Center Parcs Investor Presentation

7th November 2024

Results for the 24 weeks to 3rd October 2024

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Section 1: Overview

Center Parcs overview

Highlights

- **FY25 Q2** revenue of **£158.6m (+2.1% versus FY24)** and EBITDA of **£80.2m.**
- Q2 net ADR was **£271.14 (+1.0% versus FY24).**

FY25 half year results

- UK revenue and EBITDA of **£294.2m** and **£136.5m.**
- Occupancy of **97.6%** achieved.
- Net ADR of **£244.67** compared to £**243.92** (**+0.3% growth).**
- Cash and cash equivalents of **£52.9m** at the half-year. Dividends in the year were **£85.5m.**
- The Group, including Ireland, delivered **EBITDA of £156.2m, 97.7% occupancy** and **89.1% guest satisfaction.**

Trading outlook

- **Forward bookings** for FY25 are in line with prior years, with 82% of capacity sold as at 31 October.
- As previously advised, the expectation remains that the Group will deliver EBITDA growth for the full year.
- Cash and cash equivalent balances of **£67.7m** at 31 October.

Center Parcs overview

Summary of lodge and guest numbers

1


Sherwood Forest
Opened 1987
904 4,806

2


Elveden Forest
Opened 1989
906 4,684

Center Parcs village

Accommodation
Total 4,830

Guest capacity
Total 25,682

3


Longleat Forest
Opened 1994
805 4,244

4


Whinfell Forest
Acquired 2001
919 4,980

5


Woburn Forest
Opened 2014
800 4,232

6


Longford Forest
Opened 2019
496 2,736

Center Parcs overview

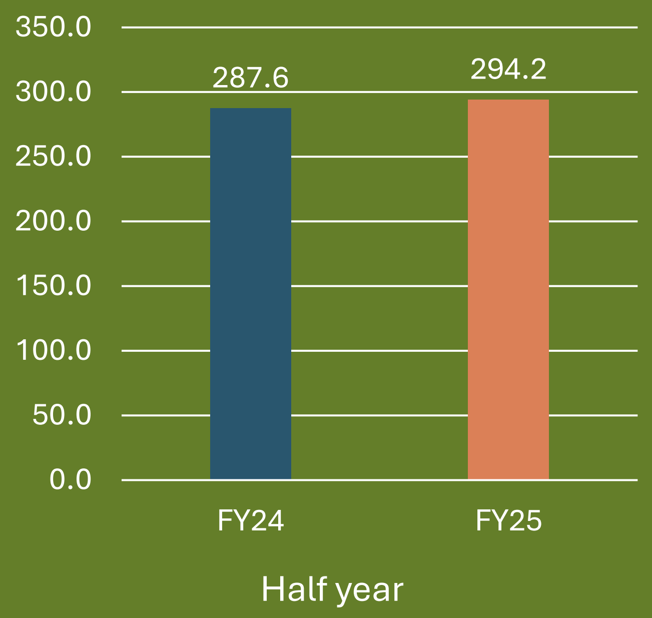
- The business has continued to **perform well** demonstrating the ongoing appeal for Center Parcs breaks, delivering **good revenue growth** in the first half of +2.3%. ADR is in growth and EBITDA is expected to deliver growth for the full year with an improving year on year trend seen in Q2 versus a non comparable Q1.
- **Guest satisfaction scores remain outstanding** and are evidence of the exceptional guest experience we continue to offer.
- **On village spend continues to grow** versus the prior year with guests continuing to enjoy the vast array of leisure activities , food and beverage options and Aqua Sana Forest Spa experiences on offer.
- We **continue to invest** in the villages, innovating and evolving to drive an enhanced experience for repeat visitors and attract first time guests. During the half, our Aqua Sana Forest Spa was rebranded to reflect the unique nature setting.
- Looking forward, **the business is set for another strong year** with forward bookings in line with prior years and key metrics in line with internal expectations enabling EBITDA growth for the full year.
- As previously announced Ireland expansion has commenced.
- Looking further ahead, we announced the option agreement on 1,000 acres of land in Scotland on the 5th of November **for our 7th village.** As a reminder funding for any new village sits outside the WBS until trading is stable.

FY25 is performing well with growth expectations on track for the full year

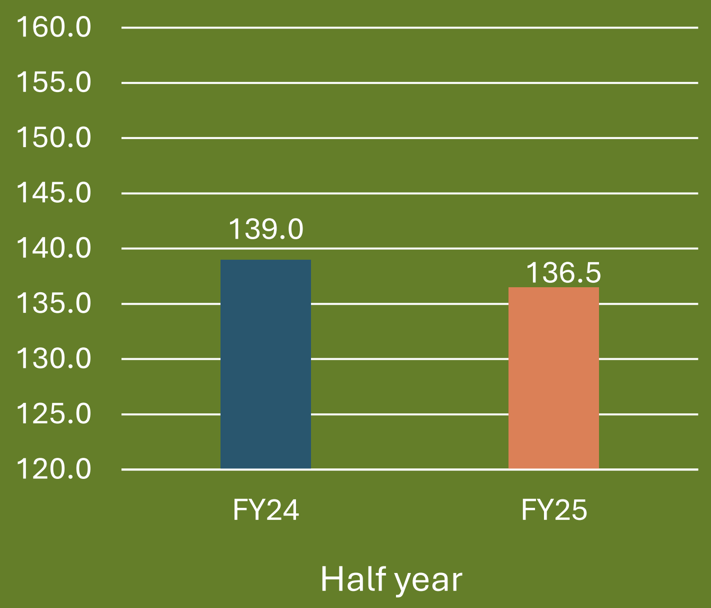
Section 2: Key financial highlights and capital investment

Key financial highlights - UK

Revenue (£m)



EBITDA (£m)



Occupancy, ADR and RevPAL

	H1 FY24	H1 FY25
Occupancy	98.0%	97.6%
ADR	£243.92	£244.67
RevPAL	£239.04	£238.73

Half 1 Revenue and ADR in growth with EBITDA expected to grow for the full year

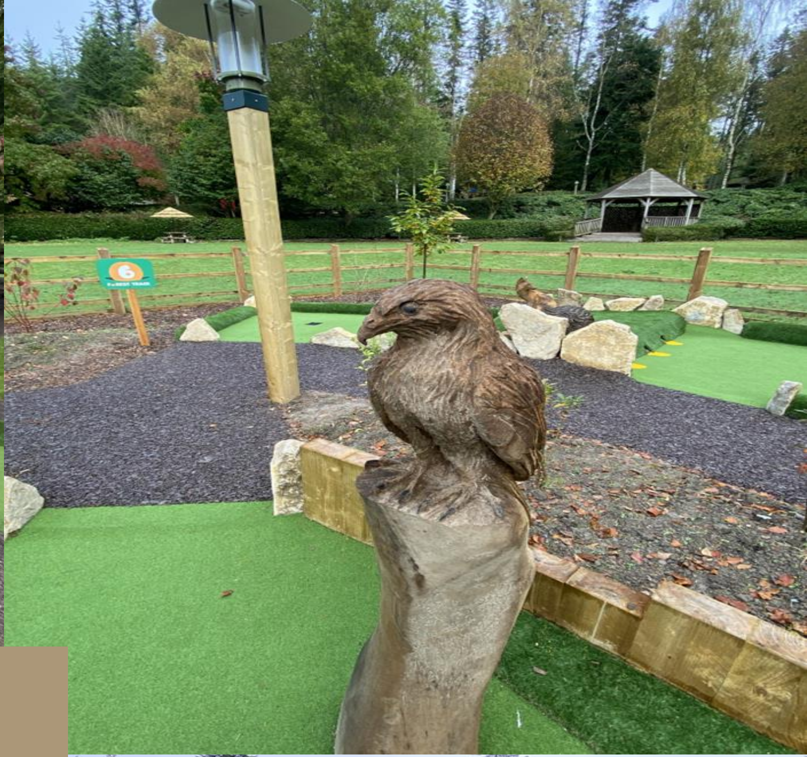
H1 FY25 capital investment - UK

Capital investments	Half-year FY24	Half-year FY25
Investment projects	£7.6m	£5.0m
Accommodation upgrades	£2.5m	£3.6m
New builds	£0.6m	£3.9m
Total investment capital	**£10.7m**	**£12.5m**
Maintenance capital	£18.0m	£20.9m
Total capital investment	**£28.7m**	**£33.4m**

Capital spend in line with prior year demonstrating continued investment

Leisure Innovation
Woodcraft Workshop
Sherwood Forest





Adventure Golf
Longleat Forest



Aqua Sana Forest Spa rebranding

Section 3: Current trading

Current trading resilience

- Center Parcs **continues to perform well in the sector** with guests continuing to book, spend more year on year and feedback exceptional satisfaction scores.
- **Forward bookings are entirely consistent** with previous trends at 82% booked for FY25.
- We are **expecting EBITDA growth** for the full year with costs well under control with sustainable savings a key focus in the year.
- **Capex investment continues to enhance the guest experience** as we maintain the current assets and invest in innovation to drive further revenue opportunities.
- The core business is **set for another strong year.**

Demand for Center Parcs continues with strong trading credentials

Strong cash generation

- Cash generation remains strong with ample free cashflow after covering interest, tax and investing appropriately.
- As at 3rd October the Group had cash and cash equivalents of £52.9m.
- £85.5m of dividends were paid in the half.
- The covenant tests were passed with significant headroom, and we do not envisage any breaches going forward.

Free cashflow remains strong despite rising interest costs versus prior years.

Section 4: ESG update

ESG update

- Center Parcs **remains fully committed to ESG principles** and it remains central to our strategy.
- The Group is **fully TCFD compliant** and is well progressed for the upcoming EU Corporate Sustainability Reporting Directive.

- The Group **continues to make good progress** on the ESG agenda:
  - We are **on track to reduce carbon emissions by 30% by 2030**, from a baseline year of 2020, via a set of clear targes on renewable energy, electric fleet, water usage and recycling.
  - At the end of FY24, we had made tangible progress and reduced carbon emissions by 7% since FY23 and 29% since 2020 and we remain fully committed to achieving net zero by 2050 for scope 1 and 2 greenhouse gas emissions.
  - During the first half of FY25, despite colder weather increasing our gas use, and capital investment in additional energy intensive facilities for guests to grow our business such as hot tubs, the Group has continued to focus on carbon emission reduction and reduced our emissions by a further percentage point **achieving a 30% reduction vs the same two quarters in 2020.**
  - We continue to **retain The Wildlife Trusts' Biodiversity Benchmark accreditation** across all villages.
  - The Group remains committed to social standards and continues to foster a diverse, equitable and inclusive culture with strong governance prevailing on effective regulatory compliance.

ESG principles remain central to our strategy

Section 5: Ireland update

Ireland update

- Our Longford Forest village in Ireland, which is outside of the WBS structure, continues to trade **exceptionally well** and is self-sufficient in terms of operational liquidity and cash flow generation.
- Similarly to the UK, **demand remains high** and guest spend on village continues to grow.
- Initial works **have commenced for the expansion** of the village and ground works commenced in September. Financing for the expansion is within a discrete facility entirely separate from the UK.

Expansion of the Irish village has commenced

Section 6: New Village - Scotland

Potential development of Center Parcs Scotland

- On 31 October 2024, **Center Parcs Scotland Limited ("CPSL") entered into an option agreement** for a potential **new site.**

- **CPSL sits outside of the WBS structure**

- The option allows Center Parcs to acquire approximately **1,000 acres of land in the Scottish Borders**, between Hawick and Selkirk, on a long lease subject to obtaining planning permission for a holiday village on the site.

- Over the coming months, Center Parcs will begin to engage with local stakeholders and **commence pre-planning works** with a view to submitting a planning application to the relevant local authority.

- Further updates will be provided as part of the usual periodic reporting.

Seventh village option agreement signed

Section 7: Summary

Summary

- The business is expected to **continue to grow** for the full year FY25.
- **High occupancy, high guest satisfaction scores** and growth in on village spend continues.
- **Costs are well under control** with a key focus on sustainable savings that do not impact the guest experience.
- **Strong cashflow** has continued despite higher interest costs.
- **ESG remains at the heart** of everything we do in the Forest.
- The Core business continues to deliver growth and **strategically we are well placed for the future**.

Center Parcs continues to demonstrate robust and resilient performance with strategic growth opportunities

Financial calendar and contacts

Financial calendar

- February 25 – FY25 Quarter 3 results for the 36 weeks ended 26 December 24
- Early Summer 25 – FY25 Quarter 4 results for the 53 weeks to 24 April 25.

Contacts

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