Registration number: 03157553

Magical Cruise Company, Limited

Annual report and financial statements

for the year from 29 September 2024 to 27 September 2025

Magical Cruise Company, Limited

Contents

Magical Cruise Company, Limited

Strategic report for the year from 29 September 2024 to 27 September 2025

The Directors present their Strategic report of Magical Cruise Company, Limited (the "Company") for the financial year from 29 September 2024 to 27 September 2025 (prior financial year from 1 October 2023 to 28 September 2024).

The trade name "Disney Cruise Line" refers to the combined operations of Magical Cruise Company, Limited and its wholly owned subsidiary DCL Island Development, Ltd. The financial information presented herein reflects only the results of Magical Cruise Company, Limited, and does not include the results of other entities that operate under the Disney Cruise Line brand or are otherwise part of the Disney Cruise Line business within the ultimate parent company's corporate structure.

The Company is a subsidiary within the Group of companies of which The Walt Disney Company is the ultimate parent company (the "Group").

Principal activities and business review

The principal activity of the Company is the operation of Disney-themed luxury cruise vessels. The Company anticipates that its activities will remain unchanged in the foreseeable future.

The Company's profit for the financial year is $302,705,000 (2024: $347,377,000).

Revenue for the financial year is $3,005,108,000, which is a 20% increase from financial year 2024, reflecting strong passenger demand following the successful launch of the Disney Treasure in December of financial year 2025.

The Company remained highly profitable during the financial year while managing various one-time costs associated with business growth initiatives, including pre-operational expenses for upcoming fleet additions such as the Disney Destiny and Disney Adventure. Maiden voyages for the Disney Destiny and Disney Adventure took place in financial year 2026. During the financial year, the Company incurred incremental costs from higher passenger and landing fees at Bahamian private island destinations-Castaway Cay and Lighthouse Point-charged by its wholly owned subsidiary, DCL Island Development, Ltd.

The Company operated a six-ship vacation cruise line during the financial year, serving ports in North America, Europe, and the South Pacific:

Ship	Weight (tons)	Staterooms
Disney Magic	85,000	875
Disney Wonder	85,000	875
Disney Dream	130,000	1,250
Disney Fantasy	130,000	1,250
Disney Wish	140,000	1,250
Disney Treasure	140,000	1,250

The ships are designed to cater to families, children, teenagers, and adults, offering themed areas and activities tailored to each guest group. Many cruise itineraries include visits to Disney Castaway Cay, a 1,000-acre private Bahamian island, or Disney Lookout Cay at Lighthouse Point, which opened in June 2024 and encompasses approximately 600 acres on the island of Eleuthera. These island destinations are owned and operated by the Company's subsidiary, DCL Island Development, Ltd.

With effect from 2 October 2023, the Company entered into a $650,000,000 revolving credit facility as lender with its wholly owned subsidiary, DCL Island Development, Ltd. The facility's maturity was subsequently extended from 27 December 2024 to 25 September 2025. On 25 September 2025, the outstanding loan balance of $621,261,000 was settled through the issuance of shares to the Company by DCL Island Development, Ltd.

On 24 October 2024, the Company issued 1,235,139,725 ordinary shares to Wedco EMEA Ventures Limited in exchange for cash.

During the financial year, the Company received $2,874,000 of dividend income (2024: $15,335,000) from its investment in The Walt Disney Company Africa (Pty) Limited, which positively contributed to profit before taxation.

Future developments

In financial year 2025, the Company has seen consumer demand continue to remain strong with higher spending rates exceeding the comparable actual spend in financial year 2024. In financial year 2026, spending rates will vary or adjust as the Company broadens its destinations and itineraries due to fleet growth.

The Company anticipates this strong financial performance will continue in financial year 2026 with expanded capacity from the Disney Destiny and the Disney Adventure fleet additions.

The Disney Destiny cruise ship was delivered in October 2025 (financial year 2026), joining the existing fleet as an approximately 140,000 ton vessel with 1,250 staterooms.

The Disney Adventure cruise ship sailed its maiden voyage in March 2026 (financial year 2026), as an approximately 200,000 ton vessel with 2,100 staterooms and will initially operate in Southeast Asia.

Magical Cruise Company, Limited

Strategic report for the year from 29 September 2024 to 27 September 2025 (continued)

Future developments (continued)

In August 2024, the Group announced plans to add four additional new cruise ships. All four vessels are under contract and are scheduled for delivery between 2027 and 2031. The Board of Directors continue to remain optimistic about the future of the Company.

Going concern

The Directors have undertaken an assessment by reviewing a cash flow forecast extending to a period no less than 12 months from the date of the financial statements, including consideration of downsides, noting that the Company was in a net current liability position as of 27 September 2025. Whilst on the basis of this assessment they fully expect to be able to meet the day to day cashflow needs of the Company, they have received assurances of continued financial support from a fellow Group undertaking, in the form of a letter of support, to guarantee the Company will meet its liabilities as they fall due without significant curtailment of operations for a period of at least 12 months from the date of these financial statements being signed.

The Company has a net current liability position partly due to amounts owed to group undertakings of $708,056,000 which grew due to cash being required elsewhere in the business relating to the Disney Destiny and Disney Adventure fleet additions. The balance significantly reduced post financial year end as expected. Amounts owed to other group companies are settled from operating cash flows.

Deposits received on cruises, accounted for as deferred income and presented as current liabilities, have increased year-on-year to a balance of $1,064,836,000 as at 27 September 2025. This will be recognised as revenue in future financial years in line with the Company's revenue recognition policy.

The settling of the $621,261,000 loan amount owed by DCL Island Developments, Ltd through issuance of shares by the subsidiary in September 2025 caused a decrease in current assets (amounts owed by group undertakings) and corresponding increase in fixed assets (investments) as of 27 September 2025. This has been recorded as an investment addition during the year.

As at the 27 September 2025, the Company has a strong net asset position of $5,233,355,000, a significant increase from $3,322,031,000 as at 28 September 2024.

On the basis of their assessment of the Company's financial position, its resources and support from fellow group companies, the Directors believe that the Company is well placed to manage its business risks. Therefore, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Principal risks and uncertainties

The Company's principal risks and uncertainties and future outlook are integrated with those of The Walt Disney Company (the "Group" or "Disney") and are not managed separately. Accordingly, the risks and uncertainties of the Group, which include those of the Company, are discussed in the Group's annual report which does not form part of this report. However, the Directors view the following as being the principal risks facing the Company:

1) Our sales may be adversely affected by changes in economic factors, political uncertainty and changes in consumer spending patterns

Many economic and other factors outside our control can affect consumer spending habits. A deterioration in the global financial markets and economic environment, recessions or an uncertain economic outlook adversely affects consumer spending habits and results in lower levels of economic activity. An increase in price levels generally, or in price levels in a particular sector such as the energy sector, could result in a shift in consumer demand away from the products and services we offer, which could also adversely affect our revenues and increase our costs. Any of these events and factors could cause consumers to curtail spending and have a negative impact on our financial performance and position in future financial years.

2) Our industry is highly competitive and competitive conditions may adversely affect our revenues and overall profitability

The cruise industry is highly competitive and our results of operations are sensitive to, and may be adversely affected by, competitive pricing and other factors.

3) A variety of uncontrollable events may reduce demand for our products and services, impair our ability to provide our products and services or increase the cost of providing our products and services

Demand for and consumption of our products and services, is dependent on the general environment for travel and tourism. The environment for travel and tourism, as well as demand for and consumption of other entertainment products, can be significantly adversely affected globally or in specific regions as a result of a variety of factors beyond our control, including: adverse weather conditions arising from short-term weather patterns or long-term change, catastrophic events or natural disasters; health concerns; international, political or military developments; and terrorist attacks. These events and others may also damage our ability to provide our products and services or to obtain insurance coverage with respect to some of these events.

Principal risks and uncertainties (continued)

4) Changes in regulations applicable to our businesses may impair the profitability of our businesses

These regulations may include, but are not limited to:

- Federal, state and foreign privacy and data protection laws and regulations
- Regulation of the safety and supply chain of consumer products and Cruise Line operations
- Domestic and international wage laws, tax laws or currency controls
- Environmental protection regulations

5) Fuel prices

Fuel is a significant portion of overall costs. The Company is exposed to commodity price changes. The Company employs several levers to reduce exposure to fuel price fluctuations, such as price hedging strategies, fuel vendor diversification, and securing future supply through offtake agreements. With respect to the risks the Directors regularly review such matters to mitigate their respective impact on the Company.

6) Protection of electronically stored data and other cybersecurity is costly, and if our data or systems are materially compromised in spite of this protection, we may incur additional costs, lost opportunities, damage to our reputation, disruption of service or theft of our assets

We maintain information necessary to conduct our business, including confidential and proprietary information as well as personal information regarding our customers and employees, in digital form. We also use computer systems to deliver our products and services and operate our business. Data maintained in digital form is subject to risks that may result in disruptions in service. If our information or cyber security systems or data are compromised, our ability to conduct our business may be impaired, we may lose profitable opportunities or the value of those opportunities may be diminished. If the personal information of our customers or employees is misappropriated, our reputation with our customers and employees may be damaged and we may incur costs to remediate possible harm or damages arising from litigation and/or to pay fines or take other action with respect to judicial or regulatory actions arising out of the incident.

7) Damage to our reputation or brands may negatively impact our Company

Disney's reputation and globally recognisable brands are integral to the success of the Company. Disney brands engage consumers across different Disney businesses, so damage to reputation or brands in one business may have an impact on other brands.

8) We face risks related to environmental, social and governance matters and any related reporting obligations

International regulators and other stakeholders are increasingly focused on environmental, social and governance matters. For example, new domestic and international laws and regulations have been adopted or are under consideration, some of which include specific, target-driven disclosure requirements or obligations. Our response has increased our compliance costs, including from increased investment in technology and appropriate expertise and required the implementation of new reporting processes, entailing additional compliance risk.

Key performance indicators ("KPIs")

The Company's KPI's are as follows:

Measure	**Description**	**Year ended 27 September 2025 $'000**	**Year ended 28 September 2024 $'000**
Turnover	Total revenue for the financial year	**3,005,108**	2,498,195
Profit	Overall profit for the financial year	**302,705**	347,377

For the financial year ended 27 September 2025, year-to-date occupancy remained robust at 97% (2024: 98%). As from December 2025, passenger volumes increased, driven by the Company's expanded fleet capacity.

Profitability decreased year-over-year, caused in large part by costs being incurred relating to future fleet additions for the Disney Destiny and the Disney Adventure during the financial year ended 2025. Both ships began operating during the financial year ending 2026. Looking ahead, the Company expects to maintain strong profitability in financial year 2026, supported by capacity growth from the Disney Treasure (October 2024), the Disney Destiny (October 2025), and the Disney Adventure (March 2026).

The Company's future outlook remains positive, underpinned by planned continued investment in new cruise ships.

Magical Cruise Company, Limited

Strategic report for the year from 29 September 2024 to 27 September 2025 (continued)

Section 172(1) statement

As a subsidiary within the Group of companies of which The Walt Disney Company is the ultimate parent company (the "Group"), the Company is subject to organisational and management systems which enable the Board of Directors ("the Board") to oversee governance of the activities of the Company. As is normal for large companies, the Board delegates authority for day-to-day management of the Company to the managers responsible for management of the Company. The Board ensures that when applying Group policies and delegating responsibility for operational matters to the managers, it does so with due regard to its fiduciary duties and responsibilities.

The Directors of the Company are aware of their duty under section 172 of the Companies Act 2006 to act in a way that they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. In doing so they have considered (amongst other matters) factors (a) to (f) listed below:

a) the likely consequences of any decision in the long term;
b) the interests of the Company's employees (also known as "Cast Members");
c) the need to foster the Company's business relationships with suppliers, customers (known as "Guests") and others;
d) the impact of the Company's operations on the community and the environment;
e) the desirability of the Company maintaining a reputation for high standards of business conduct; and
f) the need to act fairly between members of the Company.

In performing their duties under section 172, the Directors of the Company have had regard to the matters set out in section 172(1) as follows:

a) The likely consequences of any decision in the long term

We are aware that our decisions and strategies can have long-term effects on our business and its stakeholders. Therefore we aim to make well informed, fair and balanced decisions. Our key stakeholders include Crew Members, Cast Members, Guests, home ports and ports of call, regulators and suppliers who are at the forefront of our minds when making decisions.

The decision of the Company to convert the loan balance due from DCL Island Developments, Ltd of $621,261,000 into a further investment in the subsidiary demonstrates its commitment to invest in The Bahamas based operations. The two island destinations operated by DCL Island Developments, Ltd support the cruise offerings of the Company as unique Disney-themed experiences to be enjoyed by guests of those cruises that journey to the islands.

The Company is experiencing a period of unprecedented growth with the addition of new ships to the fleet. These new ships help support the future of Disney's growing cruise business and are part of its long-term strategy to bring Disney to new audiences and new places around the world.

The Disney Treasure embarked on its maiden voyage on 21 December 2024, sailing Eastern and Western Caribbean itineraries from Port Canaveral, Florida, USA. The Disney Destiny embarked on its maiden voyage from Port Everglades in Fort Lauderdale, Florida, USA, on 20 November 2025, followed by an inaugural season of cruises to The Bahamas and Western Caribbean.

The Company sees great growth potential in Asia as one of the most dynamic, culturally diverse, and well-connected travel regions in the world. Consumers in this region have shown a strong affinity for Disney, and the Company has ample room to grow based on the current footprint of its fleet and global market share.

Company ships will sail from Singapore's Marina Bay Cruise Centre for at least five years as part of a collaboration with the Singapore Tourism Board.

With the Company's expansion in the Asia-Pacific region, it was announced in August 2025 that the Disney Wonder would not return to Australia and New Zealand following the conclusion of the 2025-2026 season in February 2026. The Disney Wonder will instead offer cruise sailings in places such as Alaska and the Mexican Riviera.

For further information on our cruise ships and related announcements, please visit our webpages at: https://disneycruise.disney.go.com/en-gb/ships/ and https://disneyexperiences.com/dcl-press/release/.

b) The interests of the Company's employees

We strive to provide exceptional service that reflects our iconic brand, enabled by the passion and hard work of our Cast and Crew. We understand the importance of our employees to our long-term success and are committed to providing a safe working environment and appropriate training and development.

Magical Cruise Company, Limited

Strategic report for the year from 29 September 2024 to 27 September 2025 (continued)

Section 172(1) statement (continued)

b) The interests of the Company's employees (continued)

The Company complies with, and in some cases exceeds, the requirements set forth in the International Labour Organisation's ("ILO's") Maritime Labour Convention ("MLC") which governs almost all aspects of working aboard a ship. Crew Members are organised through a collective bargaining unit ("union") through the Federazione Italiana Transporti ("FIT"). The current union agreement went into effect on 1 January, 2023 and is binding for four years. It stipulates compensation, benefits, working hours, and contract lengths for the range of work positions on-board.

Disney Cast and Crew Members receive a wide range of employment benefits. While on contract in service of the ship, Crew Members receive medical care by the on-board medical team. Officers are offered full health benefits year-round when signed to a contract. Crew Members have access to mental health resources through an Employer Assistance Program offered in multiple languages, as well as access to online resources and wellness content offered on-demand via Crew stateroom TVs.

All Company crew members are eligible to participate in a company sponsored retirement savings program.

The Company is committed to creating a workforce of talented people that enables us to expand our reach across global markets and make a positive impact on our communities.

c) The need to foster the Company's business relationships with suppliers, customers and others

We pride ourselves on delivering exceptional service and world-class family holidays. We have strong relationships with our suppliers and work closely with them to provide our Guests with high quality experiences and products.

Guests

Creating holiday experiences for our Guests is the primary motivation of our dedicated Cast and Crew Members. Disney Cruise Line is considered a leader in the cruise industry by travel professionals, hospitality industry groups, and most importantly - by our Guests. Our team is specifically trained to assist our Guests with their holiday needs and consistently receives some of the highest Guest Service satisfaction ratings within our Company.

Suppliers

The Company has high standards for suppliers and has a thorough process for sourcing products and services of high quality and value. Suppliers are held to the Company's International Labour Standards and Code of Conduct for Suppliers. Our supply chains follow Company policies and comply with UK government regulations. Food and beverage suppliers must follow a uniform set of guidelines that meet both Company and local standards, including conducting periodic sanitation and safety audits and maintaining liability insurance.

The Company also partners with travel agents for a significant source of cruise bookings. Travel agents must be a registered Member supplier in good standing with the Cruise Line Industry Association or the International Air Transport Association ("IATA"), and supply proof of all qualifying tax and other documentation required to do business as a travel agent/agency in its domestic and international markets. Travel agents and agencies must operate ethically, representing the Disney Cruise Line brand in good faith and providing accurate marketing and information about Disney Cruise Line's products.

Port Communities

The Company is mindful of its impact on local communities. We engage on an ongoing basis with relevant stakeholders including port authorities, ministers of tourism, shore excursion operators, and other in-destination partners to understand how we can best collaborate with them to maximise the positive impacts of our business on their communities.

The Company takes careful steps to ensure it respects the communities, environment and culture of each of its destinations through collaboration with stakeholders in ports of call. This includes understanding how to introduce our brand most appropriately to those communities, as well as introduce the unique character and culture of each destination to Disney Cruise Line guests. We source products in our ports of call when it meets our quality standards, and we work with a variety of tour providers in each destination to diversify our products.

d) The impact of the Company's operations on the community and the environment

Community

The Company takes a strategic approach to setting our corporate social responsibility ("CSR") priorities, addressing issues that are important to our businesses and to the communities where we operate. We regularly monitor issues and evolve our efforts to ensure we remain focused on the economic, environmental, and societal matters that impact those we serve. Through financial contributions, collaborations with nonprofit organisations, in-kind donations, and employee volunteering, Disney brings positive, meaningful, and measurable impact to our communities around the world.

Section 172(1) statement (continued)

d) The impact of the Company's operations on the community and the environment (continued)

Community (continued)

Throughout the year, Crew Members lead reading education programs in schools, give to local youth organisations and bring Disney characters to entertain children in port communities around the globe. Disney Volunteers also donate their time to plant micro-gardens at underserved schools, lead career exploration conversations for students interested in maritime careers, raise funds for worldwide disaster relief efforts, and host regular shore clean-ups to remove litter and debris from coastlines. Each year, Cast and Crew Members donate thousands of hours of their personal time to benefit worthwhile causes in port communities around the world.

During financial year 2025, Disney Cruise Line introduced *Treasure Tomorrow*, a program that expanded the Company's commitment to creating lasting, positive impacts in various port communities. During the Disney Treasure's inaugural season, the initiative funded and supported a variety of community-building efforts through career exploration programs for students in each port the Disney Treasure visits, both in Florida and across the Caribbean.

Learn more about Disney's support for the community at https://disneyexperiences.com

Environmental

The Directors are committed to supporting the Group's strategy for a sustainable future through actions that reduce environmental impact.

The Walt Disney Company has 2030 environmental goals that include emissions reduction targets for Scopes 1, 2 and 3, which were validated by the Science-Based Targets initiative (SBTi) in 2023. Further details on the Group's environmental global strategy and its 2030 goals, are available at: https://impact.disney.com/environmental-sustainability/

Environmental strategies adopted by the Company include:

- Reducing Greenhouse Gas (GHG) emissions intensity through partially powering ships using alternative fuels, including Liquified Natural Gas (LNG) and Hydrotreated Vegetable Oil (HVO);
- Investing in emerging technological innovation for low carbon ship fuels (e.g. bio-LNG, green methanol, and others);
- Reducing reliance on water from local port communities by fitting reverse osmosis systems on-board ships;
- Sourcing sustainable seafood for our ships;
- Minimising risk that waste enters seas and oceans through wastewater treatment and waste management;
- Pursuing zero waste to landfill by 2030, including a 50% minimum food waste diversion;
- Targeting the estimation of non-essential single-use plastics on-board ships by 2025.

Directors and management support these Group goals and wider environmental considerations to inform Company decision-making and sourcing processes. The Group's environmental performance and progress towards its 2030 goals is reported in the latest Sustainability & Social Impact Report (S&SI) available for download from: https://impact.disney.com/

In financial year 2025, the Disney Treasure produced nearly all its potable water using an onboard reverse osmosis system. The Disney Dream's onboard reverse osmosis system was upgraded early on in financial year 2025 and is now enabling the ship to meet all of its potable water needs at sea. Producing potable water onboard reduces reliance on municipal water supplies and eliminates the need to source water from port communities.

Disney Cruise Line eliminated 93% of all non-essential, single-use plastics by the end of financial year 2025, which includes more than 99% of guest-facing, single-use plastics onboard its ships and at its island destinations. Certain essential single-use plastics will continue to be required for health and safety purposes. Disney Cruise Line will continue to implement strategies such as bulk purchasing and requesting non-plastic packaging options.

e) The desirability of the Company maintaining a reputation for high standards of business conduct

We are committed to operating our businesses with integrity and adopting governance policies that promote the thoughtful and independent representation of our stakeholders' interests. The Board of Directors has adopted Corporate Governance Guidelines which address, among other things, the composition and functions of the Board of Directors. Our Board of Directors is also expected to uphold our Code of Business Conduct. Similarly, the Group Company's Standards of Business Conduct are applicable to all Cast Members of the Company including Board Members.

We regularly engage our leaders and Cast Members on these Standards through training and other forms of communication. It is compulsory that all office-based Cast Members complete the mandatory online courses, examples include: Standards of Business Conduct, Bribery and Avoiding Corrupt Business Practices.

Acting responsibly and conducting our business ethically is an integral part of our brand.

Magical Cruise Company, Limited

Strategic report for the year from 29 September 2024 to 27 September 2025 (continued)

Section 172(1) statement (continued)

f) The need to act fairly as between members of the Company

The Company's immediate parent company up until 30 April 2025 was Wedco EMEA Ventures Limited, incorporated in England and Wales in the United Kingdom. On 1 May 2025 Wedco International Holdings, Inc also became an immediate member of the Company, being the ultimate beneficiary of a distribution of 12.069% of the shares in the Company. Wedco International Holdings, Inc is incorporated in the United States of America. The Company is a wholly owned member of a group of companies whose ultimate parent Company is The Walt Disney Company ("TWDC"). Magical Cruise Company, Limited is consolidated within TWDC results as part of the Experiences Segment. Our parent company as well as TWDC are aware of key decisions and the financial performance of the Company and take a keen interest in the strategies and future outlook of the Company.

Non-financial and sustainability information statement

1. Introduction

Effective for years commencing on or after 6 April 2022, the Climate-related Financial Disclosure Regulations 2022 ("Regulations") were introduced in the UK, requiring certain qualifying companies to report on principal climate-related matters and their impact on the business. For financial year 2025, the Company is required to comply with the Regulations.

This disclosure has been prepared in accordance with the Regulations and provides the required information.

The main activity of the Company is the operation of Disney themed luxury cruise vessels. The Company is actively monitoring the potential climate-related risks (physical and transition) and opportunities (as indicated in section 3 below), that could reasonably be expected to impact the Company. As one part of its strategy to mitigate risks, the Company contributes to the Group's science-based climate-related targets.

2. Governance

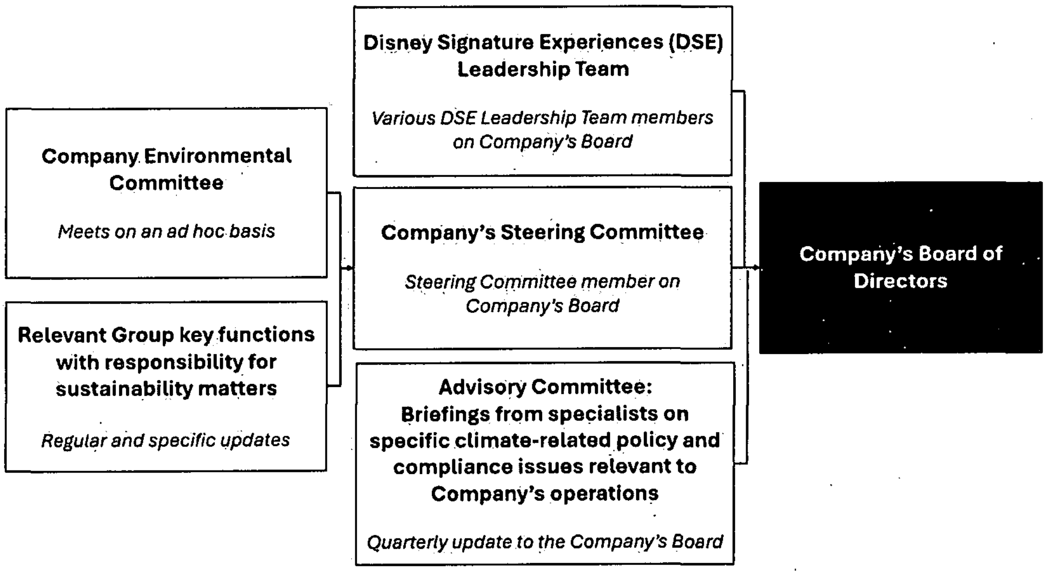

Chart 1: Delivery of reporting by key functions to Company's Board of Directors.

Non-financial and sustainability information statement (continued)

2. Governance (continued)

The Board of Directors of The Walt Disney Company, the Company's ultimate parent, and its committees oversee significant risks, including those related to environmental matters, and receive updates from management on relevant policies, compliance and reporting. The Governance and Nominating Committee is comprised entirely of independent Directors. The Walt Disney Company posts the charter of this committee on its website.

Several key functions provide coordinated oversight of the assessment and management of climate-related risks and opportunities and their potential business impacts. These include Environmental Sustainability, Enterprise Risk Management, Global Public Policy, Legal, Finance and our business segments. Ultimately, the Environmental Sustainability function and members within the Finance function oversee the process of identifying potential climate-related risks and opportunities and report up to the Chief Legal & Global Affairs Officer and Chief Financial Officer, respectively.

The Group's Global Public Policy team collaborates across the enterprise to set Group environmental goals and policies, including with the Company's Safety, Sustainability and Medical Operations team.

The Company has a number of people working in key functions, responsible for assessing and managing day-to-day climate-related risks and opportunities associated with its business. This includes a group dedicated to safety, sustainability and medical operations, a group dedicated to maritime and engineering operations and a group dedicated to port strategy. The leadership of these teams, amongst others, provide regular updates to the Steering Committee or the relevant members of the Disney Signature Experiences (DSE) Leadership Team.

Leadership and key functions with responsibility for environmental sustainability matters at both Company and Group level collaborated throughout financial year 2025, including on strategies related to climate-related risk management. In financial year 2025, the advisory committee on climate-related matters was formed and the frequency of updates on climate-related issues to the Company's Board was increased. During financial year 2025 the Directors of the Company's Board, including the Board Director with oversight of climate, environment, and sustainability-related issues, were formally updated on climate-related, environmental and sustainability matters four times by the Vice President of Safety, Sustainability and Medical Operations. Topics covered included fuel, Greenhouse Gas (GHG) emissions, water, waste, and sustainable design.

A Steering Committee for the Company meets weekly and includes representatives from all core business functions within the Company. One member of the Steering Committee is also on the Company's Board of Directors. As outlined above, the Steering Committee is briefed by the Vice President of Safety, Sustainability and Medical Operations and considers potential recommendations to present to the Company's Board of Directors regarding the management of climate-related issues, including but not limited to fuel efficiency and energy conservation, waste minimisation, water purification, environmental efforts, weather response, risk planning and strategy, as applicable.

The work of the Steering Committee is complemented by that of the Disney Signature Experiences ("DSE") Leadership team, which comprises three members of the Company's Board of Directors and meets weekly. The DSE Leadership team is briefed on the Company's climate-related risks and opportunities, including environmental policy and compliance relevant to the Company's operations, by the Vice President of Safety, Sustainability and Medical Operations.

Environmental Committees for each ship meet monthly, with a distinct Company Environmental Committee meeting on an ad hoc basis. The Company Environmental Committee include representation from a number of expert functions. The Company Environmental Committee meeting identifies, assesses and manages specific climate-related risks, planning, compliance, and practice in accordance with the strategic policies approved by the Company's Board of Directors. This Committee also informs, through the Vice President of Safety, Sustainability and Medical Operations, the Steering Committee on environmental and climate-related matters.

3. Risk Management

Overview

The Company is responsible for identifying climate-related risks and opportunities, including those that impact its business over the short, medium and long-term through regular policy and business assessments with the input of relevant teams from the Group including those with responsibility for Environmental Sustainability, Legal and Global Affairs, Finance and International Sustainability reporting. It employs a mix of general risk management tools and tools specific to understanding climate impacts. It identifies significant physical and transition risks and opportunities through multi-disciplinary management, market-based assessment, qualitative scenario analysis, and other tools and approaches. For example, the Company maintains a risk register through which climate risks are assessed and managed in the context of operational hazards such as extreme weather events on cruise voyages. This is done via a Continuity Planning Tool that is managed by the Company's Vice President of safety, sustainability and medical operations.

To manage the potential financial impact of potential risks, and support business continuity, the Group uses risk financing strategies including self-insurance, contractual risk transfer, commercial insurance, portfolio diversification and alternative risk financing techniques. The Group's Enterprise Risk Management function provides insights by working across the entire Group, together with business segments and units to help identify, assess, and mitigate operational risks-including those related to environmental matters with these risk financing strategies. In addition, the Company addresses risks specific to climate through asset planning, resilience planning, and through emissions reduction efforts in support of the Group emissions reduction targets. Please refer to Section 6 for further details on the Group's targets, the Company's targets, and performance against those targets.

Risk Identification Process

In 2023, the Company engaged an independent third party to assist in its assessment of climate-related risks and opportunities across the short, medium and long-term. The Company and relevant legal and public policy teams in the Group track emerging climate-related policies and regulations in sectors and regions where it operates.

In December 2023 and early 2024, the Company conducted a climate risk and opportunity identification and assessment process to augment its regular, ongoing assessment of risks and opportunities. As part of this analysis, the Company's operations and strategies were assumed to remain at 2023 levels, however the model assumed that the cruise industry adapted to the evolving temperature pathways over the short to long-term time horizons.

The process began with an inventory of potential risks and opportunities based on multiple sources including the mandatory climate-related financial disclosures by publicly quoted companies, large private companies and LLPs non-binding guidance, the Taskforce on Climate-Related Financial Disclosures ("TCFD") Implementation Guidance, input from an external expert firm and from relevant experts inside the Company. The inventory included transition risks associated with potential regulatory and market shifts associated with a transition to a low-carbon economy, and opportunities arising from efforts to mitigate and adapt to climate change (e.g. low carbon products, new markets and energy savings). It also considered physical risks associated with potential exacerbation of physical hazards associated with climate change.

Transition risks considered included:

- Shifts in labour prices
- New mandates and regulations
- Reduced spend by customers
- Increased carbon pricing
- Increased cost of raw materials
- Changes in energy and fuel costs
- Uncertainty in policy continuity
- Reputational risks associated with environmental matters
- Fluctuating travel costs
- Changes in business seasonality
- Supply chain risk for third parties

Non-financial and sustainability information statement (continued)

3. Risk Management (continued)

Risk Identification Process (continued)

Physical risks considered included:

- Wind
- Thunderstorm
- Precipitation
- Flood
- Hail
- Heat
- Drought
- Wildfire
- Cold

In January 2026, the Company risk assessment was reassessed internally and it was determined there were no significant policy, business or technological changes from financial year ending 30 September 2023 ("financial year 2023") through the financial year ending 27 September 2025 ("financial year 2025") that would require a change to the conclusions reached in the financial year 2023 climate-risk and opportunity and assessment process for financial year 2025.

Risk Assessment Process

Following a broad business review which considered the potential impacts of all the above to the Company's business, a long-list of potential climate-related transition and physical risks and opportunities was identified for further evaluation. A review was conducted using relevant Group and Company documents and data, supplemented with internal experts' judgement, to develop this long-list. Consideration was given to the potential impacts of the above-mentioned risks and opportunities to the Company's business. The potential financial impacts of these risks and opportunities were assessed against the relevant elements of the Company's Income Statement and Statement of Financial Position, in addition to other factors including the ownership structure of physical sites and how important these sites are to the Company.

A series of internal workshops was then conducted in light of the above, with cross-functional experts from the Company, the Group and external advisors, to refine the long-list into a short-list of potential principal climate-related risks and opportunities. At this stage, the assessment did not consider actions already in place or being considered to mitigate risks or take advantage of opportunities.

These short-listed risks and opportunities were carried forward for detailed risk mapping and scenario analysis across three dimensions:

- Impact: the potential financial impact of the risk or opportunity
- Likelihood: the probability of the risk or opportunity occurring
- Timeframe: potential impact associated with the risk or opportunity, over three-time horizons (see table below)

Timeframe	Year	Rationale
Short	2030	Aligned to the timing of the Company's forecasting and planning process and the Group's 2030 environmental goals.
Medium	2040	Aligned with timing of the Company's medium term forecast and planning process.
Long	2050	Aligned with UN (United Nations) net-zero emissions goal time horizon.

The process taken for scenario analysis of shortlisted risks and opportunities included but was not limited to:

- Use of economic projections from a third party's Integrated Assessment Model (IAM) to help provide projections for potential fuel price increases and carbon taxes in different climate scenarios.
- Use of a third party physical risk analysis to help provide projections for potential physical risk impacts under the different climate scenarios.

Non-financial and sustainability information statement (continued)

4. Principal Risks

Based on this assessment and related scenario analysis, the Company's Board of Directors concluded and have reconfirmed for financial year 2025 that the Company faces three principal physical risks and three principal transition risks, per table 4.1. The rationale for selecting these risks is provided in table 4.2. The Board of Director's view on actual and potential impacts on its business model and strategy is provided in table 4.3.

Table 4.1

#	Risk type	Principal Risk
1	Transition	Risk from increased fuel prices
2	Transition	Risk from direct carbon pricing mechanisms
3	Physical	Risk of site damage from climate hazards in The Bahamas
4	Physical	Risk of business interruption from exposure to physical climate hazards in The Bahamas
5	Physical	Risk of business interruption from exposure to physical climate hazards in Florida
6	Transition	Risk of cruise travel demand reduction due to consumers' changing climate values

Table 4.2

#	Principal risk	Rationale for selection and impacts on the Company's business model and strategy
1	Risk from increased fuel prices	Fuel is a significant portion of overall costs. The Company currently uses a range of fuels including Marine Gas Oil (MGO), Liquified Natural Gas (LNG) and Hydrotreated Vegetable Oil (HVO). The Company is also exploring potential use of green methanol and biogas. Each faces price pressure. Lower carbon fuels such as HVO and green methanol come with some price premiums and also face price pressure because supply may remain low as the nascent industry develops, and demand is likely to grow, as many players in marine shipping and cruise line seek to actively decarbonise. Fossil-fuels such as MGO and LNG could experience significant price increases primarily driven by the adoption of carbon pricing mechanisms.
2	Risk from direct carbon pricing mechanisms	The Company operates in jurisdictions with mandatory carbon pricing mechanisms, with some jurisdictions implementing measures on a relatively fast timeline. For example, from 1 January 2024, the European Union Emissions Trading System ("EU ETS") has included the maritime sector in its scope. In addition, the IMO 2023 strategy for GHG emissions reduction calls for global pricing mechanisms to reduce the gap between sustainable and conventional fuels. Actual carbon prices may be different in different regions.
3	Risk of site damage from climate hazards in The Bahamas	The Company has an investment in a subsidiary which owns two island destinations in The Bahamas: Castaway Cay and Lookout Cay. Castaway Cay has already faced site damage due to hurricanes. Lookout Cay faces future similar exposure to hurricane-related hazards.

Non-financial and sustainability information statement (continued)

4. Principal Risks (continued)

Table 4.2 (continued)

#	Principal risk	Rationale for selection and impacts on The Company's business model and strategy
4	Risk of business interruption from exposure to physical climate hazards in The Bahamas	The Company operates a significant number of cruise voyages to and around two destinations in The Bahamas, Castaway Cay and Lookout Cay. Castaway Cay has previously faced business interruption due to hurricanes, while Lookout Cay faces future similar exposure to hurricane-related business-interruption hazards. There is a risk that business interruption due to physical climate hazard may impact sailings and potentially revenue streams of the Company.
5	Risk of business interruption from exposure to physical climate hazards in Florida	The Company relies on three main sites in Florida: A cruise terminal at Port Canaveral in coastal Central Florida; a cruise terminal at Port Everglades in coastal South Florida; and a headquarters office in Celebration in inland Central Florida. While the Company does not own these locations, each has previously faced the impact of hurricanes. Each of these Florida locations face business interruption risks that could remain significant or worsen as a result of climate change. Many of the Company's itineraries depart from these terminals and sail in Caribbean waters that experience hurricanes. Business interruptions in the form of forced cancellations, rescheduling and rebooking of sailings have already occurred.
6	Risk of cruise travel demand reduction due to consumers' changing climate values	Ticket sales constitute most of the Company's total revenue and are potentially at risk if there is reduction in cruise sector activity as a result of environmental concerns. While this is not evident in consumer interest and bookings today, the Company expects some consumers may evaluate climate impacts of different travel options, reducing demand for long-distance travel or travel in hard to abate sectors like air travel and large ship cruising.

Table 4.3

#	Principal risk	Impacts on the Company's business model and strategy
1	Risk from increased fuel prices	There are two main impacts of the risk of increased fuel prices on the Company's business model and strategy: (A) the Company's use of multiple levers to reduce fuel use and emissions throughout the fleet; and (B) the Company's use of multiple methods to reduce exposure to fuel price fluctuations through fuel supply diversification. **A. The Company employs several levers to reduce fuel use and GHG emissions, as part of a comprehensive emissions reduction strategy. For example:** (1) New ship energy efficiency. The Company added the Disney Treasure in 2024. This, and future ships in this ship class, are designed to comply with the more stringent Energy Efficiency Design Index (EEDI) regulation that is required by the International Maritime Organization. EEDI requires that new build ships attain a 30 percent calculated reduction in emissions based on the 2008 baseline. Some of these design standards include enhanced hull hydrodynamic design, waste heat recovery, and efficient lighting systems.

Non-financial and sustainability information statement (continued)

4. Principal Risks (continued)

Table 4.3 (continued)

#	Principal risk	Impacts on the Company's business model and strategy
1	Risk from increased fuel prices (continued)	(2) Existing ship energy efficiency. The Company has established energy efficiency programs that extend beyond the new build program and have been integrated into the operation of the existing fleet. Each ship class has implemented a variety of programs aimed to improve energy and fuel efficiency. Similarly to the EEDI, all existing ships have been assigned an Energy Efficiency Existing Ship Index (EEXI), which is an assessment of the ship's efficiency based on its current design and installed equipment. The EEXI sets a specific limit on propulsion power for each ship that is designed to limit, by operational control, a ship's emissions. The EEXI is determined by the ship's classification society, Lloyd's Register and DNV in the case of the Company fleet, and approved by The Bahamas Maritime Authority. A ship may only exceed the power limits in emergency conditions. a) Throughout the Company's fleet, efforts have been initiated to reduce energy demand with an emphasis on lighting improvements and Heating Ventilation and Cooling (HVAC) upgrades. Conventional lighting in the ships have been replaced with LED lighting. Waste heat generated for propulsion is recycled to improve the efficiency of the HVAC cooling process. Additional efficiency enhancement projects are in process, focused on a variety of onboard systems, ranging from reverse osmosis to projection systems. b) Ships have also implemented efficiency projects focused on propulsion including propeller enhancements, propulsion control, and reducing friction. The Disney Magic and Disney Wonder have implemented an Air Lubrication System which creates bubbles along the hull to decrease the friction between the hull and water. Ships have also implemented new hull coatings to remove biofouling to reduce drag and the Company has implemented a fleetwide system of routine hull cleaning to regularly remove hull growth which results in friction and inefficiency. Innovative hull cleaning technologies are being explored through the Company's Research and Development program. (3) Increasing shore supplied electricity. Shore supplied electricity (SSE) provides an excellent opportunity to reduce emissions. The Disney Magic, Disney Wonder, Disney Dream and Disney Fantasy are configured to receive SSE where available. The Disney Fantasy was upgraded to receive SSE after the financial year end. Currently, the only SSE available is on the US West Coast and Canada and in select ports in Europe. The Group regularly evaluates the energy efficiency of land-based electricity grids to assess whether ships connected to SSE grids are more sustainable than shipboard energy systems. (4) Using renewable electricity. DCL Island Development, Ltd., a subsidiary of the Company, maintains two island locations in The Bahamas that generate renewable electricity through installed solar energy systems. The system at Castaway Cay was commissioned in 2023 and is generating power for the facility. The Castaway Cay solar array and battery storage system contribute to the electricity currently consumed on the island, and the Company's objective is to increase this to 100% by 2030. Lookout Cay is designed to operate with 90% of the destination's electricity generated from renewable sources, with the goal to increase to near 100% by 2030. Using renewable electricity reduces the demand for diesel fuel to be supplied from ships and tankers to power site generators. Electrification of transportation, watercraft and other equipment is also being pursued in order to leverage the self-generated solar electricity.

Magical Cruise Company, Limited

Strategic report for the year from 29 September 2024 to 27 September 2025 (continued)

Non-financial and sustainability information statement (continued)

4. Principal Risks (continued)

Table 4.3 (continued)

#	Principal risk	Impacts on the Company's business model and strategy
1	Risk from increased fuel prices (continued)	(5) Optimising itineraries. Reducing fuel consumption by optimising itineraries for fuel efficiency is another lever employed by the Company. Ships' engines are designed to have optimal loads for efficiency, translating into an energy-efficient operating speed range. Ships frequently select routes that avoid severe weather systems, which require significant increases in power to maintain navigation safety. Additional itinerary optimisations will be considered in the future to reduce speed and emissions. The implementation of facial recognition systems by US Customs and Border Protection (CBP) in the United States allows for the more efficient disembarkation of guests, improving the efficiency of port operations, and resulting in less port time and the potential for speed reduction by ships. These efforts are funded through standard short term operational budget allocations, secured long-term budgets, among others. **B. The Company employs several levers to reduce exposure to fuel price fluctuations, while continuing to pursue its environmental goals** (1) Fuel type diversification: The Company operates using three different fuel types, with scope for more in future. Hydrotreated vegetable oil (HVO) is an alternative to Marine Gas Oil (MGO) and both products will be related to the same underlying markets and subject to the same price triggers. However, they do not move in parallel and therefore there is an opportunity for the Company to adjust the type of fuel purchased based on price and taking into accounts its emissions goals. Purchase location can also affect the price differential, so there is further strategic opportunity in planning where to purchase each fuel type. The new vessels (two currently in operation, two more to follow) will operate using Liquified Natural Gas (LNG), the market rates of which do not necessarily reflect the rates of MGO. Therefore, by operating three distinct fuel types across the fleet, the Company can potentially reduce its exposure to price increases in one of those markets. a) Price hedging strategies: The Company is currently able to hedge MGO out of Port Canaveral and Port Everglades, securing effective prices for bunkers in these locations. Hedge policy prescribes a 90% hedge maximum within the financial year, the equivalent of approximately 35% of total MGO volume. The Company may hedge at least two financial years ahead, but the hedge policy maximum percentage is lower for future years. Additionally, the Company can and has entered into fixed contract agreements with an LNG supplier, which has the same effect as a hedge. All LNG is currently delivered by a single supplier in Florida and therefore the Company is able to protect against price fluctuations on the vast majority of its LNG consumption (in the current financial year). The Company continues to explore opportunities for hedging fuel types in different locations. b) Fuel vendor diversification: Every financial year the Company negotiates with MGO suppliers in Port Everglades/Miami to provide fuel for the entire year under contract conditions that enable hedge accounting. This process enables the Company to compare the fuel premiums and quality of service from each prospective supplier. For locations around the world, the Company uses an agent to negotiate and source local fuel on their behalf. c) Securing future supply through offtake agreements: Due to the fledgling nature of the LNG market, the Company entered an agreement, following negotiations with different suppliers, to take a certain amount of volume over a period of ten (later revised to twelve) years from one particular supplier. This gave the supplier the confidence and security to invest in the necessary infrastructure, while the Company can rely on the availability of LNG for its new LNG-powered ships for the foreseeable future. A medium term pricing structure for LNG deliveries was also put in place as part of this agreement.

Non-financial and sustainability information statement (continued)

4. Principal Risks (continued)

Table 4.3 (continued)

#	Principal risk	Impacts on the Company's business model and strategy
2	Risk from direct carbon pricing mechanisms	1. During the transition to region-specific carbon pricing mechanisms, the Company is assessing strategies to manage financial exposure from allowance purchases, recognising that pricing distortions may be temporary. For example, a global pricing mechanism as is being considered by the IMO could potentially level the playing field among regions. The Company uses a minimum of a ten-year outlook when making fuel and efficiency project decisions, allowing for consideration of future carbon pricing impacts. 2. Notwithstanding the fact that the Company is implementing a comprehensive emissions reduction strategy, the Company will continue to face financial risk due to carbon pricing mechanisms enacted by the European Union and in development by the United Kingdom and IMO. While this financial risk is currently in effect in Europe, the implementation of a global pricing mechanism by the IMO could serve to create a uniform carbon pricing mechanism that will affect all operations. Therefore the emissions reduction strategy and resulting decrease in emissions, would reduce related financial consequences of direct carbon pricing mechanisms. That said, even assuming the Company contributes to the Group achieving its 2030 emissions reduction targets, there will still be expenses associated with purchase of carbon credits. These future carbon credit expenses have been incorporated into financial plans associated with the Group's 2030 goals. 3. For the EU Emissions Trading System (ETS), Italy was designated as the Administrative Authority for the Company, primarily based on the concentration of the Company's operations from Italian ports and destinations. Allowances based on the quantity of emissions in Europe are purchased and surrendered to the Administrative Authority based on 40% of emissions in 2024 and 70% in 2025. This will rise to 100% for 2026. To reduce the volatility of exposure associated with allowances, the Company regularly assesses market timing and locks in a specific amount of allowances based on European Economic Area (EEA) forecast emissions for the calendar year.
3	Risk of site damage from climate hazards in The Bahamas	Castaway Cay facilities have been designed to be resilient, specifically constructed to mitigate the impact of severe weather events to allow for quick restoration and recovery. Permanent facilities (buildings, piers, and roads) are positioned above sea level and are not currently modelled to be significantly at risk from sea level rise. Lookout Cay is constructed similarly. Both island destinations use a mix of sustainable energy (solar energy) and diesel fuel to generate electricity and power for vehicles. Both island destinations have used natural elements to help protect constructed facilities and prevent erosion of the sand and land features.
4	Risk of business interruption from exposure to physical climate hazards in The Bahamas.	As an element of the Company's continuity of operations program, the Company remains aware of severe weather systems that may affect ship and island operations. The Company maintains a 24-hour operations centre in Florida as an alert and notification centre that is focused on hazards that could potentially impact the Company operations. In the event that severe weather poses a risk to a ship's itinerary, a multi-disciplinary executive team (the Crisis Management Team) convenes to establish an alternative itinerary to avoid hazard. Because ships are highly mobile, itineraries may be adjusted significantly to operate a ship well away from hazards. The Hurricane season in the Southeast United States and Caribbean Sea currently extends from 1 June to 30 November, and the collective international government and business sectors throughout the region have developed extensive programs to prepare for and respond to natural disasters.

Non-financial and sustainability information statement (continued)

4. Principal Risks (continued)

Table 4.3 (continued)

#	Principal risk	Impacts on the Company's business model and strategy
5	Risk of business interruption from exposure to physical climate hazards in Florida	When a severe weather system poses a risk to operations in Florida, the Company's ships move in a coordinated fashion with other cruise ships to avoid the impacted port and shift to another if the primary port is unusable, thereby reducing or mitigating service disruption. Based on the geographic dispersion of Port Canaveral and Port Everglades, the Company has the option to divert cruises.
6	Risk of cruise travel demand reduction due to consumers' changing climate values	The Company has a long-standing history of advancing environmental initiatives. These innovative initiatives include commitments to biodiversity, reducing impact on freshwater sources, energy conservation and fuel reduction, recycling and waste reduction, sustainable design, and collaborations through programs like the Disney Conservation Fund. If consumer interests shift away from the cruise industry due to environmental concerns, the Company's long history of dedication to the environment could help mitigate shifts faced by the other members of the industry.

5. Strategy

The Company's strategy to mitigate its principal risks has been developed using an understanding of current risks facing the Company. However, the Company has also considered these risks under two hypothetical climate scenarios with varying consequences:

1. A relatively low carbon future with global temperature increase constrained to 1.5°C. and substantial socio-economic transition and policy changes.

2. A relatively high carbon future with global temperature increase of 4°C and substantially more severe physical risks.

These scenarios correspond to IPCC (Intergovernmental Panel on Climate Change) Representative Concentration Pathways (RCP) 4.5 and 8.5 respectively and were chosen to reflect two significantly different hypothetical futures, each with very different potential operational and financial impacts. The Company's scenario analysis was qualitative in nature and its assessment of potential impact was limited to the extent to which the above trends could change over time through to 2050. The potential consequences from transition measures which might be anticipated within the 1.5°C scenario were assessed relative to a counterfactual baseline 4°C scenario.

While the Company has not completed a full quantitative assessment of the potential financial consequences of these risks, it has estimated ranges of potential financial consequences based on broad assumptions in these hypothetical future scenarios.

The Company continues to monitor and assess these risks as they develop, but based on its current qualitative assessment, the Board of Directors considers that the Company has adequate mitigating measures in place to manage the impact of these physical and transitional risks. As such, the Board of Directors considers the Company's business model and strategy are resilient to both of these potential scenarios, as detailed in table 5.1.

5. Strategy (continued)

Table 5.1

The risk matrix used to assign low to very high risk uses following variables:

1. Impact: the extent to which a risk event could affect the Company's objectives and strategy. In this case we qualitatively assessed potential financial impact.
2. Likelihood: Refers to the potential probability of a risk event occurring.

The risk rating is based on a potential qualitative impact rating using the following logic:

Potential qualitative impact rating = Contribution to P&L (% costs or profit potentially at risk) X Variance between 1.5°C and 4°C scenarios (% difference between two scenarios)

Risk	Low - L	Medium - M	High - H	Very High - VH

	Principal Risk	Scenario	2030	2040	2050	Potential exposure	Assessment
1	Risk from increased fuel prices	1.5°C	H	VH	VH	In a 1.5°C scenario, higher carbon fuel prices (MGO and LNG) could more than double by 2050 (real terms) due to relatively scarcity and potential taxes or levies which could negatively impact the Company's cost base causing the risk to rise to "very high" by 2040 and beyond.	The Company believes it has a relatively high degree of resilience in the 1.5-degree scenario given its focus on long-term fuel reduction, its ability to switch between fuels, and its fuel price hedging strategy.
		4°C	L	L	L	In a 4-degree scenario, fuel price increases are not anticipated to be as significant, and the risk is assessed as low.	The Company believes it has high resilience based on assessed low risk in the 4-degree scenario.
2	Risk from direct carbon pricing mechanisms	1.5°C	H	VH	VH	In a 1.5-degree scenario, increased scope and severity of carbon pricing globally could create high financial risk exposure by 2030, and very high by 2040. There may also be significant regional variation.	The Company believes its efforts to reduce fuel consumption and increase use of lower carbon fuels will help enable resilience to this risk, including through the ability to switch to lower carbon fuels or ships by location, as appropriate.
		4°C	L	L	L	In a 4-degree scenario, carbon taxes are not anticipated to be levied to a significant degree, and therefore carbon pricing risk is assessed as low.	The Company believes it has high resilience based on assessed low risk of high carbon pricing mechanisms in the 4-degree scenario.

Non-financial and sustainability information statement (continued)

5. Strategy (continued)

Table 5.1 (continued)

	Principal Risk	Scenario	2030	2040	2050	Potential exposure	Assessment
3	Risk of site damage from climate hazards in The Bahamas	1.5°C	VH	VH	VH	The Bahamas are already exposed to multiple physical climate hazards, such as wind and thunderstorms that may cause site damage.	The Company believes its efforts to invest in resilient design allows high resilience in the 1.5-degree scenario.
		4°C	VH	VH	VH	In a 4-degree scenario, site damage is not assessed to be significantly higher because of our investment in resilient design.	The Company believes its efforts to adopt resilient design allows medium resilience in the 4-degree scenario.
4	Risk of business interruption from exposure to physical climate hazards in The Bahamas	1.5°C	VH	VH	VH	The Bahamas are already exposed to multiple physical climate hazards that may cause business interruption.	The Company believes its flexible approach to itinerary planning allows high resilience to this risk in the 1.5-degree scenario.
		4°C	VH	VH	VH	In a 4-degree scenario, business interruption risks are not considered significantly higher.	The Company believes its flexible approach to itinerary planning allows high resilience to this risk in the 4-degree scenario.
5	Risk of business interruption from exposure to physical climate hazards in Florida	1.5°C	VH	VH	VH	Florida ports are already exposed to multiple physical climate hazards that may cause business interruption.	The Company believes its flexible approach to itinerary planning allows high resilience to this risk in the 1.5-degree scenario.
		4°C	VH	VH	VH	In a 4-degree scenario, business interruption risks are not considered significantly higher.	The Company believes its flexible approach to itinerary planning allows high resilience to this risk in the 4-degree scenario.
6	Risk of cruise travel demand reduction due to consumers' changing climate values	1.5°C	M	M	M	In a 1.5-degree scenario, potential constraints to the long-term growth in cruise sector activity relative to the 4-degree scenario may have a medium impact to the Company across the short-, medium- and long-term.	The Company believes its active approach to reducing emissions and its long-standing history of advancing environmental initiatives could help support resilience to this risk.
		4°C	L	L	L	In a 4-degree scenario this risk is deemed low.	The Company believes it has high resilience based on assessed low risk in the 4-degree scenario.

Non-financial and sustainability information statement (continued)

6. Metrics and Targets

The Company contributes to climate-related targets established at the Group level.

The Group has set quantitative and timebound absolute reduction goals for emissions from its direct operations (Scope 1 and 2), and absolute reduction and supplier and licensee engagement goals for emissions from its value chain (Scope 3). In calendar year 2023, these goals were validated by the Science Based Targets Initiative (SBTi).

At the Group level, metrics and targets for Scope 1 and 2 emissions and related performance has been tracked since 2009. All environmental performance metrics and data are published in the Group's Sustainability and Social Impact report (S&SI Report). The latest report can be found at impact.disney.com.

Emissions targets help drive efficiency and fuel reductions, which helps the Company manage risks associated with fuel prices and carbon taxes. The Company also manages these risks with an emissions intensity per passenger cruise day ("PCD") reduction target. The Company has also set a target and key performance indicators for risks associated with business interruption associated with site damage in The Bahamas.

The Directors do not currently obtain independent assurance over the disclosed Company-level metrics although independent verification is completed for emissions metrics at the Group level.

Group-level goals and targets associated with emissions from its direct operations (Scope 1 and 2)[1]

- *Reduce absolute emissions from direct operations (Scope 1 and 2) by **46.2% by 2030**, against a financial year 2019 ("FY19") baseline.*
- *Achieve **net zero emissions**[2] for direct operations by 2030.*
- *Purchase or produce **100%** zero carbon electricity by 2030.*

Group-level goals and targets associated with emissions from its value chain (Scope 3)

- *Reduce Scope 3 emissions through an absolute reduction and supplier and licensee engagement:*
  - *Reduce absolute Scope 3 GHG emissions from purchased goods and services, capital goods, fuel- and energy-related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting, and franchises, by **a minimum of 27.5%** by 2030 against a financial year 2019 baseline*
  - *Commit that **20%** of suppliers, measured by emissions covering purchased goods and services, will have science-based targets by 2027*
  - *Commit that 72% of licensees, measured by emissions covering franchises, will have science-based targets by 2027*

[1]The Group's environmental goal-setting process adapts to changes in its businesses and in relevant protocols that it follows. For emissions, the Group measures actual emissions and forecasts future emissions based on information available within its business plans, sectoral changes, process changes, and other factors.

The Group expects to follow SBTi methodology recommendations that companies use to check the validity of their target projections annually and, at a minimum reassess targets every five years.

[2]The Group's definition of "net emissions" is included under the Key Performance Indicators (KPIs) section on page 22.

Non-financial and sustainability information statement (continued)

6. Metrics and Targets (continued)

At the Group level, recent financial year performance and progress toward the Group's Scope 1 and 2 targets is provided in table 6.1:

Table 6.1

Group-level Goal/**Target**	Goal/**Target** Metric	**Group FY19**	**Group FY22**	**Group FY23**	**Group FY24**	**Group FY25**	**Performance to Group Target (FY19-FY25)**
Reduce absolute emissions from direct operations (Scope 1 and 2 by **46.2%** by 2030, against a 2019 baseline)	Scope 1 (metric tons CO2e)	909,382	901,714	993,347	921,163	898,970	N/A
	Scope 2 Emissions (location based) (metric tons CO2e)	913,359	702,062	782,066	745,985	698,420	N/A
	Scope 2 Emissions (market based) (metric tons CO2e)	898,696	679,506	727,414	572,653	611,781	N/A
	Total Scope 1 and 2 Emissions (market-based) (metric tons CO2e)	1,808,078	1,581,220	1,720,761	1,493,816	1,510,751	16.5% reduction against an FY19 baseline.
Invest in natural climate solutions	Retired Carbon Credits (metric tons CO2e)	860,620	801,077	803,744	576,799	593,734	N/A
Achieve **net zero emissions** for direct operations by 2030	Net Emissions (Scope 1 and 2, market based) (metric tons CO2e)	947,458	780,143	917,017	917,017	917,017	Net emissions unchanged from FY24.
Purchase or produce **100% zero carbon electricity** by 2030	**Percentage of Zero Carbon Electricity**	Not Reported	34%	37%	49%	48%	Percentage of zero carbon electricity purchased reduced by 1% compared to FY24.

The Company is planning to contribute to the Group level targets by establishing a cap for emissions growth in ways that allow for the Group level targets to be realistically pursued. In addition, the Company has established intensity targets for Scope 1 and 2 emissions.

Non-financial and sustainability information statement (continued)

6. Metrics and Targets (continued)

Company-level goal and target associated with emissions from its direct operations (Scope 1 and 2)

The Company is undergoing significant growth, and as such, in line with cruise industry peers, has established targets focused on reducing emission intensity per PCD. Base financial year and performance years data is provided in table 6.2. Financial years 2020-2022 performance is not provided due to the unusual nature of the COVID-impacted years.

Table 6.2

Company-level Goal/**Target**	Company-level Goal/**Target**	**Company FY19**	**Company FY20 - FY22**	**Company FY23**	**Company FY24**	**Company FY25**	**Performance to Company Target (FY19-FY25)**
Reduce emissions intensity per PCD by **40%** by 2030, against a FY2019 baseline	Scope 1 and 2 emissions (Kilograms CO2 Equivalent) per PCD	123	Not applicable (COVID anomaly)	119	105	88	Company has achieved a 28% reduction against FY19.

Given a post-COVID return to business, emissions intensity per PCD remained stable between 2019 and 2023. The Company has achieved a 28% reduction in emissions intensity against FY19 by FY25. This has arisen due to the Company increasing the use of HVO, reducing consumption through speed reductions, propulsion efficiency upgrades, shipboard energy efficiency projects, and using shore power in lieu of ship-generated energy at certain ports.

The Company plans to continue using the levers described above to support business growth whilst improving emissions intensity. This means that, although absolute emissions may increase as future ships join the fleet, emissions intensity per PCD, is expected to drive down further, in pursuit of the Company's target.

Company-level goal and target associated with site damage in The Bahamas

As well as its emissions intensity target, the Company has established a target associated with managing the risk of business disruption due to potential site damage in The Bahamas. Performance for the financial year and comparative historic years data are provided in table 6.3:

Table 6.3

Company-level Goal/**Target** *(Number of operational days lost at the Islands as a consequence of severe weather events.)*	**Company FY23**	**Company FY24**	**Company FY25**	**Performance to Company Target (FY23-FY25)**
Zero *operational days lost as a consequence of site damage due to weather events*	Zero days	Zero days	Zero days	Target met in all reportable financial years

This target focuses on the resilience of the island destinations operated by the Company's subsidiary, DCL Island Development, Ltd., in The Bahamas: Castaway Cay and Lookout Cay.

The premise of the target is that the sites are built in ways that seek to limit or avoid significant site damage during and after severe weather events. As such, once any potential severe weather events subside and sailing to these destinations is considered safe, the target will be met if sailings can proceed to the destinations.

Continuously Improving Measurement and Monitoring

The Company captures and reports emissions data by vessel and island destination, inputs the data in the Group's corporate system of record, and utilises this single source of information to build and deliver dashboards and performance metrics throughout the organisation to increase awareness and engagement. The Company reports in alignment with multiple organisations including IMO requirements, EU MRV, UK MRV and Group commitments.

Volumetric emissions generated by source and type are reported, as well as the operational data needed to calculate intensity metrics. Emissions intensity is utilised to articulate efficiency gains per experience delivered during a period of significant business growth.

Non-financial and sustainability information statement (continued)

6. Metrics and Targets (continued)

Continuously Improving Measurement and Monitoring (continued)

In addition to volumetric and intensity calculations, the Company monitors percent renewable fuel and energy, as well as percent non-potable source water, as it strives to maximise these renewable sources.

7. Key Performance Indicators (KPIs)

At the Group level, four KPIs are used to assess progress against public targets:

- *Reduction in absolute Scope 1 and 2 emissions (market based).*
- *Reduction in net emissions (Scope 1 and 2, market based).*
- *Increase in 100% zero carbon electricity.*
- *Reduction in absolute Scope 3 emissions from purchased goods and services, capital goods, fuel and energy-related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting, and franchises.*

Calculations for progress towards reduction in absolute Scope 1 & 2 emissions at the Group level are based on the following definition and rationale:

1. Absolute Scope 1 and 2 GHG emissions are measured and calculated with reference to the principles in the World Resources Institute and the World Business Council for Sustainable Development Greenhouse Gas Protocol's "A Corporate Accounting and Reporting Standard, 2004 Revised Edition".
2. The KPI to assess progress on absolute emissions is calculated as follows:
   a) Total Scope 1 and 2 emissions in the current financial year.
   b) Total Scope 1 and 2 emissions in the baseline financial year (FY 2019).
   c) Difference between current year and baseline year, in percentage terms.

Calculations for progress towards reduction in net emissions at the Group level are based on the following definitions and rationale:

1. Net emissions are defined as Scope 1 emissions + Scope 2 emissions (market based) - carbon credits. Market-based emissions are used where available in calculating carbon credit retirements, total emissions, and net emissions. Scope 2 emissions (market-based) include emission reductions attributed to utility green power purchases, power purchase agreements, and unbundled energy attribute certificates. The Group will have achieved its 2030 "net zero emissions" goal when "net emissions," as defined above, equals zero. The Group's approach to carbon credits can be found in the Natural Climate Solutions White Paper and can be summarised as carbon credits are from projects developed according to recognised standards (e.g., Climate Action Reserve, Verified Carbon Standard, Gold Standard) and are retired annually. All credits are verified by accredited third-party reviewers.
2. The KPI to assess progress on net emissions is calculated as follows:
   a) Net emissions (based on the above definition) in the current financial year.
   b) Net emissions in the baseline financial year (FY 2019).
   c) Difference between current year and baseline year, in percentage terms.

Calculations for progress towards increase in 100% zero carbon electricity at the Group level are based on the following definition and rationale:

1. The Group defines zero carbon electricity as any type of electricity generation that does not generate GHGs, such as solar, wind, geothermal, nuclear, and large-scale hydropower. Percentage zero carbon electricity is zero carbon electricity consumption divided by total electricity consumption.
2. Per the Group's goal statement to "Purchase or produce 100% zero carbon electricity", the quantity of zero carbon electricity counted is either purchased from the grid or through power purchase agreements or produced by the Group.
3. Since there is no formal base financial year for this goal, the KPI to assess progress towards 100% zero carbon electricity is percentage point increase from the prior financial year.

Non-financial and sustainability information statement (continued)

7. Key Performance Indicators (KPIs) (continued)

At the Company level, the following KPI is used to assess progress toward the emission intensity reduction target:

- *Reduction in Scope 1 and 2 emissions (market based) per passenger cruise day.*

Calculations for progress towards this emissions intensity target are based on the following logic:

1. *Total Scope 1 and 2 emissions (market based) divided by number of passenger cruise days in the current financial year.*
2. *Total Scope 1 and 2 emissions (market based) divided by number of passenger cruise days in the baseline year (FY 2019).*
3. *Difference between current year and baseline year, in percentage terms.*

At the Company level, the following KPI is used to assess progress toward the site damage target:

- *Number of operational days lost as a direct consequence of severe weather events*

Calculations for progress towards this site damage target are based on the following rationale:

1. A severe weather event is defined as a named storm, or severe weather that results in no sailing to one or both island site in The Bahamas.
2. Once the severe weather event has passed, and it is safe to sail, it is determined if guest visitation is possible at one or other of The Bahamas island sites.
3. If guest visitation is not possible after the severe weather event has passed, and it is safe to sail, then that is deemed an operational day lost and therefore implies non-achievement of the target.

The Strategic report was authorised by the Board of Directors on 22 June 2026 and signed on its behalf on 23 June 2026 by:

Signed by:
J C Swindell
15DF436C38D1434...

J C Swindell

Director

Magical Cruise Company, Limited

Directors' report for the year from 29 September 2024 to 27 September 2025

The Directors present their report and audited financial statements of the Company for the year from 29 September 2024 to 27 September 2025.

Future developments

Details of future developments can be found in the Strategic report on page 1.

Dividends

Dividends of $2,874,000 (2024: $15,335,000) were received by the Company during the year. There were no dividends proposed or paid by the Company during the year (2024: $nil). The Directors do not propose any final dividends to be paid after the year end.

Branches

The Company has a branch in The Bahamas.

Financial risk management policies and objectives

The Company's operations expose it to financial risks. The most significant risks are described below.

1. *Credit risk:* The Company has implemented policies that require appropriate credit checks on potential customers before sales are made. The amount of exposure to any individual counter party is subject to a limit, which is assessed continually by the Company's credit control function.

   The Company requires all stateroom guests to make a minimum deposit to confirm a reservation. Guests have the option to pay in full or make partial payments until the full balance is due. Full payment is required in advance of sailing (timing varies depending on cruise itineraries and accommodations) and may be subject to service fees for changes or cancellation fees as applicable up to and including 100% of the fare. On-board guest accounts have an established spending limit, the amount of which must be paid in full each time the existing limit is reached, before continuing to be able to charge to their accounts.

2. *Foreign exchange risk:* The Company may hold assets and liabilities denominated in foreign currencies. No derivative financial instruments are used to manage the risk of fluctuating exchange rates, so no hedge accounting is applied. The Company has in place a foreign exchange policy, driven by the ultimate parent Company, The Walt Disney Company, and will reconsider the appropriateness of this policy should operations change in nature.

3. *Interest rate risk:* The Company can have interest bearing assets and liabilities. The Company monitors its portfolio of interest bearing assets and liabilities and their financial impact. The Company will reconsider the appropriate structure of its portfolio should operations change in size or nature.

4. *Fuel hedge risk:* The Company hedges pricing risk in relation to forecasted future fuel purchases by entering into cash flow hedge relationships (refer to Hedging arrangements within note 3 Summary of significant accounting policies starting on page 38).

Directors of the Company

The Directors who held office during the financial year and up to the date of approval of the financial statements, except as noted, were as follows:

S L Konstanz
D F Londono
D C Donaldson
T L Wilson
D A Fares
T C Falls JR
J F Schott JR (appointed on 24 March 2025)
D R Cardle (appointed on 7 October 2025)
L C Jury (appointed on 23 February 2026)
J C Swindell (appointed on 25 March 2026)
T Mazloum (resigned on 7 March 2025)
J Filippatos (resigned on 22 May 2025)
S D Siskie (resigned on 5 February 2026)

There were no third-party indemnity provisions during the year (2024: $nil). No compensation for loss of office was paid during the financial year (2024: $nil).

Events after the reporting period

For details of any events that occurred after the reporting period, please refer to note 27.

Disabled persons

The Company is an equal opportunity employer. Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled whilst in employment, the Company will comply with its legal obligations and make reasonable adjustments. It is the policy of the Company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person not living with a disability.

Employee involvement

Consultation with employees has continued at all levels, with the aim of ensuring that views are taken into account when proposals are made which are likely to affect their interests, and that all employees are aware of the financial and economic performance of their business units, and of the Company as a whole. Communication with all employees continues through newsletters, briefing groups and the availability of the annual report and audited financial statements.

Stakeholder engagement

We focus on providing unforgettable family cruising for our Guests and operating our business responsibly. We continue to maintain strong relationships and open communication with all of our stakeholders. Our ongoing and transparent communication with our stakeholders allows them to provide feedback and allows us to make well informed and appropriate decisions which benefit the Company and stakeholders as a whole.

Throughout the financial year, our Crew and Cast Members' and Guests' health, safety and wellbeing have been key in our decision making.

Our strategic decisions were made with our stakeholders in mind and we will continue to engage with them and incorporate their views in our future planning and decision making.

Streamlined energy and carbon reporting (SECR) disclosure

The SECR disclosure is required to present the Company's carbon footprint within the United Kingdom across Scope 1, 2 and to some extent Scope 3 emissions, an appropriate intensity metric, the total energy use of electricity, gas and transport fuel and an energy efficiency actions summary taken during the relevant financial year. For the Company, only Scope 1 (ship fuel) and Scope 3 (business travel) emissions are applicable, as shown in the table below.

	Year ended 27 September 2025	Year ended 28 September 2024
Energy consumption used to calculate emissions (kWh)	69,960,702	70,345,118
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (Scope 3) tCO2e	13	5
Emissions from combustion of fuel for transport purposes (Scope l) tCO2e	8,500	15,720
Total gross tCO2e based on above	8,513	15,725
Intensity ratio (tCO2e/gross tonnage of ships)	0.06561	0.12125

Please see the methodology notes on page 26 for more details on the calculation above.

All emissions from the Company's head office at 3 Queen Caroline Street have been included in The Walt Disney Company Limited's SECR disclosure. The Walt Disney Company Limited is the owner of the building, and all invoices are billed to The Walt Disney Company Limited and therefore all emissions are disclosed from this site in their financial statements.

The year-over-year reduction in emissions within UK waters was primarily attributable to increased usage of HVO during UK voyages in this year. Total energy consumption remained broadly consistent with the prior year. Fuel efficiency improvements are evidenced by stable energy consumption for UK voyages, despite a marginal increase in UK nautical mileage during the current financial year.

Magical Cruise Company, Limited

Directors' report for the year from 29 September 2024 to 27 September 2025 (continued)

Streamlined energy and carbon reporting (SECR) disclosure (continued)

Energy efficiency action summary

Magical Cruise Company, Limited continues to achieve direct savings in energy and associated carbon emissions, through operational and technological improvements:

- The Company applies relevant International, Flag and Port State requirements. Some examples include:
    - EU and UK Monitoring, Reporting and Verification (MRV)
      ∢ https://www.emsa.europa.eu/reducing-emissions/mrv-changes.html & https://www.gov.uk/government/publications/min-669-mf-amendment-1-reporting-emissions-data-into-the-uk-mrv-regime/min-669-mf-amendment-1-reporting-emissions-data-into-the-uk-mrv-regime
    - International Convention for the Prevention of Pollution from Ships (MARPOL) Convention
      ∢ https://www.imo.org/en/about/conventions/pages/international-convention-for-the-prevention-of-pollution-from-ships-(marpol).aspx
    - International Maritime Organization (IMO) Energy Efficiency Measures
      ∢ https://www.imo.org/en/ourwork/environment/pages/improving%20the%20energy%20efficiency%20of%20ships.aspx
- The Company continues to explore new fuel efficiency measures for its cruise ships

Methodology notes

Reporting Year	29 September 2024 - 27 September 2025
Boundary (consolidation approach)	Operational approach for sailings within UK waters
Alignment with financial reporting	SECR disclosure has been prepared in line with Magical Cruise Company, Limited annual accounts prepared to 27 September 2025.
Reporting method	GHG Emissions reporting are in line with the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard
Emissions factor source	DESNZ, 2025 for all emissions factors https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2025
Calculation method	Activity Data x Emission Factor = GHG emissions
Other relevant information on calculation	Where applicable consumption was converted to kWh using conversion factors linked above, while emissions were calculated with the DESNZ emission factors. Transport data was calculated from cost data to litres to kWh and GHG emissions using the method above. In the absence of the exact vehicle types we have used the Vehicles statistics' table VEH1103a, issued by the Department for Transport to separate out diesel and petrol consumption. In the absence of exact distance travelled, average conversion factors were used to calculate emissions.
Reason for the intensity measurement choice	Following the recommendations of the SECR legislation and based on the nature of our business, gross tonnage of ships (tCO2e /gross tonnage of ships) gives the best overview on our emissions efficiency performance on a longer scale.
Rounding	Due to rounding there might be a minor difference compared to the actual GHG emissions (no more than 1%).

Statement of corporate governance arrangements

This section sets out the Company's corporate governance controls, policies and procedures as required by The Companies (Miscellaneous Reporting) Regulations 2018.

As a subsidiary within the group of companies of which The Walt Disney Company is the ultimate parent company (the "Group"), the Company adheres to the Group's governance ethos and practices. The Company operates in accordance with its Memorandum and Articles of Association; The Walt Disney Company Standards of Business Conduct (https://thewaltdisneycompany.eu/responsible-business/#ethical-conduct); and the governance principles set out below.

The Group strategy is set and managed by The Walt Disney Company and, as a subsidiary of the Group, the Company is responsible for the implementation of all local elements of the Group strategy, as necessary and where appropriate.

Owing to the extensive governance protocols already in place, it was decided that the Wates Principles for Large Private Companies should not be formally adopted by the Company but used as useful principles of good governance by which to measure its own existing corporate governance practices.

Magical Cruise Company, Limited

Directors' report for the year from 29 September 2024 to 27 September 2025 (continued)

Statement of corporate governance arrangements (continued)

These corporate governance practices are detailed below:

Board composition

The composition of the Board aims to reflect a balance of talent, skill, expertise to provide sound guidance with respect to all of the Company's operations and interests. Along with the Managing Director of the Company and the President of Disney Signature Experiences, the Board includes members with appropriate insight and experience from across the Disney group. Supporting the Board Members at all meetings are representatives from Disney's Finance and Consumer Insights, with regular updates from Marketing and other areas. The Board Members' strong backgrounds and varied skillsets enables them to make effective decisions, meet the organisation's strategic needs, and overcome strategic challenges faced by the Company.

Board Members must abide by The Company's Standards of Business Conduct and must exhibit high standards of integrity, commitment and independence of thought and judgement.

Directors also receive regular updates on new legislation, regulatory requirements and other changes, to ensure that they are fully equipped when making decisions about the business.

The Board ensures its composition is appropriate given the size and interests of the Company and all board composition changes are approved by the Board.

Director responsibilities

The Directors are primarily responsible for overseeing the delivery of the Company strategy in the UK, Europe, Middle East and Africa (EMEA), Asia-Pacific region and North America by directing the management of the business, including the day-to-day running of the Company's business and operations. Directors work closely with management to ensure strategy is implemented and the Board monitor progress via Board meetings and more informal meetings with senior management.

The Board review and where appropriate approve the Company's major financial objectives, plans and actions. They also assess major risk factors relating to the Company and its performance, and review measures to address and mitigate such risks. Some of the risks the Board consider are changes in economic conditions and changes in regulations that impact the Company.

The Board typically approves corporate actions through Board meetings held four times each financial year.

The Board receives regular reports and board packs on the Company's financial performance and presentations from different departments such as legal and compliance on new legislation, strategy, corporate governance and regulatory requirements and Environmental committee on climate-related risks (physical & transition) and opportunities in order to make well-informed decisions. The formal responsibility of reviewing feedback and engagement from stakeholders has been delegated to management. In addition, the Company has a number of people working in key functions, responsible for assessing and managing day-to-day climate-related risks and opportunities associated with its business. This includes a group dedicated to safety, security and environmental sustainability, a group dedicated to maritime and engineering operations and a group dedicated to port strategy. These teams, amongst others, provide regular updates to the Steering Committee or the relevant members of the Disney Signature Experiences (DSE) Leadership Team. Corporate functions at Group level lend their expertise to assessing and managing climate-related risks and opportunities for the Company.

Remuneration

Directors' emoluments and any associated annual bonus (whether cash or equity-based) are determined by assessing individual performance against financial, strategic and individual targets are ultimately determined by US-based management of the Group. This enables Directors to be rewarded for annual financial performance delivered for the wider Group as a whole as well as performance against key strategic priorities.

Statement of corporate governance arrangements (continued)

Purpose, Culture and Values

Since its launch in 1998, Disney Cruise Line has established itself as a leader in the cruise industry, providing a setting where families can connect, adults can recharge and children can experience all Disney has to offer. We strive to provide exceptional service that reflects our iconic brand, enabled by the passion and hard work of our Cast and Crew. We aim to conduct our business with honesty, integrity and in compliance with the laws everywhere we operate.

We believe that our stakeholders value the way we conduct our business. We have a global commitment to conduct our business and create our products in a responsible and ethical manner focusing on four strategic focus areas: People, Culture, Market Reach and Community.

The Group maintains a platform through which Cast and Crew Members can raise concerns about unlawful and unethical conduct in relation to the Company's business. Concerns raised through the platform are referred to an appropriate subject matter expert within the Group for follow up, as appropriate to the nature, location and potential impact of the concern. Material matters are raised with the Board where appropriate.

Our key stakeholders include Guests, Crew Members, Cast Members, government organisations and regulators, shareholders, suppliers and port communities. The Board aims to make well-informed decisions whilst being mindful of impacts on its stakeholders, long-term consequences and the values of the Company.

Leadership, Opportunity & Risk, Stakeholder Relationships & Engagement

The Company focusses on providing quality products and best in class service to its customers and operating its business responsibly. The Company continues to maintain strong relationships and open communication with all of its stakeholders (please see our Section 172(1) statement starting on page 4 for more detail).

The Board continues to monitor risk factors relating to the Company and its performance, and regularly reviews measures to address and mitigate such risks. It also monitors how the Company strategy is implemented and communicated.

Financial risks are managed through careful monitoring of performance against budget, rolling quarterly forecasts as well as a long-range planning process.

Statement of Directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Annual Report and audited financial statements in accordance with applicable law and regulations.

Company law requires the 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 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law.

Under company law, 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 year. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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.

Statement of Directors' responsibilities in respect of the financial statements (continued)

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.

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 Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditors

An elective resolution has been passed to dispense with the obligation to annually reappoint the auditors, and therefore PricewaterhouseCoopers LLP are deemed to be reappointed for the next financial year.

Approved by the Board on 22 June 2026 and signed on its behalf on 23 June 2026 by:

Signed by:
J C Swindell
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J C Swindell
Director
3 Queen Caroline Street Hammersmith
London
W6 9PE

Independent auditors' report to the members of Magical Cruise Company, Limited

Report on the audit of the financial statements

Opinion

In our opinion, Magical Cruise Company, Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 27 September 2025 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 27 September 2025;
- the Income statement for the year then ended;
- the Statement of comprehensive income for the year then ended;
- the Statement of changes in equity for the year then ended;
- the Statement of cash flows for the year then ended; and
- the notes to the financial statements which include a description of the significant accounting policies.

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, as applicable to other entities of public interest and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We have provided no non-audit services to the company or its controlled undertakings in the period under audit.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- Reviewing the Company's historical and current balance sheet, considering liquidity and solvency metrics, and assessing the existing profile of liabilities and the ability of the Company to meet future obligations;
- Reviewing the Company's expected future performance, including reviewing projected forecasts of revenues and profits for a period of at least 12 months after the date of signing the financial statements;
- Enquiring with management whether there are any one-off transactions occurring within the going concern period and immediately after the going concern period which may impact the going concern assumption;
- Reviewing the letter of support from a fellow Group undertaking and assessing the ability of the entity to provide support; and
- Reading and evaluating the adequacy of the disclosures made in the financial statements in relation 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 Strategic report and Directors' report, we also considered whether the disclosures required by the 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.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 27 September 2025 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 Strategic report and 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 in respect of the financial statements, 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 International Maritime Organisations Standards, the Cruise Vessel Safety and Security Act as well as relevant data protection and privacy laws, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and the Tonnage Tax Regulations 2000. 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 of inappropriate manual journals. Audit procedures performed by the engagement team included:

- Inquiries with management and those charged with governance of known or suspected instances of non-compliance with laws and regulations, and fraud;
- Inquiries with management and performing confirmations with external legal counsel as necessary;
- Identifying and testing journals entries, including those with unusual account combinations or those posted by unexpected users;
- Incorporating, as appropriate, an element of unpredictability into our testing;
- Performing substantive testing of tax schedules to ensure compliance with applicable UK Corporation Tax laws; and
- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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
- the company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made.

We have no exceptions to report arising from this responsibility.

Paul Wheeler

Paul Wheeler (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
24 June 2026

Magical Cruise Company, Limited

Income statement for the year from 29 September 2024 to 27 September 2025

	Note	Year ended 27 September 2025 $'000	Year ended 28 September 2024 $'000
Turnover	6	**3,005,108**	2,498,195
Cost of sales		**(2,010,601)**	(1,601,966)
Gross profit		**994,507**	896,229
Administrative expenses		**(715,765)**	(589,763)
Operating profit	7	**278,742**	306,466
Income from shares in group undertakings	9	**2,874**	15,335
Interest receivable and similar income	10	**35,867**	37,014
Interest payable and similar expenses	11	**(7)**	-
Profit before taxation		**317,476**	358,815
Tax on profit	14	**(14,771)**	(11,438)
Profit for the financial year		**302,705**	347,377

All of the above transactions relate to continuing operations.

The notes on pages 38 to 57 form an integral part of these financial statements.

Magical Cruise Company, Limited

Statement of comprehensive income for the year from 29 September 2024 to 27 September 2025

	Year ended 27 September 2025 $'000	Year ended 28 September 2024 $'000
Profit for the financial year	**302,705**	347,377
Cash flow hedges:		
Gain/(loss) taken to other comprehensive income	**5,933**	(19,127)
Add/(less): reclassified from/(to) income statement	**2,686**	(640)
Other comprehensive income/(expense)	**8,619**	(19,767)
Total comprehensive income for the year	**311,324**	327,610

All of the above transactions relate to continuing operations.

The notes on pages 38 to 57 form an integral part of these financial statements.

Magical Cruise Company, Limited

Statement of financial position as at 27 September 2025

	Note	As at 27 September 2025 $'000	As at 28 September 2024 $'000
Fixed assets			
Tangible assets	15	**6,057,655**	3,473,570
Investments	16	**936,561**	315,300
		6,994,216	3,788,870
Current assets			
Inventories	17	**40,526**	26,709
Debtors (including $2,434,000 (2024: $3,018,000) due after more than one year)	18	**101,334**	718,003
Cash at bank and in hand	19	**67,434**	107,931
		209,294	852,643
Creditors: amounts falling due within one year	20	**(1,970,028)**	(1,318,766)
Net current liabilities		**(1,760,734)**	(466,123)
Total assets less current liabilities		**5,233,482**	3,322,747
Creditors: amounts falling due after more than one year	20	**(127)**	(716)
Net assets		**5,233,355**	3,322,031
Capital and reserves			
Called up share capital	22	**4,432,600**	2,832,600
Share premium account	22	**1,063**	1,063
Other distributable reserve	22	**213,442**	213,442
Other reserves	22	**439,493**	430,874
Profit and loss account	22	**146,757**	(155,948)
Total shareholders' funds		**5,233,355**	3,322,031

The notes on pages 38 to 57 form an integral part of these financial statements.

The financial statements on pages 33 to 57 were approved by the Board of Directors on 22 June 2026 and signed its behalf on 23 June 2026 by:

Signed by:
J C Swindell
15DF436C38D1434...

J C Swindell
Director
Company registered number: 03157553

Magical Cruise Company, Limited

Statement of changes in equity for the year from 29 September 2024 to 27 September 2025

	Called up share capital $'000	Share premium account $'000	Other distributable reserves $'000	Other reserves $'000	Profit and loss account $'000	Total shareholders' funds $'000
At 1 October 2023	2,832,600	1,063	213,442	450,641	(503,325)	2,994,421
Profit for the financial year	-	-	-	-	347,377	347,377
Net movement on fuel hedges	-	-	-	(19,767)	-	(19,767)
Total comprehensive income	-	-	-	(19,767)	347,377	327,610
At 28 September 2024	2,832,600	1,063	213,442	430,874	(155,948)	3,322,031
Profit for the financial year	-	-	-	-	302,705	302,705
Net movement on fuel hedges	-	-	-	8,619	-	8,619
Total comprehensive income	-	-	-	8,619	302,705	311,324
New share capital issued	1,600,000	-	-	-	-	1,600,000
At 27 September 2025	**4,432,600**	**1,063**	**213,442**	**439,493**	**146,757**	**5,233,355**

The notes on pages 38 to 57 form an integral part of these financial statements.

Magical Cruise Company, Limited

Statement of cash flows for the year from 29 September 2024 to 27 September 2025

	Note(s)	Year ended 27 September 2025 $'000	Year ended 28 September 2024 $'000
Cash flows from operating activities			
Profit for the financial year		**302,705**	347,377
Adjustments for:			
Tax on profit	14	**14,771**	11,438
Dividend income	9	**(2,874)**	(15,335)
Interest receivable and similar income	10	**(35,867)**	(37,014)
Interest payable and similar expense	11	**7**	-
Depreciation charges	7	**297,687**	212,005
Loss on disposal of tangible fixed assets	7	**2,954**	5,437
Change in fair value of hedging instruments		**5,933**	(19,127)
Cash flow before working capital changes		**585,316**	504,781
(Increase)/decrease in inventory		**(13,817)**	2,206
Increase in debtors		**(744)**	(158,313)
Increase in creditors		**683,218**	79,415
(Increase)/decrease in derivative financial assets	18,21	**(3,849)**	15,478
(Decrease)/increase in derivative financial liabilities	20,21	**(5,332)**	5,452
		1,244,792	449,019
Taxes paid		**(13,944)**	(3,968)
Net cash generated from operating activities		**1,230,848**	445,051
Cash flows from investing activities			
Purchase of tangible fixed assets		**(2,884,726)**	(444,333)
Dividend received		**2,874**	15,335
Interest received		**7,406**	9,657
Net cash used in investing activities		**(2,874,446)**	(419,341)
Cash flows from financing activities			
Interest paid		**(7)**	-
Increase/(decrease) in other reserve (hedging)		**2,686**	(640)
Proceeds from issue of ordinary share capital	22	**1,600,000**	-
Net cash generated from/(used in) financing activities		**1,602,679**	(640)
Net (decrease)/increase in cash and cash equivalents		**(40,919)**	25,070
Cash and cash equivalents at beginning of year		**107,931**	82,861
Exchange losses on cash and cash equivalents		**422**	-
Cash and cash equivalents at the end of financial year		**67,434**	107,931

The notes on pages 38 to 57 form an integral part of these financial statements.

Magical Cruise Company, Limited

Notes to the financial statements for the year from 29 September 2024 to 27 September 2025

1. General information

Magical Cruise Company, Limited (the "Company") is a private company limited by shares and is incorporated, domiciled and registered in England and Wales in the United Kingdom. The address of its registered office is 3 Queen Caroline Street, Hammersmith, London, W6 9PE.

At the start of the financial year, the Company was a wholly privately owned subsidiary of Wedco EMEA Ventures Limited.

During the financial year, 12.069% of the Company shareholding was acquired by Wedco International Holdings, Inc, incorporated in the United States of America. The Company's majority shareholder remains Wedco EMEA Ventures Limited (owning 87.931%), incorporated in the United Kingdom. The ultimate parent company of both Wedco EMEA Ventures Limited and Wedco International Holdings, Inc is The Walt Disney Company, incorporated in the United States of America. The consolidated financial statements of The Walt Disney Company are publicly available.

The Company's principal activity is the operation of Disney themed luxury cruise vessels.

The Company has taken advantage of the exemption under section 401 of the Companies Act 2006 from preparing Group financial statements as it is a wholly owned subsidiary of The Walt Disney Company, whose registered address is 500 South Buena Vista Street, Burbank, California, 91521-9722, USA and is included within that company's consolidated financial statements.

2. Statement of compliance

The financial statements of Magical Cruise Company, Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Summary of material accounting policies

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the financial years presented, unless otherwise stated.

a) Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS 102').

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in 'Critical accounting judgements and key sources of estimation uncertainty' (note 5).

b) Going concern

The Directors have undertaken an assessment by reviewing a cash flow forecast extending to a period no less than 12 months from the date of the financial statements, including consideration of downsides, noting that the Company was in a net current liability position as of 27 September 2025. Whilst on the basis of this assessment they fully expect to be able to meet the day to day cashflow needs of the Company, they have received assurances of continued financial support from a fellow Group undertaking, in the form of a letter of support, to guarantee the Company will meet its liabilities as they fall due without significant curtailment of operations for a period of at least 12 months from the date of these financial statements being signed.

The Company has a net current liability position partly due to amounts owed to group undertakings of $708,056,000 which grew due to cash being required elsewhere in the business relating to the Disney Destiny and Disney Adventure fleet additions. The balance significantly reduced post financial year end as expected. Amounts owed to other group companies are settled from operating cash flows.

Deposits received on cruises, accounted for as deferred income and presented as current liabilities, have increased year-on-year to a balance of $1,064,836,000 as at 27 September 2025. This will be recognised as revenue in future financial years in line with the Company's revenue recognition policy.

3. Summary of material accounting policies (continued)

b) Going concern (continued)

The settling of the $621,261,000 loan amount owed by DCL Island Developments, Ltd through issuance of shares by the subsidiary in September 2025 caused a decrease in current assets (amounts owed by group undertakings) and corresponding increase in fixed assets (investments) as of 27 September 2025. This has been recorded as an investment addition during the year.

As at the 27 September 2025, the Company has a strong net asset position of $5,233,355,000, a significant increase from $3,322,031,000 as at 28 September 2024.

On the basis of their assessment of the Company's financial position, its resources and support from fellow group companies, the Directors believe that the Company is well placed to manage its business risks. Therefore, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

c) Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, if certain conditions, have been complied with, including notification of and no objection to, the use of exemptions by the Company's shareholders. A qualifying entity is defined as a member of a Group that prepares publicly available financial statements, which give a true and fair view, in which that member is consolidated. The Company is a qualifying entity as its results are consolidated into the financial statements of The Walt Disney Company which are publicly available.

As a qualifying entity, the Company has taken advantage of the following exemptions in its financial statements:

i) from the requirement to present certain financial instrument disclosures, as required by sections 11 and 12 of FRS 102;

ii) from the requirement to disclose the key management personnel compensation in total as required by paragraph 33.7 of FRS 102;

iii) from the requirement to provide certain share-based payments disclosures as required by paragraphs 26.18(b), 26.19, 26.20, 26.21 and 26.23 of FRS 102, concerning its own equity instruments; and

iv) from the requirement to disclose certain disclosures required by FRS 102.29 Income Tax in respect of Pillar Two Income Taxes.

d) Accounting reference date

The Company has taken advantage of flexibility under the Companies Act 2006 to end the accounting year on the closest Saturday to 30 September each year. An accounting reference date of 27 September 2025 has been adopted for the current year. The financial year represents the 52 weeks ended Saturday, 27 September 2025 (prior financial year was the 52 weeks ended Saturday, 28 September 2024).

e) Foreign currency

Functional and presentation currency

The Company's functional and presentation currency is US dollars and rounded to thousands.

Transactions and balances

Foreign currency transactions are translated into the functional currency, using the spot exchange rates at the dates of the transactions.

At each year end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

f) Deposits received on cruises and turnover

Sales booking deposits made in advance of cruise sailings are initially recorded as deferred income. Sales of cruise vacations are released from deferred income and recognised as revenue as the services are provided to the guest. Guests can receive a full refund without a fee if they cancel at least 90 days before cruises of 1-5 nights or 120 days before cruises of 6+ nights.

3. Summary of material accounting policies (continued)

f) Deposits received on cruises and turnover (continued)

Revenue related to the provision of cruise berths is recognised over time, based on the number of cruise days. All other cruise revenue, including the sale of merchandise, beverages, amenities, and recreational activities provided during the cruises as well as other operating income, is recognised when the goods are delivered or service is provided.

g) Interest receivable and interest payable

Interest receivable and similar income include interest receivable on funds invested.

Interest payable and similar expenses include interest payable recognised in profit or loss using the effective interest method.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the income statement on the date the Company's right to receive payments is established.

h) Taxation

Taxation expense for the year comprises current and deferred tax recognised in the reporting year. Tax is recognised in the profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the year end. The Company entered the UK tonnage tax regime on 29 June 2008. The Company's trading profit is subject to the Tonnage tax regime for the full year and only non-trading income remains subject to corporation tax.

Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in years different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors.

i) Fixed asset investments and investment income

Fixed asset investments are stated at historical cost. Income from investments is included to the extent of dividends and distributions received. Investments are reviewed for any impairment indicators at the reporting date. If any such indicators are identified, further analysis is performed to assess an appropriate valuation of the investment. Provision is made where in the opinion of the Directors an investment is impaired based on analysis performed.

The accounting treatment of a distribution is determined by whether the distribution paid or received is considered to represent a return of the capital of the subsidiary or not. Where it is deemed to represent a return of capital, a reduction in the parent's investment balance in that subsidiary is recorded in addition to the recognition of dividend income in the income statement. The factors considered by the Directors when determining whether a distribution represents a dividend or return of capital include the following:

- The amount of the distribution relative to the original investment value;
- The legal form of the distribution; and
- The future operating plans for the subsidiary after the distribution.

3. Summary of material accounting policies (continued)

i) Fixed asset investments and investment income (continued)

If the amount of the distribution exceeds the carrying value of the investment balance, the excess gain is recognised in the income statement, to the extent that it is realised or in the Statement of comprehensive income to the extent that it is unrealised. If the distribution is considered to represent a dividend the parent recognises the dividend in the income statement.

j) Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset may be impaired. If there is such an indication the recoverable amount of the asset is compared to the carrying amount of the asset.

The recoverable amount of the asset is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's continued use. These cash flows are discounted using a post-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the income statement, unless the asset has been revalued when the amount is recognised in the other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in the income statement.

If an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised in the income statement.

k) Tangible assets and depreciation

Tangible assets are stated at historical purchase cost less accumulated depreciation and less any accumulated impairment. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation is calculated on a straight line basis at rates estimated to write off the cost of the assets over their estimated useful lives or the life of the lease, whichever is shorter. Depreciation for assets under the course of construction commences when assets are available to be placed in service. The residual values are reassessed annually and the Directors believe a 0% residual value remains appropriate considering all relevant factors.

The principal useful lives in use are:

Asset class	Depreciation method and rate
Stage show and other on-board entertainment and programming costs	3 to 5 years
Furniture, fixtures, leasehold improvements and equipment (including cruise ships)	2 to 40 years

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in income statement.

The componentisation method is used to capitalise and depreciate the cruise ships. Each component of a ship that has a cost that is significant in relation to the total cost is depreciated separately if the component is consumed in a different manner or over a different time period to the rest of the asset.

l) Inventories

Inventories of finished goods and goods for resale are stated at the lower of cost and estimated selling price less cost to complete and sell. Estimated selling price is the price at which inventories can be sold in the normal course of business after allowing for the costs of realisation. Provisions have been made for obsolescence, based upon aging of inventory, historical and forecasted sales, estimated margins and current events or changes in market conditions. The cost of inventory is determined through the use of weighted average methodology.

3. Summary of material accounting policies (continued)

m) Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. As at 27 September 2025, the Company held $37,975,951 in overnight cash deposits (2024: $64,668,220). As at 27 September 2025 the Company did not hold any bank overdrafts (2024: $nil).

n) Financial instruments

i) Financial assets

Basic financial assets, including trade and other debtors and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method where applicable.

At the end of each financial year financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the income statement.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the income statement.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

ii) Financial liabilities

Basic financial liabilities, including trade and other creditors and loans from fellow Group Companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

iv) Hedging arrangements

The Company manages exposure to commodity fluctuations by using derivatives to reduce volatility of earnings and cash flows arising from commodity price changes. The amounts hedged using derivative contracts are based on forecasted levels of consumption of certain commodities, such as fuel oil and gasoline.

Derivatives are initially accounted for and measured at fair value on the date a derivative contract is entered into and subsequently measured at fair value. The gain or loss on re-measurement is taken to the income statement except where the derivative is a designated cash flow hedging instrument.

Magical Cruise Company, Limited

Notes to the financial statements for the year from 29 September 2024 to 27 September 2025 (continued)

3. Summary of material accounting policies (continued)

n) Financial instruments (continued)

iv) Hedging arrangements (continued)

Gains or losses deferred in other comprehensive income are transferred to the income statement in the same year as the underlying fuel purchase. The ineffective portions of the gain or loss on the hedging instrument are recognised in profit or loss. For the portion of hedges deemed ineffective or transactions that do not qualify for hedge accounting under FRS 102, any change in assets or liabilities is recognised immediately in the income statement. Hedge accounting is discontinued when the hedging instrument expires, no longer meets the hedging criteria, the forecast transaction is no longer highly probable, the hedged debt instrument is derecognised or the hedging instrument is terminated.

The Company has taken exemption from the requirement to present certain financial instrument disclosures, as required by sections 11 and 12 of FRS 102.

o) Cruise deposits

Cruise deposits are recorded upon receipt by the Company's agents and deferred until the cruise occurs at which time they are recognised as revenue.

p) Dry dock costs

Dry dock costs are broken into two categories:

Overhaul Costs - costs which are typically more repair and maintenance in nature and do not generally add economic value to the vessel. These costs are expensed as incurred.

Additions/Improvements - costs which are typical capital costs and add economic value to the vessel. When these assets can be identified and quantified separately, they are capitalised after assigning a residual value and depreciated over the normal useful life of the asset.

q) Leased assets

At inception the Company assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Operating lease rentals are charged to the income statement on a straight line basis over the period of the lease.

r) Employee benefits

The Company provides a range of benefits to employees, including discretionary annual bonus arrangements, paid holiday arrangements and defined contribution pension and defined benefit pension plans.

Short term benefits

Short term benefits are recognised as an expense in the year in which the service is received. Holiday pay is recognised as an expense in the year in which the service is received.

Defined contribution pension plans

Contributions are made on behalf of the Company by the parent undertaking into defined contribution plans and are charged to the income statement when they fall due. Pension costs were allocated to the Company based on its share of the costs of contributions for the Group as a whole.

Defined benefit pension plans

In respect of the defined benefit plan, liabilities are measured using the projected unit method for reporting in these financial statements under section 28 of FRS 102. Annual valuations are prepared by independent professionally qualified actuaries. Actuarial gains and losses are recognised by the parent undertaking.

The plan is a Group defined benefit scheme. Although the scheme is a defined benefit arrangement, it is a Group scheme. It has not been possible to identify the underlying assets and liabilities attributable to each participating company and therefore has been accounted for as a defined contribution scheme. Therefore, the pension cost recognised in the income statement for this scheme represents contributions payable by the Company to the scheme for the year.

3. Summary of material accounting policies (continued)

s) Related party transactions

The Company has taken the exemption as provided by paragraph 33.1A of FRS 102 and does not disclose transactions with members of the same Group that are wholly owned. The Company also does not disclose transactions with related parties which are not wholly owned with the same Group in note 25.

The Company has also taken exemption from the requirement to disclose the key management personnel compensation in total as required by paragraph 33.7 of FRS 102.

4. Amendments to FRS 102 not yet applied

The following amendments to FRS 102 have been issued but have not been applied in these financial statements.

- Amendments to Section 7 Statement of Cash Flows (effective for financial years beginning on or after 1 January 2025). This introduces new disclosure requirements about supplier finance arrangements.
- Amendments to Section 20 Leases (effective for financial years commencing on or after 1 January 2026): This removes the distinction between operating and finance leases for lessees; with more leases recognised with an asset and liability on-balance sheet. Recognition exemptions permit short-term leases and leases of low-value assets to remain off-balance sheet.
- Amendments to Section 23 Revenue from Contracts with Customers (effective for financial years commencing on or after 1 January 2026): This introduces a single comprehensive five-step model for revenue recognition for all contracts with customers, based on identifying the distinct goods or services promised to the customer and the amount of consideration to which the entity will be entitled in exchange.
- Amendments to Section 29 Income Tax (effective for financial years commencing on or after 1 January 2026): This introduces guidance on accounting for uncertain tax positions.

5. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future years affected.

Useful economic lives of tangible assets (E)

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of assets. The useful economic lives and residual values are assessed annually. They are amended when necessary to reflect current estimates, based on technological advancements, future investments, economic utilisation and the physical condition of the assets. As a result, impairments are made where required. See note 15 for the carrying amount of tangible assets and policy notes for the useful economic lives for each class of asset.

Investments (E & J)

The Company's fixed asset investments are held at historical cost, adjusted for impairment where applicable. At each reporting date non-financial assets are assessed to determine whether there is an indication that the asset may be impaired. The assessment includes the consideration of internal and external factors. No indicators of impairment have been identified as at 27 September 2025.

Should an indicator of impairment be identified a formalised value-in-use model is prepared. The value-in-use model involves management's analysis and estimates of the respective investments' forecasted future cash flows, territory market conditions, recent applicable market transactions and net asset composition. See note 16 for the carrying amount of the Company's investments.

Defined benefit pension scheme (J)

Certain employees participate in a Group defined benefit pension scheme with other companies in the region. In the judgment of the Directors, the Company does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore, the scheme is accounted for as a defined contribution scheme, see note 24 for further details.

5. Critical accounting judgements and key sources of estimation uncertainty (continued)

Hedging arrangements (E)

The Company manages exposure to commodity fluctuations by using derivatives to reduce volatility of earnings and cash flows arising from commodity price changes and also designates certain derivatives as cash flow hedging instruments. When entering into such derivative contracts and hedge accounting arrangements management carefully considers the accuracy of forecasted purchases and monitors the actual results in order to ensure hedge accounting arrangements are reported accurately. See note 21 for further details.

**(E - critical accounting estimates and assumptions; J - critical judgements in applying the Company's accounting policies).*

6. Turnover

The analysis of the Company's turnover for the year from continuing operations is as follows:

	Year ended 27 September 2025 $'000	Year ended 28 September 2024 $'000
Cruise revenue	**2,894,142**	2,391,409
Other revenue	**110,966**	106,786
	3,005,108	2,498,195

Cruise revenue is the provision of cruise berths and amounts earned from the sale of merchandise, beverages, amenities and recreational activities provided during the cruises. Other revenue consists of royalties and licensing fees, and cruise cancellation fees.

The Company's subsidiary, DCL Island Development, Ltd. ("DCLID"), earns a commission on land-based sales at the two DCLID-owned and operated island destinations in The Bahamas (i.e., Castaway Cay and Lookout Cay at Lighthouse Point). Land-based revenue attributable to DCLID commissions is as follows:

	Year ended 27 September 2025 $'000	Year ended 28 September 2024 $'000
Cruise Revenue	**2,846,005**	2,358,097
Bahamian Land-based Revenue	**48,137**	33,312
Other Revenue	**110,966**	106,786
	3,005,108	2,498,195

Geographical segments

The analysis of the Company's turnover by geographical destination during the year was as follows:

	Year ended 27 September 2025 $'000	Year ended 28 September 2024 $'000
Americas	**2,705,183**	2,216,373
Rest of world	**299,925**	281,822
	3,005,108	2,498,195

Notes to the financial statements for the year from 29 September 2024 to 27 September 2025 (continued)

7. Operating profit

Operating profit is stated after charging:

	Year ended 27 September 2025 $'000	Year ended 28 September 2024 $'000
Depreciation expense	297,687	212,005
Loss on disposal of tangible assets	2,954	5,437

Cost of sales includes $263,931,000 inventory expense for the year (2024: $258,780,000).

8. Auditors' remuneration

	Year ended 27 September 2025 $'000	Year ended 28 September 2024 $'000
Audit of the financial statements	488	465

9. Income from shares in group undertakings

	Year ended 27 September 2025 $'000	Year ended 28 September 2024 $'000
Dividend income	2,874	15,335

A dividend of $2,874,000 (2024: $15,335,000) was received from The Walt Disney Company Africa (Proprietary) Limited.

10. Interest receivable and similar income

	Year ended 27 September 2025 $'000	Year ended 28 September 2024 $'000
Bank interest receivable	7,406	9,657
Intercompany interest receivable	28,461	27,357
	35,867	37,014

11. Interest payable and similar expenses

	Year ended 27 September 2025 $'000	Year ended 28 September 2024 $'000
Other interest expense	7	-

12. Staff costs and numbers

The aggregate payroll remuneration (including the Directors' remuneration) was as follows:

	Year ended 27 September 2025 $'000	Year ended 28 September 2024 $'000
Wages and salaries	423,620	320,042
Social security costs	5,444	5,128
Other pension costs	8,162	7,476
	437,226	332,646

The average number of persons (including the Directors) employed by the Company during the year, analysed by category was as follows:

	Year ended 27 September 2025 No.	Year ended 28 September 2024 No.
Shipboard personnel	8,083	6,448
Administrative personnel	1,470	1,340
	9,553	7,788

13. Directors' remuneration

The Directors' remuneration for the year was as follows:

	Year ended 27 September 2025 $'000	Year ended 28 September 2024 $'000
Aggregate emoluments	**1,127**	1,533
Other director benefits	**760**	831
Company contributions paid to defined contribution plan	**40**	30
	1,927	2,394

In respect of the highest paid Director:

	Year ended 27 September 2025 $'000	Year ended 28 September 2024 $'000
Total amount of emoluments and amounts (excluding shares) receivable under long-term incentive schemes	**837**	741
Defined contribution pension scheme	**9**	2
Other director benefits	**697**	524
Defined benefit amount accrued	**227**	177

Retirement benefits are accruing to 1 Director (2024: 2) under a defined benefit scheme and 2 Directors (2024: 3) under a defined contribution plan in respect of their qualifying services. No (2024: no) Directors exercised share options in the ultimate parent company in the year at a gain of $nil (2024: $nil) and 2 (2024: 3) Directors received shares under long term incentive schemes at a gain of $737,000 (2024: $807,000). No compensation for loss of office was paid during the year (2024: $nil).

No Directors services (2024: $nil) were recharged to the Company by other Group Companies.

The above details of Directors' emoluments do not include the emoluments of 8 (2024: 7) Directors who are paid by other Group companies. For the remaining Directors it is not possible to determine an allocation of their remuneration for services to the Company as their duties are incidental to the overall role for the Group.

14. Tax on profit

The charges for taxation is based on the taxable profit for the year, and comprises of:

	Year ended 27 September 2025 $'000	Year ended 28 September 2024 $'000
Current tax		
UK Corporation tax at 25.00% (2024: 25.00%)	17,781	4,156
Adjustments in respect of prior years	(4,405)	6,515
Foreign tax	660	767
Adjustments in respect of prior years (foreign tax)	735	-
Total tax on profit	**14,771**	11,438

All tax is recognised in income statement.

The tax on profit before taxation for the year is lower (2024: lower) than the standard rate of corporation tax in the UK of 25.00% (2024: 25.00%). The differences are explained below:

	Year ended 27 September 2025 $'000	Year ended 28 September 2024 $'000
Profit before taxation	**317,476**	358,815
Profit before taxation multiplied by the standard rate in the UK of 25.00% (2024: 25.00%)	79,369	89,704
Effects of:		
Income not taxable for tax purposes	(62,204)	(72,981)
Adjustments in respect of prior years	1,027	5,630
Group relief for nil consideration	-	(12,899)
Other permanent differences	130	105
Current tax (current year) exchange difference arising on movement between opening and closing spot rates	466	227
Current tax (prior year) exchange difference arising on movement between opening and closing spot rates	(4,676)	885
Withholding tax suffered	143	767
Foreign tax suffered	516	-
Total tax charges for the year	**14,771**	11,438

BEPS Pillar Two

The OECD has announced a suite of rules to combat Base Erosion and Profit Shifting. The Pillar Two Global Anti-Base Erosion (GloBE) model rules were enacted by the United Kingdom, where the entity is incorporated, with effect from 1 January 2024. The financial year ended 27 September 2025, for this entity, is in scope of these rules which enforce a minimum effective tax rate of 15% for large multinational enterprises. Management has assessed the Company's exposure to the global minimum tax framework and Pillar Two taxes have been assessed to be immaterial for this year.

For the year ended 27 September 2025, the Company has applied the mandatory exemption to recognising and disclosing information about the deferred tax assets and liabilities related to Pillar Two income taxes, as provided in amendments to FRS 102 Section 29 issued in July 2023.

Magical Cruise Company, Limited

Notes to the financial statements for the year from 29 September 2024 to 27 September 2025 (continued)

15. Tangible assets

	Assets under the course of construction $'000	Stage shows and other on board entertainment and programming costs $'000	Furniture, fixtures, leasehold improvements and equipment (including cruise ships) $'000	Total $'000
Cost				
At 29 September 2024	514,677	187,825	4,417,515	5,120,017
Additions	2,619,235	1	265,490	2,884,726
Disposals	(2,937)	-	(2,924)	(5,861)
Transfers	(1,439,065)	72,427	1,366,638	-
At 27 September 2025	**1,691,910**	**260,253**	**6,046,719**	**7,998,882**
Accumulated depreciation				
At 29 September 2024	-	153,507	1,492,940	1,646,447
Charge for the year	-	20,354	277,333	297,687
Disposals	-	-	(2,907)	(2,907)
At 27 September 2025	-	**173,861**	**1,767,366**	**1,941,227**
Net book value				
At 27 September 2025	**1,691,910**	**86,392**	**4,279,353**	**6,057,655**
At 28 September 2024	514,677	34,318	2,924,575	3,473,570

16. Investments

	Shares in group undertakings $'000
Cost	
At 29 September 2024	315,300
Additions	621,261
At 27 September 2025	**936,561**
Impairment	
At 29 September 2024	-
At 27 September 2025	-
Net book value	
At 27 September 2025	**936,561**
At 29 September 2024	315,300

The only investment addition during the financial year related to DCL Island Development, Ltd.

On 25 September 2025, an outstanding loan balance of $621,261,000 owed by DCL Island Development, Ltd. was settled through the issuance of shares to the Company. Thus, the Company's investment in DCL Island Development, Ltd. increased by this same amount.

The Company has investments in the following subsidiary undertakings:

Company name	Registered address	Class of shares	Ownership 27 September 2025 %	Ownership 28 September 2024 %
The Walt Disney Company Africa (Proprietary) Limited	16 Fricker Road, 1st Floor Illovo, Sandton, Gauteng, 2916, South Africa	Ordinary	100	100
DCL Island Development, Ltd.	One Millars Court, Millars Court, Nassau, The Bahamas	Ordinary	100	100

All of the above investments are directly owned by the Company. The Directors assessed and determined that no events or circumstances were identified to have a potential impairment trigger. The Directors are of the opinion that the recoverable amount of these investments is not less than the carrying value of the investments.

17. Inventories

	27 September 2025 $'000	28 September 2024 $'000
Food and beverages	**14,628**	11,077
Merchandise goods for resale	**13,236**	6,925
Consumables (including fuel)	**12,662**	8,707
	40,526	26,709

There is no material difference between the carrying amount of stock and the replacement cost. Inventories are stated after provisions for impairment of $828,000 (2024: $704,000).

18. Debtors

Amounts falling due within one year:

	27 September 2025 $'000	28 September 2024 $'000
Trade debtors	15,974	14,927
Amounts owed by group undertakings	52,793	676,266
Derivative financial assets (note 21)	2,232	-
Prepayments and accrued income	27,901	23,792
	98,900	714,985

The Company has $nil provisions for impairment of trade debtors during the year (2024: $nil).

Amounts falling due after more than one year:

	27 September 2025 $'000	28 September 2024 $'000
Derivative financial assets (note 21)	2,434	3,018

In the prior financial year ended 28 September 2024, amounts owed by group undertakings included a loan to DCL Island Development, Ltd for $609,956,000. The outstanding loan balance was settled through the issuance of shares to the Company on 25 September 2025.

			Principal		
Counter party	Issue date	Maturity date	27 September 2025 $'000	28 September 2024 $'000	Interest rate
DCL Island Development, Ltd.	2 October 2023	Repayable on demand by 25 September 2025	-	609,956	SOFR rate + 7bps

19. Cash at bank and in hand

	27 September 2025 $'000	28 September 2024 $'000
Cash at bank - in current accounts	29,458	43,263
Overnight deposits	37,976	64,668
	67,434	107,931

20. Creditors

Amounts falling due within one year:

	27 September 2025 $'000	28 September 2024 $'000
Trade creditors	**75,664**	73,957
Amounts owed to group undertakings	**708,056**	223,372
Taxation and social security	**3,927**	3,073
Corporation tax	**16,023**	15,195
Deposits received on cruises	**1,064,836**	915,515
Derivative financial liabilities (note 21)	**140**	5,051
Accruals	**101,382**	82,603
	1,970,028	1,318,766

Amounts owed to group undertakings are trade payables that are unsecured and bear no rate of interest. The amounts have no set repayment date and, therefore, have been classified as due on demand. Amounts are kept current through regular payments.

	27 September 2025 $'000	28 September 2024 $'000
Amounts falling due after more than one year		
Accruals	**120**	289
Derivative financial liabilities (note 21)	**7**	427
	127	716

21. Financial instruments by category

	Note	27 September 2025 $'000	28 September 2024 $'000
Financial assets measured at amortised cost:			
Trade debtors	18	**15,974**	14,927
Amounts owed by group undertakings	18	**52,793**	676,266
Cash at bank and in hand	19	**67,434**	107,931
Financial assets measured at fair value through profit and loss:			
Derivative financial instruments - maturing within one year	18	**2,232**	-
Derivative financial instruments - maturing after one year	18	**2,434**	3,018
		140,867	802,142

21. Financial instruments by category (continued)

	Note	27 September 2025 $'000	28 September 2024 $'000
Financial liabilities measured at amortised cost:			
Trade creditors	20	**75,664**	73,957
Accrued expenses	20	**101,382**	82,603
Amounts owed to group undertakings	20	**708,056**	223,372
Financial liabilities measured at fair value through profit and loss:			
Derivative financial instruments - maturing within one year		**140**	5,051
Derivative financial instruments - maturing after one year		**7**	427
		885,249	385,410

Derivative financial instruments

Cash flow hedging arrangements

The Company maintains derivative arrangements for the purchase of fuel (commodity swaps). These derivative positions are primarily determined at the balance sheet date using internal discounted cash flow models that reference observable inputs such as commodity prices and interest rates.

Derivative financial assets maturing within one year on un-matured fuel hedges amounted to $2,232,000 as at 27 September 2025 (2024: $nil). Derivative financial assets maturing after one year amounted to $2,434,000 as at 27 September 2025 (2024: $3,018,000). These derivative financial assets have been designated in a cash flow relationship and there was no ineffectiveness to be recorded in the income statement for the year. These amounts have been recognised in equity and will be transferred to the income statement when the forecasted fuel purchases occur.

Derivative financial liabilities maturing within one year on un-matured fuel hedges amounted to $140,000 as at 27 September 2025 (2024: $5,051,000). Derivative financial liabilities maturing after one year on un-matured fuel hedges amounted to $7,000 as at 27 September 2025 (2024: $427,000). These have been designated in a cash flow relationship and there was no ineffectiveness to be recorded in the income statement for the year. These amounts have been recognised in equity and will be transferred to the income statement when the forecasted fuel purchases occur.

The total amount of the change in fair value of the hedging instrument recognised in other comprehensive income for the year was a gain of $5,934,000 (2024: loss of $19,127,000) and $2,686,000 (2024: $640,000) was reclassified from equity to profit or loss for the year. There was no (2024: $nil) ineffectiveness to be recorded in the income statement for the year.

22. Called up share capital and reserves

	27 September 2025 $'000	28 September 2024 $'000
Allotted and fully paid: 3,409,987,258 (2024: 2,174,847,533) Ordinary shares of £1 each converted at an exchange rate of $1.300 (2024: $1.302)*	**4,432,600**	2,832,600

*During the current financial year, the Company allotted and fully paid 1,235,139,725 ordinary shares of £1 converted at $1.295, in return for cash consideration of $1,600,000,000. The Company did not issue any new shares during the prior financial year.

22. Called up share capital and reserves (continued)

Reserves

Share premium account

The share premium reserve contains the premium arising on issue of equity shares, net of issue expenses.

Other distributable reserve

The other distributable reserve relates to a share premium conversion.

Other reserves

The other reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred and capital contributions.

Profit and loss accounts

The profit and loss reserve represents cumulative profits or losses, including unrealised profit on the remeasurement of investments, net of dividends paid and other adjustments.

23. Commitments and contingencies

Commitments

During the years 2016-2017, the Company entered into agreement with DCL Maritime LLC (a fellow group undertaking), for the purchase of three new ships scheduled to be delivered in 2022, 2024 and 2025. After an initial delay resulting from COVID, the Disney Wish was the first of the three delivered in June 2022. The Disney Treasure was delivered during the financial year ended 2025 in October 2024. The Disney Destiny was delivered during the financial year ended 2026 in October 2025. Please see the Strategic report for more information. Contractual arrangements can be amended with mutual agreement by both parties.

The Disney Adventure joined the existing fleet in the financial year ended 2026. In August 2024, the Group announced plans to add four more new cruise ships to the fleet, all of which are under contract and scheduled to be delivered between 2027 and 2031.

The Company has the following minimum contractual payments under these purchase agreements for each of the following years:

	27 September 2025 $'000	28 September 2024 $'000
Not later than one year	**1,016,061**	962,874
Later than one year and not later than five years	**4,150,484**	2,427,558
Later than five years	**1,363,393**	3,875,440
	6,529,938	7,265,872

Operating leases

The Company has the following future minimum lease payments under non-cancellable operating leases for each of the following years:

	27 September 2025 $'000	28 September 2024 $'000
Not later than one year	**1,227**	1,197
Later than one year and not later than five years	**5,220**	5,093
Later than five years	**230**	1,584
	6,677	7,874

The Company has no contractual obligations for maintenance and other services at 27 September 2025 (2024: $515,000).

23. Commitments and contingencies (continued)

Port Commitments

The Company has entered into contractual agreements with various ports based on minimum annual guarantees:

	27 September 2025 $'000	28 September 2024 $'000
Not later than one year	**27,619**	20,248
Later than one year and not later than five years	**89,898**	96,722
Later than five years	**179,814**	200,765
	297,331	317,735

Marketing

Marketing commitments comprise amounts the Company is contracted to pay to media advertising agencies in relation to upcoming advertising campaigns.

	27 September 2025 $'000	28 September 2024 $'000
Not later than one year	**2,197**	7,483
Later than one year and not later than five years	**975**	1,282
	3,172	8,765

Contingencies

The Company may be subject to litigation where financially material legal claims could be brought against it. As at the financial year ended 27 September 2025, there are no material probable outflows expected in relation to legal claims against the Company.

24. Pensions

The shore side employees of the Company participate in the Group defined benefit pension plan. The defined benefit pension plan is provided under the Disney Associated Companies' Retirement Plan and the Disney Salaried Pension Plan D. The cost of contributions to the Group scheme is based on pension costs across the Walt Disney Company Group as a whole, and is allocated to the Company based on an estimate. The pension cost recognised in the income statement for this scheme represents contributions payable by the Company to the scheme for the year, $8,162,000 (2024: $7,476,000). Details of the Group defined benefit plan are given in the financial statements of The Walt Disney Company and Subsidiaries. Details of the more significant points of the scheme are discussed below.

The cost is assessed in accordance with the advice of Mercer Human Resources & Investor Solutions, consulting actuaries. The latest actuarial valuation of the scheme was performed as at 27 September 2025 using the Project Unit Credit method. The principal assumptions adopted in the valuation were that, over the long term, the investment return would be 7.25% (2024: 7%) per annum, the rate of salary increase would be 2.55% (2024: 3.2%), and the discount rate 5.49% (2024: 5.08%). At the date of the latest actuarial valuation at 27 September 2025, the market value of the assets of the scheme was $11,916,000,000 (2024: $11,889,000,000), and the actuarial value of the assets was sufficient to cover 118% (2024: 115%) of the benefits that had accrued to members, after allowing for expected future increases in earnings.

The Company also participates in a Group defined contribution plan. The defined contribution plan is provided under the Disney Salaried Savings and Investment Plan. The Plan calls for contributions being made by its members and the Company on a matching basis and pension costs incurred by the Company for financial years ended 2025 and 2024 were not material. The expense in the financial year from the plan was $285,000 (2024: $174,000).

25. Related party transactions

The Company's majority shareholder is Wedco EMEA Ventures Limited, a company incorporated in the United Kingdom, whose ultimate parent is The Walt Disney Company, an entity incorporated in the United States of America.

Consequently, the Company utilises the exemption contained in paragraph 33.1A of FRS 102, 'Related party disclosures', not to disclose any transactions with entities that are included in the consolidated financial statements of The Walt Disney Company. The address at which the consolidated financial statements of the ultimate parent company are publicly available is included in note 26.

The Company has taken advantage of the exemption from providing certain related party transaction disclosures as mentioned in the accounting policy.

Key management includes the Directors and members of senior management. The Company has taken the exemption from the requirement to disclose the key management personnel compensation in total as required by paragraph 33.7 of FRS 102.

26. Ultimate parent undertaking

The Company's immediate parent company up until 30 April 2025 was Wedco EMEA Ventures Limited, incorporated in England and Wales in the United Kingdom. On 1 May 2025 Wedco International Holdings, Inc also became an immediate Member of the Company, being the ultimate beneficiary of a distribution of 12.069% of the shares in the Company. Wedco International Holdings, Inc is incorporated in the United States of America.

The Company is a subsidiary undertaking of The Walt Disney Company, which is the ultimate parent company and controlling entity, incorporated in the United States of America.

The largest and smallest group for which consolidated financial statements are prepared and of which the Company is a member is The Walt Disney Company (tax identification number: 83-0940635). Copies of their financial statements can be obtained from 500 South Buena Vista Street, Burbank, California 91521-9722, United States of America.

27. Events after the reporting period

In September 2025, the Company adjusted the launch timeline for the Disney Adventure, changing its maiden voyage from 15 December 2025 to 10 March 2026. The delay was specific to the Disney Adventure, and the Company's other ship itineraries and sailings were not impacted by this change.

On 15 October 2025, the Company took delivery of its seventh ship, the Disney Destiny, followed by its maiden voyage on November 20, 2025.

On 15 October 2025, the Company received cash proceeds from Wedco International Holdings, Inc and, in exchange, allotted 67,872,177 ordinary shares of £1 each at a premium, converted at $1.33 per £1. Total cash consideration received for this transaction was $196,725,000. The Company also received cash proceeds from Wedco EMEA Ventures Limited and, in exchange, allotted 494,496,089 ordinary shares of £1 each at a premium, converted at $1.33 per £1. Total cash consideration received for this transaction was $1,433,275,000.

On 18 December 2025, the Company received cash proceeds from Wedco International Holdings, Inc and, in exchange, allotted 33,311,498 ordinary shares of £1 each at a premium, converted at $1.34 per £1. Total cash consideration received for this transaction was $96,552,000. The Company also received cash proceeds from Wedco EMEA Ventures Limited and, in exchange, allotted 242,697,467 ordinary shares of £1 each at a premium, converted at $1.34 per £1. Total cash consideration received for this transaction was $703,448,000.