



# ONESPAWORLD

AT SEA. ON LAND.

– *The Global Health and Wellness Company* –

INVESTOR PRESENTATION | May 3<sup>rd</sup>, 2023



## DISCLOSURE & FORWARD LOOKING STATEMENTS

### Forward-Looking Statements

This Investor Presentation includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended and the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. The expectations, estimates, and projections of the Company may differ from its actual results and consequently, you should not rely on these forward-looking statements as predictions of future events. Words such as “expect,” “estimate,” “project,” “budget,” “forecast,” “anticipate,” “intend,” “plan,” “may,” “might,” “project,” “possible,” “would,” “will,” “could,” “should,” “believe,” “predict,” “potential,” “continue,” or the negative or other variations thereof and similar expressions are intended to identify such forward-looking statements. These forward-looking statements include, without limitation, expectations with respect to future performance of the Company, including projected financial information (which is not audited or reviewed by the Company’s auditors), and the future plans, operations and opportunities for the Company and other statements that are not historical facts. These statements are based on the current expectations and beliefs of the Company’s management concerning future developments and their potential effects on us taking into account information currently available to us and are not predictions of actual performance. There can be no assurances that future developments affecting us will be those that we have anticipated. These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Factors that may cause such differences include, but are not limited to: the demand for the Company’s services together with the possibility that the Company may be adversely affected by other economic, business, and/or competitive factors or changes in the business environment in which the Company operates; changes in consumer preferences or the market for the Company’s services; changes in applicable laws or regulations; the availability of competition for opportunities for expansion of the Company’s business; difficulties of managing growth profitably; the loss of one or more members of the Company’s management team; and other risks and uncertainties described or incorporated by reference in the Registration Statement and the Company’s reports (including all amendments to those reports) filed from time to time with the SEC, including the Company’s most recent Annual Report on Form 10-KA for the year ended December 31, 2020 and the Company’s most recent Quarterly Report on Form 10-Q for the quarter ended September 30, 2021.. The Company cautions that the foregoing list of factors is not exclusive. You should not place undue reliance upon any forward-looking statements, which speak only as of the date made. Should one or more of these risks or uncertainties materialize, they could cause our actual results to differ materially from the forward-looking statements. The Company does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in its expectations or any change in events, conditions, or circumstances on which any such statement is based or otherwise, except as required by law. These forward-looking statements should not be relied upon as representing the Company’s assessments as of any date subsequent to the date of this communication.

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## DISCLOSURE, CONTINUED

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### Use of Projections

This Investor Presentation contains financial forecasts, including with respect to estimated revenues, net income, Adjusted Net Income, EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Unlevered After-Tax Free Cash Flow, Levered After-Tax Free Cash Flow and Unlevered After-Tax Free Cash Flow Conversion. OSW's independent auditors did not audit, review, compile, or perform any procedures with respect to the projections for the purpose of their inclusion in this Investor Presentation, and accordingly, did not express an opinion or provide any other form of assurance with respect thereto for the purpose of this Investor Presentation. These projections should not be relied upon as being necessarily indicative of future results. In this Investor Presentation, certain of the above-mentioned estimated information has been repeated (subject to the qualifications presented herein), for purposes of providing comparisons with historical data. The assumptions and estimates underlying the prospective financial information are inherently uncertain and are subject to a wide variety of significant business, economic and competitive risks and uncertainties that could cause actual results to differ materially from those contained in the prospective financial information. Accordingly, there can be no assurance that the prospective results are indicative of the future performance of OSW or that actual results will not differ materially from those presented in the prospective financial information. Inclusion of the prospective financial information in this Investor Presentation should not be regarded as a representation by any person that the results contained in the prospective financial information will be achieved.

### Use of Non-GAAP Financial Measures

In addition to financial information prepared in accordance with generally accepted accounting principles in the United States ("GAAP"), this Investor Presentation includes certain non-GAAP financial measures, such as EBITDA, Adjusted EBITDA, Adjusted Net Income, Unlevered After-Tax Free Cash Flow, Levered After-Tax Free Cash Flow and Unlevered After-Tax Free Cash Flow Conversion, which may not be directly comparable to similarly titled measures of other companies. OSW believes that the presentation of non-GAAP measures provides information that is useful to investors as it indicates more clearly the ability of OSW to meet capital expenditure and working capital requirements and provides an additional tool for investors to use in evaluating ongoing operating results and trends. These non-GAAP financial measures are in addition to, and not a substitute for or superior to, measures of financial performance prepared in accordance with GAAP. There are certain limitations related to the use of these non-GAAP financial measures versus their nearest GAAP equivalents. For example, other companies may calculate non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measures as tools for comparisons with other companies. Please see our most recent Form 10-K/A for the year ended December 31, 2020 for further details on how we define these non-GAAP financial measures.

### Industry and Market Data

In this Investor Presentation, OSW relies on and refers to information and statistics regarding market shares in the sectors in which it competes and other industry data. OSW obtained this information and statistics from third-party sources believed to be reliable, including reports by market research firms. OSW has supplemented this information where necessary with information from discussions with its customers and its own internal estimates, taking into account publicly available information about other industry participants and its management's best view as to information that is not publicly available. OSW has not independently verified the accuracy or completeness of any such third-party information.





Examples of  
world class  
facilities at  
sea, on land

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## KEY INVESTMENT HIGHLIGHTS

- 90+% outsourced spa market share on cruise ships
- 20+ consecutive years of global passenger growth
- Robust infrastructure and global network
- Cruise capacity and occupancy is highly visible
- New services lead to higher spend
- ~90% after-tax free cash flow to Adj. EBITDA conversion

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### PREEMINENT LEADER



- 90+% outsourced spa market share on cruise ships
- Nearly 20x larger than nearest maritime competitor
- ~20M annual captive audience

### FAVORABLE INDUSTRY DYNAMICS



- 20+ consecutive years of global passenger growth
- Strong population and demographic trends
- Emphasis on health, wellness and luxury lifestyles

### DIFFICULT TO REPLICATE



- Robust infrastructure and global network
- Training and service model built over several decades
- Staggered contracts with cruise line partners

### PREDICTABLE GROWTH



- Cruise capacity and occupancy is highly visible
- Published Cruise Ship order data
- Multi-year contracts include new ships during term

### INNOVATION IN SERVICES AND ENHANCED CAPABILITIES



- New services lead to higher spend
- Increased utilization from booking tools
- Expansion in offering to appeal to a broader customer base

### FCF & ASSET LIGHT



- ~90% after-tax free cash flow to Adj. EBITDA<sup>1</sup> conversion
- Asset light with minimal capex
- Cruise lines fund spa build-out and maintenance

1. Please see our most recent Form 10-K/A for the year ended December 31, 2020 for further details on how we define Adjusted EBITDA.



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## ONESPAWORLD OVERVIEW

### Exceptional Performance in Q1 2023

- The first quarter saw better-than-expected performance across key financial metrics driven by the power of our operating platform and the successful execution of our strategy by our team.
- Q1 was highlighted by several records, as we generated our highest ever first quarter revenue, income from operations and adjusted EBITDA, all of which rose significantly from the prior year

FINANCIAL HIGHLIGHTS	179 SHIPS	> 90% MARKET SHARE AT SEA <sup>1</sup>
	50 RESORTS	
	~20x NEXT LARGEST SEA COMPETITOR	~90% UNLEVERED AFTER-TAX FREE CASH FLOW CONVERSION <sup>2</sup>

Note: Ship count and resort count as of December 31, 2022.

1. Outsourced health and wellness market, as of 2020 forecast.

2. Unlevered After-Tax Free Cash Flow Conversion reflects 2019 and 2018 performance, prior to the impact of COVID-19 and is calculated as Adjusted EBITDA less Capital Expenditures and Provision for Income Taxes, divided by Adjusted EBITDA.



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WELLNESS SERVICES  
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## FY22 and FY23 Guidance

### Q2 2023

**\$185m-\$190m**  
Revenue

**\$18m-\$20m**  
EBITDA

### FY 2023

**\$710m-\$730m**  
Revenue

*Growth of 32% at Mid-Point  
versus FY2022  
Increased from \$660m-\$680m*

**\$70m-\$76m**  
EBITDA

*Growth of 46% at Mid-Point  
versus FY 2022  
Increased from \$64m-\$70m*

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# LONG-TERM AGREEMENTS WITH THE LARGEST AND MOST REPUTABLE CRUISE LINES

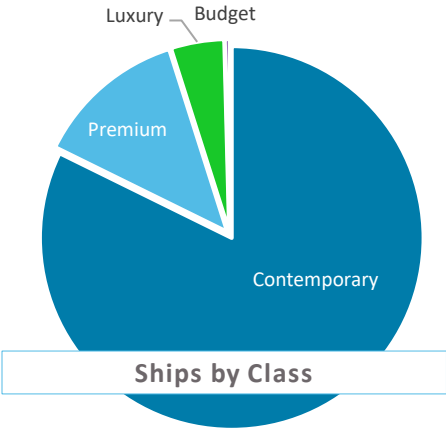
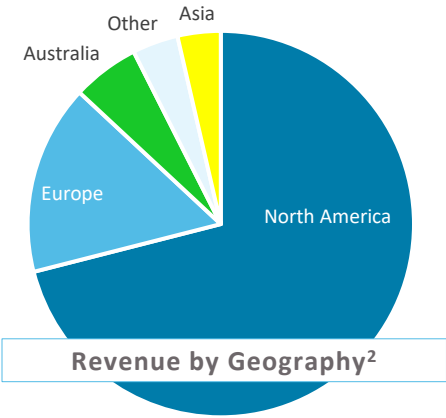
OneSpaWorld enters into new agreement with Norwegian Cruise Line Holdings through 2029 covering 29 ships currently sailing and eight new ships anticipated to come into service during the term

OneSpaWorld has extended its contract with Azamara through early 2026 covering all of Azamara’s ships sailing during the term of the agreement

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## We Operate on All Global Routes and Ship Classes<sup>1</sup>



## Long-Term C-Level Relationships Across our Entire Fleet<sup>3</sup>

Cruise Line Banner	Relationship	Total Ships	OSW Ships
Royal Caribbean International	29 Years	26	26
Carnival	29 Years	24	24
NORWEGIAN CRUISE LINE	23 Years	18	18
PRINCESS CRUISES come back new	20 Years	15	15
Celebrity X Cruises	21 Years	12	12
Holland America	22 Years	11	12
Costa	22 Years	10	11
SILVERSEA	25 Years	10	10
P&O CRUISES	18 Years	7	7
WINDSTAR CRUISES	21 Years	6	6

20+

YEARS AVERAGE CRUISE  
LINE RELATIONSHIP  
HISTORY

~94%

HISTORICAL CONTRACT  
RENEWAL RATE

5

YEAR AVERAGE  
CONTRACT LIFE

Source: Cruise Industry News.

1. Represents 2019. The Company believes, due to the impact of COVID-19 on our operations in 2020, current year data is not meaningful. As such, financial data is as of fiscal year 2019.

2. Revenue at sea only.

3. As of 12/31/2022.





## Onboard Health & Wellness Products and Services

### REVENUE SHARING CONTRACTS OFFER COMPELLING VALUE FOR ONESPAWORLD & CRUISE LINES

Revenue sharing aligns incentives and affirms cruise lines as our economic partners, not fixed-rent landlords

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#### ONESPAWORLD

##### RESPONSIBILITY

Recruit, train and manage worldwide onboard staff

Offer comprehensive and innovative services

Curate exclusive selection of health and wellness products

##### BENEFITS

Asset light

Access to large captive audience

Exclusive provider

#### CRUISE LINES

##### RESPONSIBILITY

Fund multi-million dollar buildout

Dependably fill ships with captive audience

Market our onboard services

##### BENEFITS

Maximized revenue yield

No operating expense

Superior guest experience



## End-to-End Logistics Capabilities

### BACK-END PLATFORM & KNOW-HOW

Global recruiting, training and human logistics

Product supply chain facility

Design expertise

Global maritime law compliance

### FRONT-END PLATFORM & KNOW-HOW

Yield and revenue management

Exceptional pre through post-cruise experience

Exclusive relationships with leading global brands

Timely trend identification and innovation of health & wellness products and services



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ONSPA WORLD HAS THE ONLY PLATFORM WITH PROCESSES AND INFRASTRUCTURE NECESSARY TO MANAGE THE COMPLEXITY OF SERVING THE GLOBAL CRUISE MARKET

Our sophisticated and comprehensive end-to-end platform difficult to replicate at scale



COMPREHENSIVE  
SERVICES  
AND CURATED BRANDS  
SOLD TO AN  
ATTRACTIVE CAPTIVE  
AUDIENCE

UNMATCHED SERVICE AND PRODUCT BREADTH ONBOARD
SPA & BEAUTY SERVICES
MEDI-SPA
FITNESS
HEALTH
NUTRITION
MIND-BODY
SPIRITUAL

Broad Offering of Leading Brands	
* ELEMIS	* Good Feet®
KÉRASTASE PARIS	L'ORÉAL PROFESSIONNEL PARIS
TECHNOGYM	* ideal image medicreation
BOTOX	coolsculpting
* Dysport®	* GO SMILE™
* thermage®	* Restylane

Cruise Passengers an Attractive Demographic	
\$114,000 AVERAGE INCOME	
49 YEARS OLD	84% MARRIED
69% COLLEGE EDUCATED	2.3 CRUISES EVERY 3 YEARS

REVENUE MIX <sup>1</sup>	~82% Services	~18% Retail	~20M Annual Captive Audience
			~\$270 Average Guest Spend

Sources: CLIA, Cruise Industry News.  
 Note: Asterisk indicates brand is exclusive to OneSpaWorld at sea. OSW has exclusive distribution rights to Thermage onboard vessels from non-Chinese cruise lines.  
 1. For fiscal year 2022.



## Global Passenger Routes



In 2022, OneSpaWorld...

<b>VISITED</b> <b>1,129</b> <b>GLOBAL PORTS OF CALL</b>	<b>EMBARKED ON</b> <b>6,661</b> <b>VOYAGES</b>	<b>REQUIRED</b> <b>5,279</b> <b>STAFF TO FILL OPEN POSITIONS</b>
<b>MADE</b> <b>1,115</b> <b>MANAGEMENT VISITS TO SHIPS IN PORT</b>	<b>PLACED</b> <b>5,378</b> <b>PURCHASE ORDERS TO VENDORS</b>	<b>SENT STAFF ON MORE THAN</b> <b>7,825</b> <b>FLIGHTS GLOBALLY</b>

Source: MarineTraffic.com.

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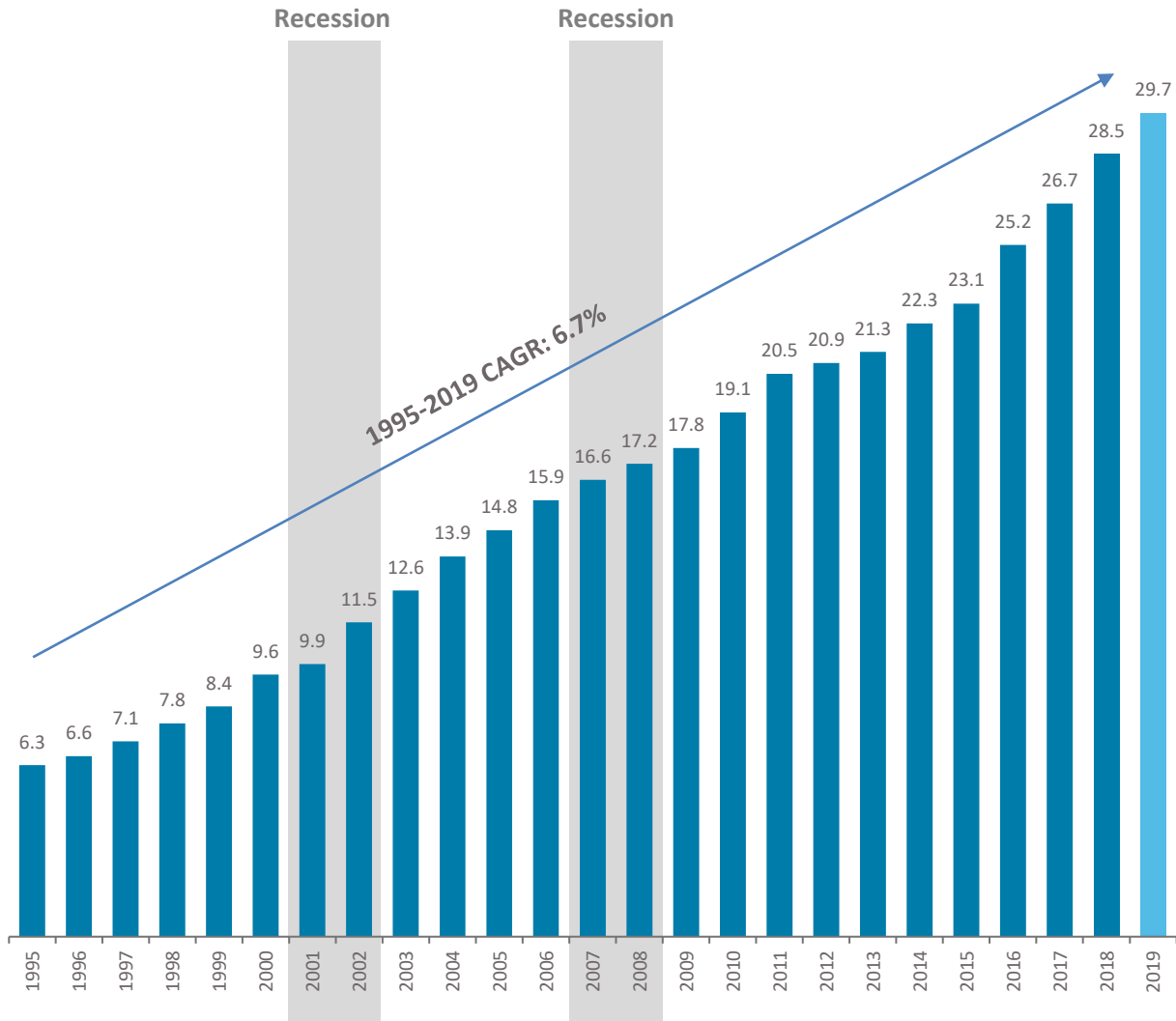
MORE THAN 20  
CONSECUTIVE YEARS  
OF GLOBAL PASSENGER  
GROWTH

The global cruise industry  
has proven resilient  
through recessions with  
passenger counts  
growing consistently for  
more than 20 years, until  
March 2020, with the  
Covid-19 pandemic  
having an unprecedented  
impact on the industry

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GLOBAL CRUISE SHIP PASSENGERS (M)



Sources: CLIA, Cruise Industry News, Management.  
Note: CLIA changed methodology for calculating passenger volume as of 2009, therefore consistent data for non-CLIA member cruise lines is unavailable prior to 2009. All passenger figures prior to 2009 are extrapolated by indexing CLIA-reported statistics to 2009 total of 17.8M.





## UNIQUELY VISIBLE AND PREDICTABLE GROWTH

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### Growth Strategy Built on the Following Key Drivers:

1

#### Capture Highly Visible New Ship Growth with Current Cruise Line Partners

Cruise capacity growth is highly visible and predictable with published global orderbooks reflecting 5+ years of growth

OneSpaWorld's ~5-year, fleet-wide contracts entitle it to operate on new ships launched during the contract term

2

#### Continue Launching Higher Value Services and Products

Expand higher-ticket medi-spa services to all appropriate ships within our fleet

Enhance Pain Management to include Full Recovery Technology

Curated indigenous services specific to global geographies and precise demographics

Continued R&D to always promote retail offerings specific to our environment

3

#### Focus on Enhancing Health and Wellness Center Productivity

Increase pre-booking and pre-payment capture rate as pre-booked appointments yield ~30% more revenue than services booked onboard

Expand targeted marketing and promotion initiatives

Utilize technology to increase utilization and enhance service mix

Extend retail beyond the ship

4

#### Expand Market Share By Adding New Potential Cruise Line Partners

Room to continue to grow 91% market share in the outsourced maritime health and wellness market as evidenced by recent new contract wins with Virgin Voyages, Oceania Cruises, Regent Seven Seas Cruises, and Celebrity Cruises

5

#### Selectively Expand Footprint at Destination Resorts

Focus on asset-light land-based business agreements at resort hotels



## GLOBAL TRENDS TO DRIVE SECTOR GROWTH

Multiple long-term mega trends underlie a compelling outlook

Growth and expansion of onboard health and wellness centers

### MULTIPLE MEGA TRENDS DRIVE POSITIVE OUTLOOK

AGING GLOBAL  
POPULATIONS



PERSISTENT HEALTH &  
WELLNESS TRENDS



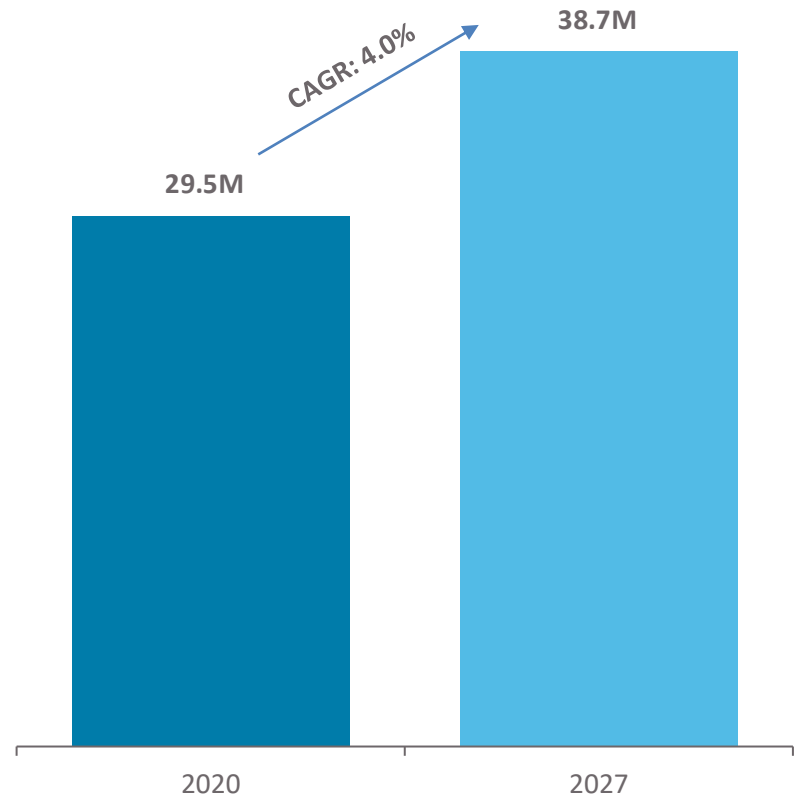
MILLENNIALS AND GEN Z  
AROUND THE WORLD  
SEEKING LUXURY  
EXPERIENCES



LONG-TERM EXPANSION IN  
ASIA

### ROBUST CAPACITY GROWTH IN CRUISING ACROSS GEOGRAPHIES

Global Cruise Capacity Growth: 2020 – 2027



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Sources: Cruise Industry News.

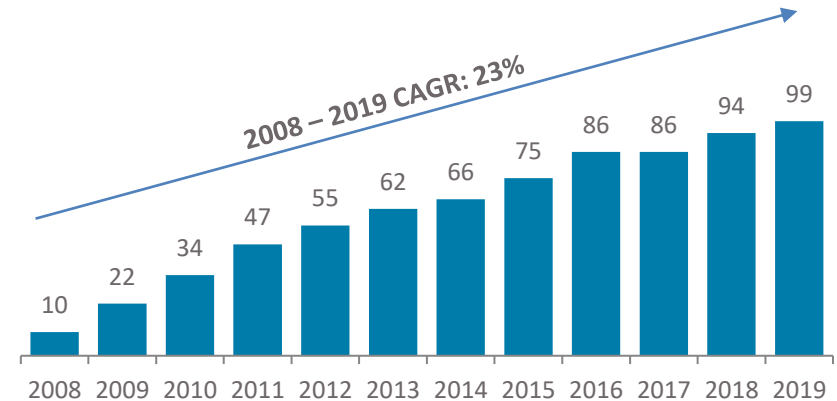


## Introduction of High-Value Services Drives Revenue Growth Across Existing Footprint

EXCLUSIVE & HIGHLY  
ATTRACTIVE GLOBAL  
CHANNEL FOR HIGH  
MARGIN SPA SERVICES



### OneSpaWorld Medi-Spa Rollout: Vessel Count by Year



### Average Spend Up To 10x-plus Traditional Services

SERVICE	BRANDS	AVG. SPEND
Cryolipolysis	coolsculpting	~\$2,500
Injectables	Botox  Dysport	~\$500
Skin Tightening	thermage	~\$2,800
Fillers	Restylane  Juvederm	~\$1,200
Bamboo Massage		~\$160
Acupuncture		~\$150

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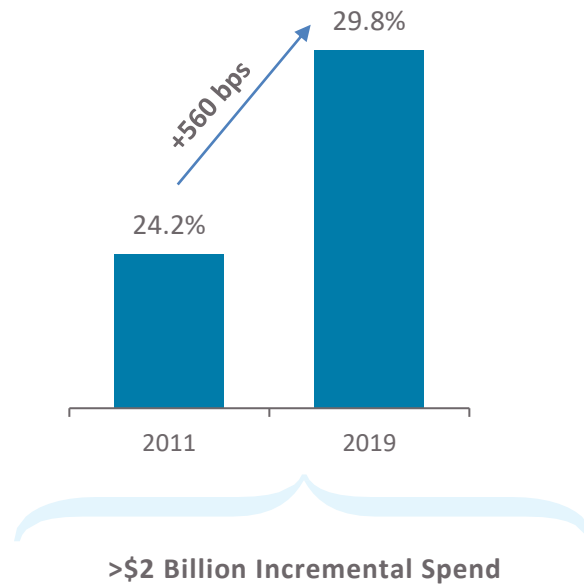
## CRUISE LINES ARE INCREASINGLY ALIGNED WITH US TO DRIVE ONBOARD REVENUE

Cruise lines focus more and more on onboard spend and increasingly collaborate with OneSpaWorld to grow revenue

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### Onboard Spend as a % of Cruise Operator Revenue<sup>1</sup>



*"...Cruise lines have turned their attention to onboard revenues to drive top line growth... New ships are now being designed with onboard revenue in mind."*

– Wall Street Research, July 2017

Source: SEC Filings, Independent Consultant Studies, Wall Street Research

1. Based on three largest cruise operators.

### Historical Collaboration

ISOLATED SHORE-SIDE ENGAGEMENT	Health & Wellness Center Branding & Design
	Signage & Limited Marketing

### New Areas of Collaboration

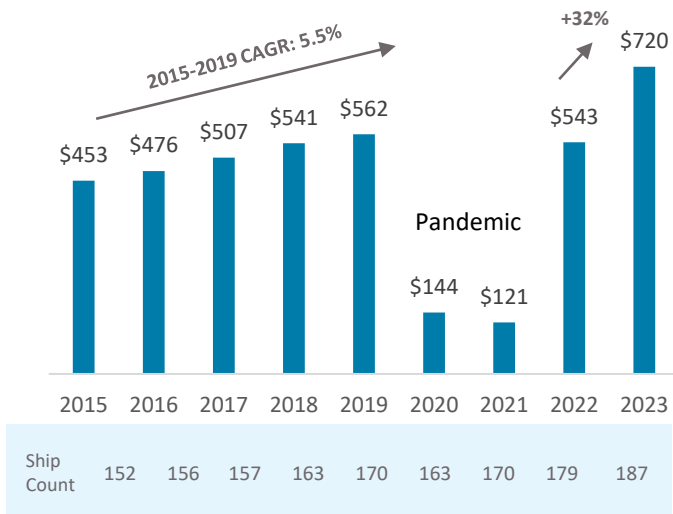
UNIFIED SHORE-SIDE AND ONBOARD COLLABORATION	Weekly Budgeting & KPI Review
	Targeted Marketing & Passenger Databases
	Enhanced Website Visibility & Design
	Dynamic Pricing and Price Increases
	Operational Sail Support (Onboard Training)



**STRONG,  
VISIBLE AND  
CONSISTENT REVENUE  
& ADJUSTED EBITDA  
GROWTH WITH  
EXCEPTIONAL  
FREE CASH FLOW  
CONVERSION**

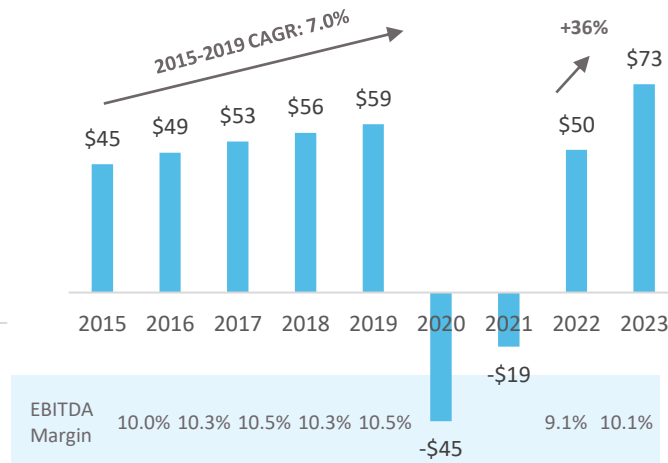
## Historical Revenue

(\$M, FYE Dec.)



## Historical PF Adj. EBITDA<sup>1</sup>

(\$M, FYE Dec.)



## Exceptional Unlevered After-Tax Free Cash Flow Conversion<sup>2</sup>

(\$M, FYE Dec.)

**\$59M**

**2019  
ADJ. EBITDA**

**~90%**

**FREE CASH FLOW CON  
VERSION<sup>3</sup>**

**~1%**

**AVG. CAPEX AS  
% OF REVENUE**

**~2%**

**HISTORICAL CASH  
TAX RATE**

1. 2015A-18A EBITDA adjusted for public company costs of \$2.9mm.

2. Unlevered After-Tax Free Cash Flow calculated as (Adjusted EBITDA – Avg. of 2015-20 Capex – Cash Taxes).

3. Unlevered After-Tax Free Cash Flow Conversion calculated as (Adjusted EBITDA less Avg. of 2015-20 Capex less Cash Taxes) / Adjusted EBITDA.

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## Exceptional After Tax Free Cash Flow Conversion

### ASSET LIGHT BUSINESS MODEL & SUPERIOR LEVEL OF AFTER-TAX FREE CASH FLOW

#### MINIMAL NEW HEALTH & WELLNESS CENTER CAPEX

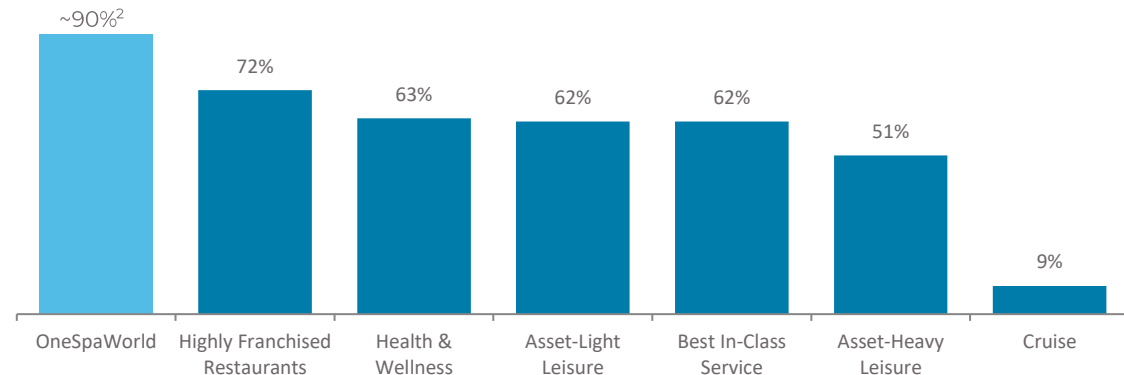
Cruise lines fund nearly all maritime health and wellness center buildout costs

#### ASSET LIGHT MODEL

OneSpaWorld does not own any of its maritime health and wellness centers – all major maintenance requirements funded by cruise lines

#### EFFECTIVE TAX RATE: ~2%

Significant majority of income earned in international waters



CAPEX AS % OF REVENUE	1-2%	3%	5%	6%	3%	14%	28%
EFFECTIVE TAX RATE	2%	21%	21%	21%	21%	21%	2%
FCF YIELD	6%	5%	4%	6%	5%	6%	-4%

Source: SEC filings, Wall Street research.

Note: Highly Franchised Restaurants includes YUM, QSR, DPZ and PZZA. Health & Wellness includes WTW, LULU, EYE, NKE and PLNT. Asset Light Leisure includes MAR, HLT, IHG, H, AC-FR and CHH. Best-in-Class Service includes BFAM, CTAS, ROL, ECL and SITE. Asset-Heavy Leisure includes MTN, SIX, PLYA, MGM, LVS and BEL. Cruise includes CCL, RCL and NCLH.

1. Adjusted Unlevered After-Tax FCF Conversion calculated as (Adjusted EBITDA less Estimated Unlevered Cash Taxes less Capex) / Adjusted EBITDA. Average conversion shown by sector.

2. OneSpaWorld Adjusted Unlevered After-Tax Free Cash Flow Conversion calculated as (2019 Adjusted EBITDA less Avg. of 2015-20 Capex less Cash Taxes) / Actual 2019 Adjusted EBITDA.

3. FCF Yield calculated as (Cash From Operations FY 23 – Cap ex FY 23E)/Market Capitalization

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PLANET  
PEOPLE  
INTEGRITY



# Sustainability and Social Responsibility

For over half a century, we have been innovators in the spa and wellness industry; bringing our premier services to passengers around the world on cruise ships and in resort spas. Our commitment to the environment is unwavering. We consistently stay ahead of recent regulations in order to ensure that our practices are efficient and effective when it comes to conserving resources. We are dedicated to building a world-class team of wellness experts. We look for talented, dedicated, and passionate individuals to join one of the most global companies in the world. We take pride in upholding the highest ethical standards in all of our operations, ensuring a legacy of integrity

Please visit our website for more information  
<https://onespaworld.com/our-world/corporate-social-awareness/>

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SERVICES COMPANY**



**UNDISPUTED LEADER IN A HIGHLY ATTRACTIVE INDUSTRY**

**GLOBAL MEGA TRENDS DRIVING ROBUST SECTOR GROWTH**

**COMPLEX BUSINESS MODEL NOT EASILY REPLICATED**

**HIGHLY VISIBLE, UNIQUELY PREDICTABLE GROWTH**

**ENHANCED CAPABILITIES ADD TO SALES PRODUCTIVITY**

**EXCEPTIONAL AFTER-TAX FREE CASH FLOW CONVERSION**

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THANK YOU

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