Vail Resorts to Acquire Crans-Montana Mountain Resort in Switzerland, the Company's Second Ski Resort in Europe

BROOMFIELD, Colo., Nov. 30, 2023 /PRNewswire/ -- Vail Resorts, Inc. (NYSE: MTN) announced today that it has entered into an agreement to acquire Crans-Montana Mountain Resort in Switzerland from CPI Property Group ("CPIPG"). Crans-Montana Mountain Resort spans over 1,400 meters (approximately 4,593 ft) of skiable vertical terrain, and 140 kilometers (approximately 87 mi) of trails. Accessible from five airports and by train, Crans-Montana Mountain Resort is located in the Valais canton of Switzerland, approximately two and a half hours from Geneva and less than four hours from Milan and Zurich. The resort is two and a half hours away from the company's other owned and operated European resort in Andermatt-Sedrun.

Crans-Montana Mountain Resort is a top ski destination in the heart of the Swiss Alps, offering breathtaking views of the Matterhorn and the Mont Blanc, and has been recognized as one of the best ski resorts in Europe. Crans-Montana has a legacy of being a renowned outdoor sports destination, with signature events such as the Ski World Cup, Mountain Bike World Cup, Omega European Masters, and other championships, the Caprices Festival and more. The commune of Crans-Montana has gourmet restaurants and luxury retail stores, as well as stylish five-star hotels, including the recently developed Six Senses lodge and spa, a luxury 45-room ski-in, ski-out chalet-style property situated above the main gondola.

"Crans-Montana is an iconic ski destination in the heart of the Swiss Alps, with a unique heritage, incredible terrain, passionate team, and a community dedicated to the success of the region," said Kirsten Lynch, Chief Executive Officer of Vail Resorts. "Our acquisition of the resort aligns to our growth strategy of expanding our resort network in Europe, creating even more value for our Pass Holders and guests around the world. Much like Andermatt-Sedrun, we believe Crans-Montana has a unique opportunity for future growth."

Vail Resorts is acquiring an 84-percent ownership stake in Remontées Mécaniques Crans Montana Aminona (CMA) SA, which controls and operates all the resort's lifts and supporting mountain operations, including 4 retail and rental locations. The company is acquiring an 80-percent ownership stake in SportLife AG, which operates one of the ski schools located at the resort. Vail Resorts is also acquiring 100 percent ownership of 11 restaurants located on and around the mountain.

The company's industry-leading line of Epic Pass products allows skiers and riders to access the company's resorts at an incredible value, whether they plan to ski one day or every day. Vail Resorts plans to include access to Crans-Montana Mountain Resort on select Epic Pass products for the 2024-25 ski and ride season. Crans-Montana Mountain Resort will not be included on the Epic Pass for any remaining part of the 2023-24 ski and ride season after the deal closes. The Epic Pass currently provides access to Andermatt-Sedrun-Disentis, as well as European partner resorts, including five days at Verbier4Vallées in Switzerland, seven days at Les 3 Vallées in France, seven days at Skirama Dolomiti in Italy and three days at Ski Arlberg in Austria, with specific details available at www.epicpass.com.

"CPIPG is proud to have contributed significantly to the positive development of Crans-Montana over the past 10 years," said David Greenbaum, CEO of CPIPG. "Vail Resorts is a talented ski resort operator, and we are certain that Crans-Montana will thrive under their ownership."

In a statement from its Board of Directors, the Association of the Municipality of Crans-Montana added: "Crans-Montana looks forward to working closely with Vail Resorts, which will undoubtedly have a clear, long-term strategy for development, marketing, and providing top-quality guest experience. Vail Resorts will bring new energy to the ski area, positively impacting the entire economic structure of the region of Crans-Montana. Vail Resorts as new owner of the ski area will also have a positive impact on the organization of the FIS Alpine World Ski Championships in 2027 at Crans-Montana."

"We look forward to investing to support the growth, sustainability and vitality of the resort and region," continued Lynch. "We care deeply about the guest experience and are committed to working with the community, listening and learning from local partners and the resort's dedicated teams. We share many values with the Crans-Montana community, including a commitment

to environmental responsibility and reducing our net-operating footprint."

Vail Resorts expects to drive significant growth for Crans-Montana Mountain Resort through ongoing investments in the resort and inclusion of the resort on Epic Pass products, attracting a broader population of international guests to the resort who are seeking a high-end destination resort experience in the Swiss Alps.

"Vail Resorts commitment to Crans-Montana rewards the Valais destination's dynamism, innovation, positioning and strategy for high value-added, four-season sustainable tourism," said Bruno Huggler, CEO of the Crans-Montana Tourism and Congress. "Vail Resorts' in-depth analyses confirmed Crans-Montana's potential as a leading destination in the Swiss Alps. Every possible effort will be made to foster synergies with all players from Crans-Montana in developing tourism offers, marketing, and sales. Vail Resorts' network will be a definite asset, especially in North America."

Subject to closing adjustments, the valuation for the resort operations is expected to beCHF 118.5 million, including approximately CHF 7 million of debt that will remain in place. Vail Resorts anticipates that the resort will generate approximately CHF 5 million of EBITDA in its fiscal year endingJuly 31, 2025, the first full year of operations following the expected closing later in fiscal 2024. Vail Resorts anticipates EBITDA growth over time from the inclusion of the resort on the Epic Pass products, network synergy, and investments in the guest experience. Subject to the timing of capital project approvals and completion, Vail Resorts is planning to invest approximately CHF 30 million over the next five years in one-time capital spending to elevate the guest experience, and the resort is expected to generate over CHF 15 million of annual EBITDA following these investments and including the impact from incremental Epic Pass sales. This initial phase of growth of the resort is expected to be primarily driven by operating and marketing initiatives along with capital investments focused on maximizing gastronomy efficiencies and improving and expanding snowmaking capabilities. After closing the transaction, normal annual maintenance capital expenditures for Crans-Montana Mountain Resort are expected to be approximately CHF 3 million.

The transaction is expected to close during the 2023-24 ski and ride season, subject to certain third-party consents. Operations at Crans-Montana Mountain Resort for the 2023-24 winter season will continue in the ordinary course of business. Vail Resorts is committed to retaining the vast majority of employees, the existing operational infrastructure, and local expertise. Vail Resorts will incorporate areas of expertise from its business strategy, including enhancements to data and analytics capabilities, accessibility with the Epic Pass product lineup, and best practice sharing from its mountain operations.

About Vail Resorts, Inc. (NYSE: MTN)
Vail Resorts is a network of the best destination and close-to-home ski resorts in the world including Vail Mountain, Breckenridge, Park City Mountain, Whistler Blackcomb, Stowe, and 32 additional resorts acrossNorth America; Andermatt-Sedrun in Switzerland; and Perisher, Hotham, and Falls Creek inAustralia – all available on the company's industry-changing Epic Pass. We are passionate about providing an Experience of a Lifetime to our team members and guests, and our EpicPromise is to reach a zero net operating footprint by 2030, support our employees and communities, and broaden engagement in our sport. Our company owns and/or manages a collection of elegant hotels under the RockResorts brand, a portfolio of vacation rentals, condominiums and branded hotels located in close proximity to our mountain destinations, as well as the Grand Teton Lodge Company in Jackson Hole, Wyo. Vail Resorts Retail operates more than 250 retail and rental locations across North America. Learn more about our company atwww.VailResorts.com, or discover our resorts and pass options at www.epicpass.com.

Forward-Looking Statements
Certain statements discussed in this press release, other than statements of historical information, are forward-looking statements within the meaning of the federal securities laws, including the statements regarding growth opportunities related to the acquisition of Crans-Montana Mountain Resort, expected investments in the Crans-Montana Mountain Resort, the expected valuation and timing of the closing of the acquisition, and the expected performance of the Crans-Montana Mountain Resort following the acquisition. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. All forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those projected. Such risks and uncertainties include but are not limited to the economy generally, and our business and results of operations, including the ultimate amount of refunds that we would be required to

refund to our pass product holders for qualifying circumstances under our Epic Coverage program; prolonged weakness in general economic conditions, including adverse effects on the overall travel and leisure related industries; risks associated with the effects of high or prolonged inflation, rising interest rates and financial institution disruptions; unfavorable weather conditions or the impact of natural disasters or other unexpected events; the willingness or ability of our guests to travel due to terrorism, the uncertainty of military conflicts or public health emergencies, and the cost and availability of travel options and changing consumer preferences, discretionary spending habits or willingness to travel; risks related to travel and airline disruptions, and other adverse impacts on the ability of our guests to travel; risks related to interruptions or disruptions of our information technology systems, data security or cyberattacks; risks related to our reliance on information technology, including our failure to maintain the integrity of our customer or employee data and our ability to adapt to technological developments or industry trends; our ability to acquire, develop and implement relevant technology offerings for customers and partners; the seasonality of our business combined with adverse events that may occur during our peak operating periods; competition in our mountain and lodging businesses or with other recreational and leisure activities; risks related to the high fixed cost structure of our business; our ability to fund resort capital expenditures; risks related to a disruption in our water supply that would impact our snowmaking capabilities and operations; our reliance on government permits or approvals for our use of public land or to make operational and capital improvements; risks related to federal, state, local and foreign government laws, rules and regulations, including environmental and health and safety laws and regulations; risks related to changes in security and privacy laws and regulations which could increase our operating costs and adversely affect our ability to market our products, properties and services effectively; potential failure to adapt to technological developments or industry trends regarding information technology; our ability to successfully launch and promote adoption of new products, technology, services and programs; risks related to our workforce, including increased labor costs, loss of key personnel and our ability to maintain adequate staffing, including hiring and retaining a sufficient seasonal workforce; a deterioration in the quality or reputation of our brands, including our ability to protect our intellectual property and the risk of accidents at our mountain resorts; risks related to scrutiny and changing expectations regarding our environmental, social and governance practices and reporting; our ability to successfully integrate acquired businesses, including their integration into our internal controls and infrastructure; our ability to successfully navigate new markets, including Europe; or that acquired businesses may fail to perform in accordance with expectations; risks associated with international operations; fluctuations in foreign currency exchange rates where the Company has foreign currency exposure, primarily the Canadian and Australian dollars and the Swiss franc, as compared to the U.S. dollar; changes in tax laws, regulations or interpretations, or adverse determinations by taxing authorities; risks related to our indebtedness and our ability to satisfy our debt service requirements under our outstanding debt including our unsecured senior notes, which could reduce our ability to use our cash flow to fund our operations, capital expenditures, future business opportunities and other purposes; a materially adverse change in our financial condition; adverse consequences of current or future litigation and legal claims; changes in accounting judgments and estimates, accounting principles, policies or guidelines; and other risks detailed in the Company's filings with the Securities and Exchange Commission, including the "Risk Factors" section of the Company's Annual Report on Form 10-K for the fiscal year ended July 31, 2023, which was filed on September 28, 2023.

All forward-looking statements attributable to us or any persons acting on our behalf are expressly qualified in their entirety by these cautionary statements. All guidance and forward-looking statements in this press release are made as of the date hereof and we do not undertake any obligation to update any forecast or forward-looking statements whether as a result of new information, future events or otherwise, except as may be required by law.

Statement Concerning Non-GAAP Financial Measures

When reporting or forecasting financial results, we use the term EBITDA, which is not a financial measure under accounting principles generally accepted in the United States of America ("GAAP"). EBITDA should not be considered in isolation or as an alternative to, or substitute for, measures of financial performance prepared in accordance with GAAP. The Company believes that EBITDA is an indicative measurement of the Company's operating performance and is similar to performance metrics generally used by investors to evaluate other companies in the resort and lodging industries. We do not provide forward-looking guidance for certain financial measures, such as EBITDA, on a GAAP basis because we are unable to predict certain items contained in the GAAP measures without unreasonable efforts.

SOURCE Vail Resorts, Inc.

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Additional assets available online: Photos (1)

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