, the steps outlined in the subsequent events note (see Note 11) occur and the Company becomes the ultimate parent company of the recapitalised and refinanced HBX Group, resulting in the following impacts for the Company and Group:

- Completion of the Group reorganisation, comprising the transfer of existing loan notes and preference shares totalling €1,581m at 30 September 2024, to HBG Limited for newly issued share capital in HBG Limited. This transaction has no cash impact, and on a consolidated basis will result in the elimination of the loan notes and preference share balance, to be replaced with share capital and reserves for a corresponding amount.

- The sale of HBG Limited shares held by certain officers and senior employees of the Group to the Company at 100% and the sale of shares held by other individual and non-institutional shareholders, including certain former officers and senior employees of the Group to the Company, pro rata to the number of offering shares to be sold by the ultimate owners of the Group. In the base case scenario, at the mid-range, this results in a cash outflow of €83m.

- HBG Limited will become a subsidiary of the Company, and in turn, the Company will become the parent of the HBX Group.

- The reinvestment in newly issued shares in HBX Group International Plc by certain key management personnel, resulting in a cash inflow to the Group of €49m in the base case scenario, representing the mid-point of the expected price range.

- The issuance of new shares under the offering totalling €725m less associated advisors fees totalling €50m. The net impact will be a cash inflow of €675m.

- The payment of management incentive plans which fall payable in the event of an Initial Public Offering resulting in a net cash outflow of €208m in the base case scenario, which represents the mid-point of the expected price range.

DIRECTORS' REPORT (continued)
Going concern (Continued)

- The refinancing of the existing debt under the Senior Facilities Agreement totalling €1,740m at 30 September 2024, to be repaid and replaced by a new €1.2bn facility maturing between five and seven years after the date of the IPO. The minimum cash covenant included in the existing financing arrangement will be replaced by a maximum net debt/EBITDA ratio of between 4.0 and 4.5 times. As at the date of approving these financial statements, the new facilities are committed, contingent upon the Proposed IPO proceeding.

As a consequence of the outlined steps, in Forecast A, the capital structure of the Group will be substantially changed, with existing loan notes and preference shares effectively converted into equity, and a c. €500m reduction in the external debt, both of which will reduce future financing costs. The changed capital structure would result in the Group having €1,200 million of debt under the new facilities maturing between five and seven years after the date of the IPO, a new revolving credit facility for €400 million maturing five years after the date of the IPO, and all loan notes and preference shares will be fully redeemed. In Forecast B, the capital structure remains unchanged, with the main sources of debt funding being €1,528m loan notes due for repayment in 2056, €1,740m bank syndicated facilities which mature in 2027 for the term loan D2 (€976m) and 2028 for the term loan B3 (€764m) and €53m of preference shares.

Furthermore, under both Forecasts A and B, the Directors have used a base case and a severe but plausible downside scenario ("the Downside Scenario"). In the Downside Scenario for both Forecasts A and B, a 30% reduction in TTV and a 30% reduction in EBITDA compared to the budget for the next two financial years has been assumed. Additionally, in Forecast A, a higher Company valuation has been assumed, resulting in additional cash (outflows)/inflows in relation to:

- an increased management sell down, totalling €25m;
- additional reinvestment by key management personnel totalling €2m;

The Directors have committed that the IPO scenario outlined in Forecast A would not proceed if the quantum of the primary offer proceeds was insufficient such that it would cause risk to the Group's ability to continue as a going concern.

In both Forecast A and Forecast B, including both the base case and the Downside Scenario, the Group is projected to have sufficient liquidity to support its operations and to be compliant with its banking covenants.

Under Forecast B, the steps detailed within Note 11 will not take place, nor the admission to the Stock Exchange. Under Forecast B, the Company has received a letter of support from its parent company, HNVR Topco Limited, confirming its intention to support the Company for a period of at least 12 months from the date of signing these financial statements.

Accordingly the Directors adopt the going concern basis in preparing these financial statements.

Directors
The Directors of the Company who were in office during the period and up to the date of signing the financial statements were:

J Enbah (appointed 25 November 2024)
N Huss (appointed 25 November 2024)
M Sabben-Clare (appointed 25 November 2024)
R Solomons (appointed 25 November 2024)
A Dunning (appointed 20 December 2023, resigned 25 November 2024)
R Wheatley (appointed 20 December 2023, resigned 25 November 2024)

Directors' insurance
Throughout the period of review and until the date of approval of these financial statements, the Group maintained Directors' and Officers' liability insurance policies on behalf of the Directors and the Company. The policies met the Companies Act 2006 definition of qualifying third party indemnity provision.

DIRECTORS' REPORT (continued)

Statement of disclosure of information to auditors
The Directors confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each Director has taken all the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Statement of Directors' responsibilities
The Directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable laws and regulations.

Company law requires Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing the financial statements, the Directors are required to:

a) Select suitable accounting policies and apply them consistently;

b) Make judgments and estimates that are reasonable and prudent;

c) State whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;

d) Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors
The independent auditors, PricewaterhouseCoopers LLP were appointed on 8 November 2024.

Dividends
No dividends have been proposed or declared at the date of signing these financial statements.

Political and charitable contributions
During the period the Company has not made any political or charitable contributions.

Future developments
The Company has been incorporated with the intention of becoming the parent Company of the HBX Group in the event of a public listing of the HBX Group of companies' shares as part of an IPO process and will continue to be used for this purpose notwithstanding the uncertain nature and timing of such a process. Note 11 to the financial statements provides further details of subsequent events that have occurred in this regard.

DIRECTORS' REPORT (continued)

Significant events since the period end

Details of significant subsequent events since the period end date are included in Note 11 to the financial statements.

This report has been prepared in accordance with the special provisions relating to small companies within section 15 of Companies Act 2006 paragraph 415A. The Company has also taken exemption from preparing a strategic report under Companies Act 2006 paragraph 414B.

The financial statements on pages 10 to 19 were approved by the Board of Directors on 27 January 2025 and signed on its behalf by

N Huss
Director

Dated 28 January 2025
Company number 15364642

Independent auditors' report to the members of HBX Group International Plc (formerly HBX Group International Ltd)

Report on the audit of the financial statements

Opinion

In our opinion, HBX Group International Plc (formerly HBX Group International Ltd)'s financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2024 and of its loss for the period from 20 December 2023 to 30 September 2024;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the Statement of financial position as at 30 September 2024; the Statement of comprehensive income and the Statement of changes in equity for the period then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the period ended 30 September 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate the financial position and management bias in determining accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud; and
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Radek Vik (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Watford
28 January 2025

Statement of comprehensive income

	Note	**Period from 20 December 2023 to 30 September 2024**
		€
Administrative expenses		(58,063)
Loss before taxation		**(58,063)**
Tax on loss	6	-
Loss for the period and total comprehensive expense		**(58,063)**

The above results derive from continuing operations.

The notes on pages 13 to 19 form part of these financial statements.

Statement of financial position

	Note	30 September 2024 €
Current liabilities		
Borrowings		(230)
Payables	7	(57,833)
Total liabilities		**(58,063)**
Net Liabilities		**(58,063)**
Equity		
Called up share capital	8	-
Accumulated losses		(58,063)
Total equity		**(58,063)**

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The notes on pages 13 to 19 form part of these financial statements.

Approved by the Board of Directors and authorised for issue on 27 January 2025 and signed on its behalf by:

N Huss
Director

Dated 28 January 2025

HBX Group International plc
Company Number 15364642

Statement of changes in equity

	Called up share capital €	Accumulated losses €	Total equity €
At 20 December 2023	-	-	-
Loss for the period and total comprehensive expense	-	(58,063)	(58,063)
At 30 September 2024	**-**	**(58,063)**	**(58,063)**

The notes on pages 13 to 19 form part of these financial statements.

Notes to the financial statements

1. General information

HBX Group International plc (formerly known as HBX Group International Ltd) (the "Company") was a private company limited by shares, domiciled and incorporated in the United Kingdom on 20 December 2023. Therefore, no comparative information is presented. The address of its registered office is 7th Floor, Tower 42, 25 Old Broad Street, London, United Kingdom, EC2N 1HN. The Company´s registered number is 15364642.

The principal activity of the Company during the period under review was as a corporate vehicle to be utilised in the event of a public listing of the HBX Group of companies' (the "HBX Group") shares on a public market as part of an initial public offering ("IPO") process. The Company is currently a subsidiary of HNVR Topco Limited but immediately prior to IPO Admission will become the parent company of the HBX Group, as part of a wider company reorganisation. See Note 11 for further details.

On 6 January 2025, the Company re-registered from a private limited company to a public limited company, HBX Group International plc.

2. Basis of preparation

These separate financial statements have been prepared under the historical cost convention, on a going concern basis and in accordance with the Companies Act 2006 and Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

FRS 101

FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined by Financial Reporting Standard 100 'Application of financial reporting requirements' ("FRS 100") which addresses the financial requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the UK (UK-adopted international accounting standards). For the period being presented and as at the financial statements approval date there are no differences between International Financial Reporting Standards ("IFRS") as adopted by the EU and UK-adopted international accounting standards).

Going concern

Despite the financial statements showing net current liabilities of €58,063 as at 30 September 2024, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and have considered the Company's forecasts under two scenarios, where Forecast A assumes the admission of the HBX Group on the Spanish Stock Exchange in February 2025, including associated reorganisation and refinancing steps, and Forecast B assumes no admission to the Spanish Stock Exchange takes place within a period of twelve months from the date of approval of these financial statements.

Both Group cashflow forecasts have been prepared on the basis of low double-digit annual growth in TTV, high single digit revenue growth, cash conversion of approximately 100% and an underlying tax rate in the mid 20%.

Under Forecast A, the steps outlined in the subsequent events note (see Note 11) occur and the Company becomes the ultimate parent company of the recapitalised and refinanced HBX Group, resulting in the following impacts for the Company and Group:

- Completion of the Group reorganisation, comprising the transfer of existing loan notes and preference shares totalling €1,581m at 30 September 2024, to HBG Limited for newly issued share capital in HBG Limited. This transaction has no cash impact, and on a consolidated basis will result in the elimination of the loan notes and preference share balance, to be replaced with share capital and reserves for a corresponding amount.
- The sale of HBG Limited shares held by certain officers and senior employees of the Group to the Company at 100% and the sale of shares held by other individual and non-institutional shareholders, including certain former officers and senior employees of the Group to the Company, pro rata to the number of offering shares to be sold by the ultimate owners of the Group. In the base case scenario, at the mid-range, this results in a cash outflow of €83m.

Notes to the financial statements (continued)

- HBG Limited will become a subsidiary of the Company, and in turn, the Company will become the parent of the HBX Group.

- The reinvestment in newly issued shares in HBX Group International Plc by certain key management personnel, resulting in a cash inflow to the Group of €49m in the base case scenario, representing the mid-point of the expected price range.

- The issuance of new shares under the offering totalling €725m less associated advisors fees totalling €50m. The net impact will be a cash inflow of €675m.

- The payment of management incentive plans which fall payable in the event of an Initial Public Offering resulting in a net cash outflow of €208m in the base case scenario, which represents the mid-point of the expected price range.

- The refinancing of the existing debt under the Senior Facilities Agreement totalling €1,740m at 30 September 2024, to be repaid and replaced by a new €1.2bn facility maturing between five and seven years after the date of the IPO. The minimum cash covenant included in the existing financing arrangement will be replaced by a maximum net debt/EBITDA ratio of between 4.0 and 4.5 times. As at the date of approving these financial statements, the new facilities are committed, contingent upon the Proposed IPO proceeding.

As a consequence of the outlined steps, in Forecast A, the capital structure of the Group will be substantially changed, with existing loan notes and preference shares effectively converted into equity, and a c. €500m reduction in the external debt, both of which will reduce future financing costs. The changed capital structure would result in the Group having €1,200 million of debt under the new facilities maturing between five and seven years after the date of the IPO, a new revolving credit facility for €400m maturing five years after the date of the IPO, and all loan notes and preference shares will be fully redeemed. In Forecast B, the capital structure remains unchanged, with the main sources of debt funding being €1,528m loan notes due for repayment in 2056, €1,740m bank syndicated facilities which mature in 2027 for the term loan D2 (€976m) and 2028 for the term loan B3 (€764m) and €53m of preference shares.

Furthermore, under both Forecasts A and B, the Directors have used a base case and a severe but plausible downside scenario ("the Downside Scenario"). In the Downside Scenario for both Forecasts A and B, a 30% reduction in TTV and a 30% reduction in EBITDA compared to the budget for the next two financial years has been assumed. Additionally, in Forecast A, a higher Company valuation has been assumed, resulting in additional cash (outflows)/inflows in relation to:

- an increased management sell down, totalling €25m;
- additional reinvestment by key management personnel totalling €2m;

The Directors have committed that the IPO scenario outlined in Forecast A would not proceed if the quantum of the primary offer proceeds was insufficient such that it would cause risk to the Group's ability to continue as a going concern.

In both Forecast A and Forecast B, including both the base case and the Downside Scenario, the Group is projected to have sufficient liquidity to support its operations and to be compliant with its banking covenants.

Under Forecast B, the steps detailed within Note 11 will not take place, nor the admission to the Stock Exchange. Under Forecast B, the Company has received a letter of support from its parent company, HNVR Topco Limited, confirming its intention to support the Company for a period of at least 12 months from the date of signing these financial statements.

Accordingly the Directors adopt the going concern basis in preparing these financial statements

Notes to the financial statements (continued)

Functional and presentational currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The financial statements are presented in the Company's functional currency of Euros, rounded to the nearest Euro ("€").

Consolidation

The Company is a wholly owned subsidiary of HNVR Topco Limited, and is included in the consolidated financial statements of HNVR Topco Limited which are publicly available. The address of the parent's registered office is 7th Floor, Tower 42, 25 Old Broad Street, London EC2N 1HN. Therefore, the Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. These financial statements are separate financial statements.

3. Summary of material accounting policies

The principal accounting policies applied in the preparation of the financial statements are set out below and have been applied consistently during the period.

Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date.

Cash and cash equivalents

Cash comprises cash at bank and borrowings. Bank overdrafts are shown within current liabilities as borrowings in the statement of financial position.

Payables

Liabilities due within one year are amounts due to third parties and Group companies where payment is due in one year or less and are therefore classified as current liabilities. Liabilities due within one year are recognised initially at fair value and subsequently measured at amortised cost.

Share capital and share premium

Ordinary shares are classified as equity.

Critical accounting estimates

The Company makes estimates and assumptions concerning the future. There are no areas involving a higher degree of judgment or complexity and there are no significant judgements or estimates in these financial statements that have a significant effect on the amounts recognised in these financial statements.

Notes to the financial statements (continued)

3. Reduced disclosures permitted by FRS 101

The Company meets the definition of a qualifying entity of HNVR Topco Limited, as defined by FRS 100, as the results of this Company are fully consolidated into the Group financial statements of HNVR Topco Limited. Details for obtaining the Group financial statements of HNVR Topco Limited can be found in Note 10. Where applicable and required by FRS 101, equivalent disclosures have been provided in the HNVR Topco Limited consolidated financial statements in accordance with the Application Guidance to FRS 100. As such, the Company has taken advantage of the following disclosure exemptions as set out in paragraph 8 of FRS 101:

IFRS	Relevant paragraphs of IFRS	Disclosure exemptions taken
IFRS 7 ‘Financial instruments’	All paragraphs	All disclosure requirements.
IFRS 13 ‘Fair value measurement’	91 to 99	All disclosure requirements in respect of the valuation techniques and inputs used for the fair value measurement of assets and liabilities.
IAS 1 ‘Presentation of financial statements’	38	Paragraph 79(a)(iv) of IAS 1.
	38 A to D	Certain additional comparative information.
	10(d) and 111	A statement of cash flows and related information.
	16	A statement of compliance with all IFRS.
	134 to 136	Information on the Company’s objectives, policies and processes for managing capital.
IAS 7 ‘Statement of cash flows’	All paragraphs	IAS 7 disclosures in full
IAS 8 ‘Accounting policies, changes in accounting estimates and errors’	30 and 31	New standards and interpretations that have been issued but which are not yet effective.
IAS 24 ‘Related party transactions’	17 and the requirements to disclose transactions between two group subsidiaries.	Detailed related party transaction information including key management compensation and transactions with other wholly-owned subsidiaries of the Group.

4. Administrative expenses

Administrative expenses include auditors’ remuneration for the audit of the Company’s 2024 financial statements of €12,945.

5. Employees’ and Directors’ remuneration

The Company had no employees and therefore incurred no employee related costs in the period. The Directors received no remuneration for their services as Directors of the Company during the period.

Notes to the financial statements (continued)

6. Tax on loss

(i) No current tax is payable due to there being no taxable profits in the period
(ii) Factors affecting the tax result in the period:
The UK Government increased the corporation tax rate to 25% from 1 April 2023. Accordingly, the company has utilised a rate of 25% for the period ended 30 September 2024.

The tax on loss for the period ended 30 September 2024 is different to the amount of tax calculated at the standard rate of corporation tax in the UK of 25%. The differences are shown in the table below:

	Period from 20 December 2023 to 30 September 2024
	€
Loss before taxation	**(58,063)**
Loss before taxation multiplied by the effective standard rate of UK corporation tax of 25%	(14,516)
Effect of - Deferred tax not recognised	14,516
Total tax charge in the statement of comprehensive income	**-**

(iii) Factors affecting the future tax charge
No deferred tax asset has been recognised. The unrecognised deferred tax asset of the company is €14,516. The Directors believe that the recoverability of this amount in the foreseeable future is uncertain, and therefore a deferred tax asset has not been recognised.

7. Payables

	30 September 2024
	€
Amounts owed to parent company	**3,176**
Accruals	**54,657**
	57,833

Amounts owed to the parent company relate to administrative costs of the entity paid by the parent company and are unsecured, short-term and non-interest bearing. The carrying value is approximate to fair value.

8. Called up share capital

	30 September 2024	
	Number	**€**
Authorised, allotted, called up and fully paid		
Ordinary shares	1	0.01

On 20 December 2023, the Company issued 1 Ordinary share at par value of EUR0.01. No dividends have been proposed or declared at the date of signing these financial statements.

Notes to the financial statements (continued)

9. Ultimate parent company and controlling party

The immediate parent undertaking is HNVR Topco Limited, a company registered in England and Wales.

The Company is ultimately owned by funds advised by Cinven Capital Management (V) General Partner Limited (Cinven) and Canada Pension Plan Investment Board (CPPIB).

The smallest and largest group in which the Company is a member and which consolidated group accounts are drawn up is that headed by HNVR Topco Limited, a company incorporated in England and Wales. Copies of the HNVR Topco Limited financial statements are available at Companies House and can be obtained from its registered office at 7th Floor, Tower 42, 25 Old Broad Street, London, United Kingdom, EC2N 1HN.

10. Subsequent events

In contemplation of the proposed admission of the Group to the Spanish Stock Exchange, on 18 December 2024, certain companies within the HBX Group and the shareholders of the Company entered into a reorganisation deed under which each of the parties have agreed to undertake certain transactions as part of a corporate reorganisation to be effected after approval of the prospectus and special purpose consolidated financial information and prior to admission, pursuant to which the Company will become the sole shareholder of HBG Limited ("HBG") and therefore the parent company of the HBX Group.

As the Proposed Reorganisation does not alter the economic substance of the Group, management believe that the adoption of the predecessor accounting method accurately represents the assets, liabilities, revenues, and operating results of the Group as if the Company had been the parent entity of the consolidated group for the past three financial years. Therefore, this method is considered the most suitable accounting approach for preparing the consolidated financial information of the Group following the Proposed Reorganisation. The Group intends to adopt this on a retrospective basis, with comparative amounts disclosed on a consistent basis following admission. Under the predecessor accounting method, assets and liabilities involved in the Proposed Reorganisation are recorded at their existing carrying amounts, rather than at fair value, in this case those recorded in the financial statements of HBG and its subsidiaries.

The reorganisation involves a number of interdependent transactions summarised below:

Pre admission
Steps completed at the date of signing of these financial statements:

On 16 December 2024, HNVR Topco Limited ("Topco"), the wholly owned subsidiary of HBG Limited, subscribed for 57,100 fully paid up redeemable non-voting preference shares of €1 each in the capital of the Company for consideration by way of an undertaking to pay.

On 6 January 2025, the Company re-registered from a private limited company to a public limited company, HBX Group International Plc.

Steps to be completed prior to admission

Prior to admission, Topco has committed to transfer the entire issued share capital of the Company and its redeemable non-voting preference shares to Prometheus Aggregator S.A.R.L., which is indirectly controlled by funds managed by Cinven, for consideration of €0.01 and the assumption of Topco's undertaking to pay the Company the subscription price of the redeemable non-voting preference shares detailed above.

Topco has committed to redeem its preference shares including all accrued dividends to the date of redemption, and subsequently cancel them. The redemption proceeds will be used to subscribe for newly issued shares in HBG. HBG Limited has committed to use part of the proceeds received from the subscription of ordinary shares to subscribe for at least one ordinary share in Topco.

The holders of Topco shareholder loan notes have committed to transfer their shareholder loan notes including all accrued interest to the date of transfer to HBG in exchange for newly issued shares in HBG.

The shareholders of HBG, with the exception of the minority detailed in "Management selldown", have committed to transfer to the Company their respective shares in HBG in exchange for newly issued shares in the Company.

The Company has committed to redeem all of the 57,100 redeemable non-voting preference shares acquired by Prometheus Aggregator as detailed above, resulting in the Company having a single class of ordinary shares in issue.

Management selldown

Directors and active senior employees together with select non-institutional investors have committed to sell down their shares in HBG to the Company in full for a consideration calculated by reference to the Offering price, for deferred sale consideration to be paid using proceeds from the Offering. Certain other individuals and non-institutional shareholders have committed to sell a proportion of their shares in HBG to the Company pro rata to the number of offer shares to be sold by the ultimate controlling parties for deferred sale consideration to be paid using the proceeds from the Offering.

In the records of the Company, this will be recognised as a cost of its investment in HBG, with a corresponding credit recorded for the deferred sale consideration.

Management reinvestment

The Chair of the Board, Chief Executive Officer, certain members of the Executive Committee and certain senior managers have committed to reinvest in the Company by subscribing for newly issued shares at the offering price.

This cash reinvestment will be recognised as newly issued share capital (less than €1m) and share premium (expected value of between €52m and €67m) in the Company.

As a result of all of the above pre-admission steps, all shareholders of HBG at the date of signing these financial statements have committed to cease being shareholders of the HBG, and the Company will become the sole shareholder of HBG. Preference shares and shareholder loan note balances will be nil.

On 16 January 2025, the Group entered into the New Facilities Agreement, conditional on the IPO proceeding. Accordingly, the Group is committed to repay the existing Senior Facility Agreement and to enter into the New Facilities Agreement, comprising €1,200 million of Senior Debt and a Revolving Credit Facility of €400m, which will support its growth strategy and other capital requirements following the IPO.

Post Admission steps

Following admission, the Company has committed to reduce its share premium by way of a court-sanctioned capital reduction.

ANNEX III – Unaudited Pro Forma Financial Information

ANNEX III – SECTION A – Independent practitioner's assurance report

Independent practitioner's assurance report on the compilation of pro forma financial information included in a prospectus

The Directors (the "**Directors**")
HBX Group International Plc (the "**Company**")
7th Floor Tower 42
25 Old Broad Street
London
United Kingdom
EC2N 1HN

Report on the compilation of pro forma financial information included in a prospectus

We have completed our assurance engagement to report on the compilation of pro forma financial information of the Group by the Directors of HBX Group International Plc (the "**Group**" is defined as (i) HBG Limited and its consolidated subsidiaries for any period prior to the implementation of the Proposed Reorganisation and (ii) HBX Group International Plc and its consolidated subsidiaries for any period following the implementation of the Proposed Reorganisation). The pro forma financial information consists of the unaudited pro forma statement of financial position as at 30 September 2024 and related notes as set out in Section B "Unaudited Pro Forma Financial Information" of Annex III of the prospectus issued by the Company. The applicable criteria on the basis of which the Directors have compiled the pro forma financial information are specified in Annex 20 to Commission Delegated Regulation (EU) 2019/980 (the "**Prospectus Delegated Regulation**") and described in Section B "Unaudited Pro Forma Financial Information" of Annex III of the prospectus and the requirements of the Spanish Securities Market Commission (Comisión Nacional del Mercado de Valores ("**CNMV**")) (the "**Applicable Criteria**").

The pro forma financial information has been compiled by the Directors to illustrate the impact of the uncommitted initial offering by the Company of new offer shares for an effective total amount of €725m and at a price of €10.50 per share, being the lower end of the offering price range, and related reorganisation and refinancing (the "**Pro Forma Events**") on the Group's financial position as at 30 September 2024 as if the Pro Forma Events had taken place on 30 September 2024. As part of this process, information about the Group's financial position has been extracted by the Directors from the HBG Limited Special Purpose Consolidated Financial Information and the HBX Group International Plc Company Special Purpose Financial Information for the period ended 30 September 2024, on which accountants' reports have been published.

The Director's responsibility for the pro forma financial information

The Directors are responsible for compiling the pro forma financial information on the basis of the Applicable Criteria.

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PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP is authorised and regulated by the Financial Conduct Authority for designated investment business.

Our independence and quality management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and the Revised Ethical Standard (2019) issued by the UK Financial Reporting Council.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's responsibilities

Our responsibility is to express an opinion, as required by Annex 20 to the Prospectus Delegated Regulation and the requirements of the CNMV, about whether the pro forma financial information has been compiled, in all material respects, by the Directors on the basis of the Applicable Criteria.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, Assurance engagements to report on the compilation of pro forma financial information included in a prospectus, issued by the International Auditing and Assurance Standards Board. This standard requires that the practitioner plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the pro forma financial information on the basis of the Applicable Criteria.

For the purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for the purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction as at and for the period ended 30 September 2024 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been compiled, in all material respects, on the basis of the Applicable Criteria involves performing procedures to assess whether the Applicable Criteria used by the Directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the practitioner's judgement, having regard to the practitioner's understanding of the nature of the Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

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

Opinion

In our opinion:

- the pro forma financial information has been properly compiled on the basis stated and in line with the Directors' assumption, including as set out in Note 6, that the primary equity raise, which is uncommitted at the date of the prospectus, secures proceeds of €725m at €10.50 per share being the lower end of the offer price range; and

- such basis is consistent with the accounting policies of the Group.

Intended users and purpose

This pro forma financial information has been prepared to illustrate the Pro Forma Events to be included within the prospectus solely in connection with the issuance and listing of the Company's common shares on the Madrid Stock Exchange, as set out in the prospectus. Therefore, this report is not intended to be used in other jurisdictions or in any other market, nor published in any other prospectus or document of a similar nature other than the prospectus of HBX Group International Plc without our express consent and should not be used or relied upon for any other purpose than described above. We do not accept any responsibility to persons other than the addressees of this report.

Declaration

For the purposes of item 1.2 of Annex 1 to the Prospectus Delegated Regulation we are responsible for this report as part of the prospectus and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and that the report makes no omission likely to affect its import. This declaration is included in the prospectus in compliance with item 1.2 of Annex 1 to the Prospectus Delegated Regulation.

PricewaterhouseCoopers LLP

28 January 2025

ANNEX III – SECTION B – Unaudited Pro Forma Financial Information

UNAUDITED PRO FORMA FINANCIAL INFORMATION

*The unaudited pro forma financial information ("**Pro Forma Financial Information**") has been prepared in accordance with Annex 20 of the Delegated Regulation 2019/980 of the European Commission and the requirements of the CNMV in the context of the admission to trading on the Spanish Stock Exchanges of the issued share capital of HBX Group International Plc.*

Within this section the "**Group**" is defined as (i) HBG Limited ("**HBG Ltd**") and its consolidated subsidiaries for any period prior to the implementation of the Proposed Reorganisation (as defined below) and (ii) HBX Group International Plc (the "**Company**") and its consolidated subsidiaries for any period following the implementation of the Proposed Reorganisation.

Background and Purpose of the Pro Forma Financial Information

The Company is proposing to undertake an offering of shares (the "**Offering**") which is expected to comprise a primary offering of newly issued Shares ("**Primary Offering**") and a secondary offering of existing Shares by the Selling Shareholders. The Offering will be made to qualified investors, including a placement in the United States to qualified institutional buyers under Rule 144A of the Securities Act.

The uncommitted Primary Offering by the Company will consist of an amount of €725,000,000 to be used to (i) settle deferred consideration (the "**Deferred Sale Consideration**") due in respect of the related planned management selldown (the "**Management Selldown**") of shares; (ii) pay the cash outflows linked to Admission, which mainly derive from payments under certain incentive plans and fees associated with the Offering and (iii) pay the amounts due in the context of a refinancing of the Group's debt facilities (the "**Refinancing**"), including related costs (the "**Cash Outflows**"). In addition, the Chair of the Board, seven members of the Executive Committee (including the Chief Executive Officer) and two senior managers by subscribing for newly-issued Shares at the Offering Price before the time of the initial registration in respect of all of the Shares (including the New Offer Shares) as equity interests in dematerialised book-entry form with Iberclear (the "**Initial Registration Time**") have committed to reinvest (the "**Management Reinvestment**") a proportion of the proceeds from the Management Selldown as set out in Note 5 below.

Prior to admission of the shares to trading on the Spanish Stock Exchanges ("**Admission**") the Group has committed to undertake a reorganisation (the "**Proposed Reorganisation**"), in which the Company, certain companies within the HBX Group, the shareholders of HBG Ltd, the holders of Shareholder Loan Notes in HNVR Topco Limited ("**HNVR Topco**") and the holders of Preference Shares in HNVR Topco entered into, or, in relation to certain individual shareholders of HBG Ltd, subsequently adhered to a reorganisation deed (the "**Reorganisation Deed**") , under which, each of the parties have agreed to take certain actions as part of a corporate reorganisation to be effected after registration of thes Prospectus and execution of the related underwriting agreement, and before the Initial Registration Time, pursuant to which the Company will become the parent company of HBX Group.

The Pro Forma Financial Information has been prepared to illustrate, on a pro forma basis, (i) the potential impact on the Group's financial position as at 30 September 2024 of the uncommitted initial offering by the Company of the New Offer Shares for an effective total amount of €725,000,000 at a price of €10.50 per Offer Share, such price being the lower end of the offering price range of between €10.50 and €12.50 (the "**Offering Price Range**"), (ii) the Proposed Reorganisation; and (iii) the Refinancing as if they had occurred on 30 September 2024 (the "**Pro Forma Events**"). The Pro Forma Financial Information does not include adjustments other than those described in this section and in the explanatory notes included in the Pro Forma Financial Information included as Annex III to the Prospectus. No adjustments have been made to reflect the trading results or financial position of the Group since 30 September 2024.

The Pro Forma Financial Information included in thes Prospectus has been prepared to illustrate the consolidated statement of financial position as at 30 September 2024 as if the Company was the parent of the Group and assuming the Pro Forma Events had occurred at such date, and is based on available information and certain assumptions and estimates that are believed to be reasonable by the Directors at the date of preparation of the Pro Forma Financial Information, but that may differ from actual amounts. The pro forma adjustments reflected in the Pro Forma Financial Information give effect to Pro Forma Events that are considered to be, as applicable, directly attributable to the Proposed Reorganisation and subsequent Offering and are factually supportable.

Given that the Pro Forma Financial Information has been prepared in order to reflect a hypothetical situation, it is not intended to reflect, and consequently does not reflect, either the financial position or the results of the operations of the Group, should the adjustments described below have occurred. Likewise, the Pro Forma Financial Information is not indicative of the Group's financial position or future results.

The Pro Forma Financial Information has not been prepared in accordance with the criteria established by Regulation S-X of the U.S. Securities Act, or any generally accepted accounting standards. Neither the assumptions underlying the pro forma adjustments, nor the Pro Forma Financial information have been audited in accordance with any generally accepted auditing standards.

The Board of Directors of the Company is responsible for the preparation and the content of the Pro Forma Financial Information.

Basis of preparation

The Pro Forma Financial Information has been prepared in accordance with Annex 20 of the Prospectus Delegated Regulation as well as with the guidelines of ESMA on disclosure requirements under the Prospectus Regulation of 4 March 2021 (ESMA 32-382-1138) and the requirements of the CNMV.

The Pro Forma Financial Information has been prepared solely for the purpose of being included in the Prospectus.

The accounting policies used for the preparation of the Pro Forma Financial Information are consistent with those used in the preparation of the Special Purpose Consolidated Financial Information, which have been prepared in accordance with IFRS-EU. Future operating results may differ materially from the amounts set forth in the Pro Forma Financial Information due to various factors, including changes in operating results. Any reliance placed on the Pro Forma Financial Information should fully take this into consideration.

The Pro Forma Financial Information has been prepared as if the Pro Forma Events had occurred as at 30 September 2024 for the purpose of the pro forma statement of financial position. No pro forma income statement has been presented.

The pro forma adjustments presented herein are those directly attributable to the Pro Forma Events and factually supportable in the context of the Pro Forma Events.

The historical financial information used to compile the Pro Forma Financial Information comprised:

- the audited historical information of HBG Ltd and its consolidated subsidiaries as at 30 September 2024 extracted from the audited historical information of HBG Ltd and its consolidated subsidiaries, which is presented in the Prospectus, as of and for each of the years ended 30 September 2022, 2023, and 2024, over which PricewaterhouseCoopers LLP issued a report on 28 January 2025 (the "**Special Purpose Consolidated Financial Information**") in which they express an unqualified opinion in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom; and

- the Company Financial Information of HBX Group International Plc as at 30 September 2024, over which PricewaterhouseCoopers LLP issued an audit opinion on 28 January 2025 in which they express an unqualified opinion in accordance with International Standards on Auditing (UK).

The Special Purpose Consolidated Financial Information as included in the Prospectus has been prepared for HBG Ltd and its subsidiaries. Following the Proposed Reorganisation, the Company will become the ultimate parent of HBX Group and consequently the Pro Forma Financial Information has been prepared for the Group with the Company as its ultimate parent. The total shareholders' equity and net debt position of the consolidated HBX Group, which will become listed on the Spanish Stock Exchanges will not materially differ from the former HBG Ltd consolidated Group, after including the impact of the reorganisation steps (2) to (7) as detailed in the Pro Forma Financial Information.

The Directors have concluded that the Proposed Reorganisation does not alter the economic substance of the Group. The Directors of HBG Ltd and the Company believe that using the predecessor accounting method accurately represents the assets, liabilities, revenues, and operating results of the Group as if the Company had been the parent entity of the consolidated group for the past three financial years. Therefore, this method is considered the most suitable accounting approach in accordance with the principles of IAS 8, for preparing the consolidated financial information of the Group following the Proposed Reorganisation. The Group intends to adopt this on a retrospective basis with the Group disclosing comparative amounts on a consistent basis following Admission. Under the predecessor accounting method, assets and liabilities involved in the Proposed Reorganisation are recorded at their existing carrying amounts, rather than at fair value, in this case those recorded in the Special Purpose Consolidated Financial Information.

In making an investment decision, prospective investors must rely upon their own examination, analysis and enquiry of the Company and HBX Group, their business and the terms of the Prospectus, including the merits and risks involved in investing in the Offer Shares and not rely solely on the Pro Forma Financial Information. The Pro Forma Financial Information should also be read in conjunction with the Special Purpose Consolidated Financial Information and the Company Financial Information.

In the preparation of the Pro Forma Financial Information, the following assumption has been used:

- the pro forma adjustments have been prepared on the basis of the offering price being set at the lower end of the Offering Price Range, being €10.50 per offer share and primary proceeds totalling €725,000,000. As at the date of the Prospectus, the proceeds are not underwritten and therefore the actual proceeds are uncertain. The Offering Price Range is a best estimate at the date the Prospectus and may therefore be subject to change. The Directors expect the total primary proceeds amount of €725,000,000 to remain fixed with this amount to be underwritten at the date at which the offering price is determined. The completion of the Offering within the Offering Price Range is deemed highly probable by the Directors. The incremental impacts of instead assuming the upper end of the Offering Price Range are detailed in the notes to the Pro Forma Financial Information.

Based on the assumption of the Offering proceeding as outlined, the Directors have committed to undertake a series of steps prior to Admission. These steps include the refinancing of the Group' existing senior facilities agreement (which fall due upon the Offering) and a new facilities agreement (the "**New Facilities Agreement**") (which is conditional upon Admission) being available to the Group. The completion of the Proposed Reorganisation, the Management Selldown, the Cash Outflows, and the Refinancing are each deemed by the Directors to be committed, subject to the completion of the Offering.

Pro Forma Statement of Financial Position 30 September 2024	**Company**(1)	**HBG Ltd**(2)	**Proposed Reorganisation**(3)	**Management Selldown**(4)	**Management Reinvestment**(5)	**Primary Offering**(6)	**Refinancing**(7)	**Total**
				(*€ millions*)				
Non-current assets								
Goodwill	-	1,535	-	-	-	-	-	1,535
Other Intangible assets	-	517	-	-	-	-	-	517
Property, plant and equipment	-	10	-	-	-	-	-	10
Investment in an associate	-	32	-	-	-	-	-	32
Other financial assets	-	2	-	-	-	-	-	2
Deferred tax assets	-	20	-	-	-	-	-	20
Trade receivables and other assets	-	9	-	-	-	-	-	9
	-	2,125	-	-	-	-	-	2,125
Current assets								
Trade receivables and other assets	-	608	-	-	-	-	-	608
Income tax recoverable	-	7	-	-	-	-	-	7
Derivatives	-	8	-	-	-	-	-	8
Cash and short-term deposits	-	686		(58)	46	467	(601)	540
	-	1,309	-	(58)	46	467	(601)	1,163
Total assets	-	3,434	-	(58)	46	467	(601)	3,288
Current liabilities								
Trade payables and other liabilities	-	(1,351)	-	-	-	4	-	(1,347)
Income tax payable	-	(21)	-	-	-	-	-	(21)
Interest-bearing loans and lease liabilities	-	(82)	-	-	-	-	64	(18)
Derivatives	-	(4)	-	-	-	-	-	(4)
Provisions for liabilities		(28)	-	-	-	23	-	(5)
	-	(1,486)	-	-	-	27	64	(1,395)
Non-current liabilities								
Interest-bearing loans and lease liabilities	-	(1,681)	-	-	-	-	505	(1,176)
Loan notes and preference shares	-	(1,581)	1,581	-	-	-	-	-
Trade payables and other liabilities	-	(34)	-	-	-	-	-	(34)
Deferred tax liabilities	-	(43)	-	-	-	-	-	(43)
Provisions for liabilities	-	(8)	-	-	-	-	-	(8)
	-	(3,347)	1,581	-	-	-	505	(1,261)
Total liabilities	-	(4,833)	1,581	-	-	27	569	(2,656)
Net (liabilities)/assets	**-**	**(1,399)**	**1,581**	**(58)**	**46**	**494**	**(32)**	**632**
Share capital	-	1	1	-	-	1	-	3
Retained earnings	-	(1,525)	-	-	-	-	-	(1,525)
Profit or loss for the year	-	-	-	-	-	(216)	(32)	(248)
Other reserves	-	125	1,580	(58)	46	709	-	2,402
Total shareholders' equity	**-**	**(1,399)**	**1,581**	**(58)**	**46**	**494**	**(32)**	**632**

Pro forma adjustments

(1) The Company

At 30 September 2024, the Company was an indirect wholly owned subsidiary of HBG Ltd. Following the Proposed Reorganisation, the Company will own all of the ordinary share capital of HBG Ltd and consequently will be the ultimate controlling party of the Group. Therefore, this Pro Forma Financial Information has been prepared on the basis of a consolidated Group of which the Company is the parent company. Column (1) represents the statement of financial position of the Company as extracted, subject to rounding adjustments (i.e., without making material adjustments), from the Company Financial Information at 30 September 2024. All balances were less than €1 million. This Company Financial Information has been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework, which is different from the IFRS-EU basis of preparation of the Special Purpose Consolidated Financial Information. This does not lead to material differences impacting this adjustment.

(2) HBG Ltd

This adjustment reflects the inclusion of the assets and liabilities of HBG Ltd and its subsidiaries as extracted, subject to rounding adjustments (i.e., without making material adjustments), from the Special Purpose Consolidated Financial Information, at their carrying values as at 30 September 2024. This results in a €1,399 million reduction in equity, comprising share capital of €1 million, other reserves of €125 million and retained losses of €1,525 million. There is no impact on the profit and loss account for the year.

(3) Proposed Reorganisation

As part of the Proposed Reorganisation, shareholder loan notes in HNVR Topco, a wholly owned subsidiary of HBG Ltd, with a book value of €1,528 million at 30 September 2024, are exchanged for newly issued shares in HBG Ltd, resulting in the issuance of share capital of €2 million and an increase of €1,526 million in the share premium account of HBG Ltd. On a consolidated basis, the Group now reflects the share capital of the Company, being €2 million prior to the primary issuance.

Additionally, existing preference shares with a book value of €53 million at 30 September 2024 in HNVR Topco are redeemed for their book value, and the €53 million of proceeds is used to acquire newly issued ordinary and preference shares in HBG Ltd, resulting in an issuance of share capital of less than €1 million and an increase of €53 million in the share premium account of HBG Ltd of €53 million.

These adjustments result in a €1,581 million increase in equity, comprising €1 million of share capital and €1,580 million in other reserves. There is no impact on the profit and loss account for the year.

(4) Management Selldown

As part of the Proposed Reorganisation, the Chairman, the Chief Executive Officer, certain members of the Executive Committee (other than the Chief Executive Offer), certain senior active employees of the Group (and certain family members of the foregoing), Aztec (Trustees No.1) Limited in its capacity as trustee of the Hotelbeds Employee Benefit Trust and certain other individuals and non-institutional shareholders, including certain former officers and senior employees of the Group, have committed to sell 15,931,491 shares in HBG Ltd at the lower end of the price range, either in full or *pari passu* with the subsequent sale by the Selling Shareholders, to the Company at a price per HBG Ltd share equal in value to the number of Shares at the offering price that the relevant shareholder would have received for the shares via a share-for-share exchange. Based on the lower end of the Offering Price Range, this will result in the Company recognising a deferred consideration totalling €58 million, to be paid from the gross proceeds of the Offering, and an investment in HBG Ltd for the corresponding amount. The liability for the deferred consideration will be paid from the gross proceeds of the Offering, shortly after the Offering and therefore for the purposes of the Pro Forma Financial Information, has been represented as a cash outflow.

This adjustment results in a €58 million reduction in equity, through other reserves. There is no impact on the profit and loss account for the year.

Following the Proposed Reorganisation and the Management Selldown, the remaining HBG Ltd shareholders will exchange all of their remaining shares for 180,000,000 newly issued ordinary shares in the Company (the "**Share-for-Share Exchange**"), recognising a credit to other reserves representing the net assets of the Company at their book value. On a consolidated basis, there is no impact to reserves or equity as a result of the Share-For-Share Exchange.

(5) Management Reinvestment

The Chair of the Board, the Chief Executive Officer, five members of the Executive Committee (other than the Chief Executive Officer), and two senior managers have committed to use a pre-agreed proportion of the proceeds from the Management Selldown detailed above, together with net proceeds after tax from the incentive plans included in adjustment (6) below to acquire 4,370,294 newly issued shares with a nominal value of €0.01 each. Based on the lower end of the Offering Price Range, this will result in the issuance of Shares of of less than €1 million and the recognition of a share premium of €46 million, with €46 million in cash being received by the Company.

This adjustment increases equity by €46 million, comprising less than €1 million of share capital and €46 million of other reserves. There is no impact on the profit and loss account for the year.

(6) The Primary Offering

Net proceeds based on the lower end of the Offering Price Range	**€m**
Gross cash proceeds resulting from the primary offer(i)	725
Cash outflow in respect of the settlement of management incentive plans(ii)	(208)
Associated transaction costs(iii)	(50)
Net proceeds from the Primary Offering	**467**

(i) Based on the lower end of the Offering Price Range, the Company will issue 69,047,619 ordinary shares at par value of €0.01 for a total amount of €725 million, resulting in gross cash proceeds of €725 million and the recognition of €1 million of share capital and €724 million within a share premium account.

(ii) The Primary Offering will result in the cash payment of incentive plans granted to management conditional on the Offering as detailed in the subsequent events note of the Special Purpose Consolidated Financial Information. These will total €208 million of which €23 million has been provided for in the Special Purpose Consolidated Financial Information at 30 September 2024.

(iii) At 30 September 2024, the Group had accrued but not paid costs relating to the Offering totalling €4 million. An additional €46 million of costs are expected to be incurred in FY 2025 in relation to the Offering, resulting in a total cash outflow of €50 million.

(iv) Fees related to the Offering totalling €15 million will be recognised in the share premium account, representing the estimated proportion of directly attributable costs relating to the issuance of new shares.

The combined impact of the Offering, incentive plans and fees associated with the offering is a cash inflow of €467 million.

The impact of the Offering on the profit and loss account for the year is a charge of €216 million, representing incentives of €208 million and fees of €50 million less amounts accrued at 30 September 2024 of €23 million and €4 million respectively, and after deducting fees in relation to the Offering offset against the share premium account totalling €15 million. These costs will be recognised within operating expenses as non-recurring items.

The total impact of the Offering is an increase in shareholders' equity of €494 million, comprising additional share capital of €1 million, a charge to the profit and loss account for the year of €216 million as detailed above, and an increase in other reserves of €709 million, representing an increase in the share premium account of €724 million, less the recognition of a proportion of the directly attributable costs of the Offering totalling €15 million against the share premium account.

As at the date of thes Prospectus, the Offering Price Range is indicative in nature, and the €725 million of gross proceeds are not underwritten or committed. The Offering Price Range has been determined by the Company and the selling shareholders after consultation with the joint global coordinators of the Offering (the "**Joint Global Coordinators**"), without reliance on any third-party expert to assess the value of the Shares or determine the Offering Price Range. The final price of each offer share, which may fall outside the Offering Price Range, and the definitive number of initial offer shares will be determined by the Company and the selling shareholders after consultation with the Joint Global Coordinators upon completion of the bookbuilding period, which is expected to occur on or about 10 February 2025. The actual value of this adjustment (6) will therefore differ from the one illustrated above, with a consequential impact on the quantification of adjustments which are derived from it, namely the Management Selldown adjustment (item (4) above) and the Management Reinvestment adjustment (item (5) above).

(7) Refinancing

Concurrently with the Offering, the Group has committed to refinance all its existing indebtedness incurred under the existing senior facilities agreement, and cancel the facilities available under the existing senior facilities agreement. All debt under the existing senior facilities agreement will be refinanced in full using the proceeds of the New Facilities, the proceeds obtained by the Company from the Offering, and any available cash.

Refinancing cash flows	**€m**
Extinguishment of existing Senior Facilities as at 30 Sep 24	(1,740)
Adjusted for unamortised fees already cash settled as at 30 Sep 24	(28)
Adjusted for debt modification gain previously recognised at 30 Sep 24	(4)
Cash outflow in respect of settling existing Senior Facilities(i)	(1,772)
Drawdown of New Facilities (Term Loan A and B)(ii)	1,200
Adjusted for settlement of loan arrangement fees(ii)	(29)
Net cash outflow in respect of the refinancing(iii)	**(601)**

(i) At 30 September 2024, the book value of the existing senior facilities was €1,740 million, comprising the loan amount of €1,708 million plus accrued interest totalling €64 million less capitalised and unamortised fees and debt modification gains totalling €32 million.

(ii) The New Facilities Agreement comprising Term Loan A of €450 million and Term Loan B of €750 million, maturing in five and seven years, respectively, after the Offering date, together with a new Revolving Facility. Estimated fees associated with the refinancing will total €29 million. The Company is permitted to re-tranche up to €150 million of the commitments in Facility B to Facility A.

(iii)On a pro forma basis at 30 September 2024, the Refinancing will reduce cash by €601 million, being repayment of the Existing Senior Facilities Agreement and accrued interest for €1,772 million less proceeds from the New Facilities Agreement of €1,171 million after deducting fees.

The Refinancing will be treated as an extinguishment of the previous financial debt and recognition of new financial liabilities. Consequently amortisation on the capitalised fees and debt modification gains previously recognised (€32 million) on the Existing Senior Facilities Agreement will be accelerated and recognised in full in finance costs in FY 2025 on extinguishment of the facility.

As a result of the refinancing, shareholders' equity will reduce by €32 million in relation to the extinguishment of capitalised fees and debt modification gains previously recognised.

(8) Impacts on the pro forma of adopting the upper end of the Offering Price Range

The Pro Forma Financial Information has been prepared on the basis of the lower end of the Offering Price Range, being €10.50 per offer share. Adopting the assumption of the upper end of the Offering Price Range, being an offering price of €12.50 per share would have the following impacts on the Pro Forma Financial Information:

- Management Selldown adjustment (item (4) above) would increase from €58 million to €107 million.
- Management Reinvestment adjustment (item (4) above) would increase from €46 million to €51 million.

The combined impact on all pro forma adjustments of adopting the upper end of the Offering Price Range would therefore be a reduction in cash of €44 million. This reduction is due to the gross proceeds from the Primary Offering remaining unchanged in both the lower and upper end of the Offering Price Range scenarios, with the upper end of the Offering Price Range resulting in fewer shares being issued and a larger cash outflow in respect of net sell down and management incentives leading to a corresponding reduction in reserves, as illustrated in the table below.

	Lower end of the Offering Price Range €m	Incremental impact of the Upper end of Offering Price Range €m	TOTAL €m
Non-current assets	**2,125**	-	**2,125**
Current assets			
Other current assets	623	-	**623**
Cash and short-term deposits	540	(44)	**496**
	1,163	**(44)**	**1,119**
Total assets	**3,288**	**(44)**	**3,244**
Current liabilities	**(1,395)**	-	**(1,395)**
Non-current liabilities	**(1,261)**	-	**(1,261)**
Total liabilities	**(2,656)**	-	**(2,656)**
Shareholders'equity	**632**	**(44)**	**588**

(9) Profit and loss account impacts

The impacts of the pro forma adjustments on the profit and loss account for the year, as detailed in the Pro Forma statement of financial position are summarised below:

Profit and loss account impacts	**€m**
Non-recurring items recognised in operating expenses:	
Incentives	(185)
IPO related costs [(i)]	(31)
	(216)
Finance costs:	
Unamortised fees and debt modification gain in relation to existing debt to be recognised on extinguishment	(32)
Total	**(248)**

[(i)] Total IPO related costs to be paid from 1 October 2024 of €50 million less amounts accrued at 30 September 2024 of €4 million and allocation of €15 million of costs directly attributable to the primary issuance to the share premium account.

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REPORTING ACCOUNTANT AND INDEPENDENT AUDITORS

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United Kingdom

In London, on 30 January 2025, this Prospectus relates to the offering and admission to trading of the ordinary shares of HBX Group International Plc is signed.

HBX Group International Plc

Mr. Nicolás Huss

Yo, D. JAVIER NAVARRO-RUBIO SERRES, Notario de Madrid, del Ilustre Colegio de Madrid. **DOY FE:** Que considero legítima la firma de **D. NICOLAS HUSS** a quien identifico por su PASAPORTE número
por coincidir con dicho documento que se encuentra registrado en el Asiento n° 60 de mi Libro Indicador. ---------------------------------------

Madrid, a 28 de enero de 2025

SELLO DE LEGITIMACIONES Y LEGALIZACIONES
NIHIL PRIUS FIDE
A222579960

EDOUARD DELOSCH * NOTAIRE, LUXEMBOURG *

Prometheus Aggregator S.à r.l.

Mrs. Elona Ajdari Trako

Mr. Gaël Détrie

EDOUARD DELOSCH * NOTAIRE, LUXEMBOURG *

Luxembourg, le
24 JAN. 2025

The undersigned Edouard DELOSCH
civil law notary residing in Luxembourg
(Grand-Duchy of Luxembourg)
hereby certifies the authenticity of the
signature(s) of Elona Ajdari Trako
Gaël Détrie
apposed hereabove.

EDOUARD DELOSCH
NOTAIRE, LUXEMBOURG

LE GOUVERNEMENT
DU GRAND-DUCHÉ DE LUXEMBOURG
Ministère des Affaires étrangères
et européennes

APOSTILLE

(Convention de la Haye du 5 octobre 1961)

1. Pays: Grand-Duché de Luxembourg
   Le présent acte public
2. a été signé par DELOSCH, Edouard
3. agissant en qualité de Notaire
4. est revêtu du sceau/timbre de Office notarial

Atteste

5. à Luxembourg
6. le VENDREDI 24 JANVIER 2025
7. par Ministère des Affaires étrangères et européennes
8. sous no. **V-20250124-566365**
9. Sceau / timbre
10. Signature

Grand-Duché de Luxembourg
Ministère des Affaires étrangères

***André BIEVER**, Directeur des Affaires consulaires et des Relations culturelles internationales*

Kiwi Feeder S.à r.l.

Ms. Valentina Dalpiaz

Ms. Danelle Caruana

Yo, D. JAVIER NAVARRO-RUBIO SERRES, Notario de Madrid, del Ilustre Colegio de Madrid. **DOY FE:** Que considero legítimas las firmas de **Dª VALENTINA DALPIAZ y Dª DANELLE CARUANA** a quienes identifico por sus PASAPORTES números y respectivamente, por coincidir con dichos documentos que se encuentran registrados en el Asiento nº 73 de mi Libro Indicador.--------------------------------

Madrid, a 28 de enero de 2025

Canada Pension Plan Investment Board

Mr. Jonah Enbar

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por coincidir con dicho documento que se encuentra registrado en el Asiento n° 66 de mi Libro Indicador. --

Madrid, a 28 de enero de 2025

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SELLO DE LEGITIMACIONES Y LEGALIZACIONES
COLEGIOS NOTARIALES
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Canada Pension Plan Investment Board

Mr. Pascal Keutgens

Yo, D. JAVIER NAVARRO-RUBIO SERRES, Notario de Madrid, del Ilustre Colegio de Madrid. **DOY FE:** Que considero legítima la firma de **D. PASCAL KEUTGENS** a quien identifico por su PASAPORTE número por coincidir con dicho documento que se encuentra registrado en el Asiento nº 65 de mi Libro Indicador. --------------------------------------

Madrid, a 28 de enero de 2025