FPA
INVESTORS FIRST

FPA Issues Letter to Vail Resorts Shareholders

Dear Fellow Vail Resorts Shareholders:

FPA owns 3.7% of Vail Resorts ("Vail") (NYSE: MTN), having first bought shares in 2024, after years of closely following the company. We write to express our views on the upcoming election of directors.

We intend to support the Oasis Group nominees, Robert Chapek and M. Ashton Hudson, who have the experience, energy and motivation to improve the board and company's performance.

Vail's operating and financial performance have fallen well short of its potential. From the pre-Covid period (July 2019 fiscal year end) to today (2027's management guidance), Vail's financial performance has been stagnant, while other high-end leisure assets/activities have experienced robust growth. The company's reputation has been tarnished, and its balance sheet has deteriorated.

We believe the company's shortcomings are partly due to the board's mishandling of its most important obligations.

A board's most important duty is to hire and remunerate the CEO. In addition, we expect boards to protect the company's financial health, provide strategic advice, safeguard the company's reputation, and ensure capital is allocated wisely.

Vail's board has failed on all accounts:

- The 2021 CEO transition was an abject failure. To our knowledge, the 2025 transition was made without considering any alternative candidates.
- The board sacrificed the company's financial strength by taking on debt to repurchase stock during a time of optimism. That decision looks foolish in light of subsequent business performance.
- The board failed to provide thoughtful strategic or financial oversight when it supported the company' s European acquisitions. These acquisitions are no longer considered strategic; they distract management and have produced negligible returns on the capital invested.
- The board failed to protect the company's reputation when it allowed management's poor relationship with employees to mushroom into a national embarrassment at Park City during the 2024 holiday season.

Given the board's record, it is reasonable and necessary to select directors who originate from outside the board's echo chamber.

Vail owns iconic, irreplaceable assets and those assets should have a bright future.

Shareholders, guests and employees are fortunate that the Oasis Group nominees bring relevant expertise, fresh perspectives and independent accountability to the board.

Voting the Blue proxy card is an important step to assist Vail on a path to achieving its potential.

Brian Selmo
Partner, FPA
November 24, 2026

Important Disclosures

The information and views expressed herein are as of the date of the publication and are subject to change at any time in response to changing circumstances and industry developments. This information and data has been prepared from sources believed reliable, but the accuracy and completeness of the information cannot be guaranteed and is not a complete summary or statement of all available data.

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